



**public enterprises**

Department:  
Public Enterprises  
REPUBLIC OF SOUTH AFRICA

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**REQUEST FOR PROPOSALS (RFP)**

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**REQUEST FOR PROPOSALS (RFP)  
APPOINTMENT OF SERVICE PROVIDER TO CONDUCT EXTERNAL QUALITY  
ASSURANCE ASSESSMENT OF THE INTERNAL AUDIT ACTIVITY FOR THE  
PERIOD OF THREE (3) MONTHS**

**CLOSING DATE: 26 JANUARY 2022**

**TIME: 16H00**

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Commented [SM1]: Insert new time

## **1. BACKGROUND**

The Department of Public Enterprises is the shareholder representative for Government with oversight responsibility over seven State Owned Companies (SOC) that operate in core sectors of the economy such as mining, defence, energy, logistics, aviation and forestry.

The SOC in the DPE portfolio are namely: Eskom, Transnet, Denel, South African Airways (SAA), South African Forestry Company Limited (SAFCOL), Alexkor and SA Express.

These SOCs play a key role in enabling economic growth, creating jobs and promoting the industrialisation and the transformation of the economy. The Department is the primary interface between Government and the SOCs concerned and, in addition to oversight, provides input to the formulation of policy, legislation and regulation.

## **2. OUR VISION**

To create an enabling environment in which SOCs add real economic value by focusing on operational excellence, commercial viability, and fiscal prudence. This will drive developmental objectives, industrialization, job creation and skills development.

## **3. OUR MISSION**

To provide clear strategic direction and oversight to the Department's SOCs, seeking to ensure that:

- They are financially sustainable, adequately funded and operationally robust.
- Their operating models keep pace with global development and innovation.
- They provide reliable, high-quality and cost-effective services and infrastructure to industry and our citizens.
- They secure investment and funding for strategic industrial development; and they align with national developmental objectives.

## **4. PURPOSE**

To appoint a service provider to conduct an external quality assurance assessment of the Internal Audit Activity of the Department of Public Enterprises for three (3) months period

## **5. BACKGROUND AND OBJECTIVE**

- 5.1. As part of the Department's corporate governance arrangements, all components, and processes of the DPE are subjected to Internal Auditing on a cyclical basis. For purposes of conducting these internal audits, the DPE has established an Internal Audit unit under the guidance and direction of an Audit & Risk Committee in accordance with the relevant provisions of the Public Finance Management Act and Treasury Regulations.
- 5.2. The Internal Audit Activity endeavours to conduct its activities in accordance with the International Standards of Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.
- 5.3. The International Standard for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA Standards) require external quality assurance assessments of the internal audit unit to be conducted at least once in every five (5) years by a qualified, independent reviewer or review team from outside the organisation.
- 5.4. Due to changes in the Internal Audit Activity no documentation could be obtained to substantiate when the last QA was performed. On completion of the external assessment, the review team should issue a formal report containing an opinion on the level of the Internal Audits conformance with the International Standards of Professional Practice and adherence of the Internal Auditors with the IIA Code of Ethics. The CAE in consultation with the Acting Director-General must prepare a written action plan in response to the comments and recommendations in the QA report.

## **6. ASSESSMENT METHODOLOGY**

- 6.1. Assess the Internal Audit in conformance to the Standards, the Code of Ethics and the definition of Internal Auditing;
- 6.2. Assess the effectiveness of Internal Audit unit in providing assurance and advisory services to the Internal Oversight Committee (i.e. Audit & Risk Committee, Audit Steering Committee, Executive Management (EXCO) and other interested parties.
- 6.3. Identify opportunities, offer recommendations for improvement, and provide counsel to the Chief Audit Executive, and staff for improving

their performance and services and promoting the image and credibility of Internal Audit.

- 6.4. To accomplish the objectives, the Quality Assurance service provider team must review information prepared by Internal Audit, conduct interviews with selected key stakeholders to Internal Audit, review a sample of audit projects and associated work papers and reports, review benchmark and survey data, and prepared diagnostic tools consistent with the methodology established for QA review in the **IIA Quality Assessment Manual**.

## **7. TERMS OF REFERENCE / SCOPE OF WORK**

- 7.1. The successful service provider will be required to conduct and render QA services to the Department in accordance with the IIA QA Manual;
- 7.2. The successful service provider will be expected to follow and conduct themselves in accordance with the Code of Conduct as prescribed by the IIA;
- 7.3. All the deployed QA review team will be subjected to the Police Clearance process of the Department before awarding of the contract;
- 7.4. Service Providers must make an undertaking that they will be fully responsible should their quality assurance assessment professionals disclose any information accessed whilst performing the assessment within the Department. A written statement must be provided to this effect, and submitted with the response documentation;
- 7.5. It is expected that the service provider will indicate the cost of the total deliverables of the project as reflected in the Scope of Work. The service provider is to submit an all-inclusive price, with a breakdown of costs for each line item for the duration of the assignment;
- 7.6. The duration of the project will be agreed on the signing of the contract and the service level agreement. The agreement will make provision for penalties in instances of below standard service being rendered by the service provider;
- 7.7. A contract regarding the assessment must be signed between the Department and the service provider, the contract will include the terms, conditions, requirements as per the terms of reference, and any other information used to evaluate the response. The contract terms, conditions and requirements will not be negotiable;

- 7.8. Service provider will also be required to sign a confidentiality agreement which will be included in the contract to be signed; and .
- 7.9. Successful service provider will perform the QA at the Head Officer only, no travelling will be required.

## **8. DELIVERABLES**

- 8.1. Below are the minimum requirements that must be met in order to be considered for appointment as a service provider:

- a) Independent external quality assessment report in line with the IIA QA Manual scope and in compliance with the relevant IIA(SA) Standards on performance of external quality assessment;
- b) External quality assessment working paper file;
- c) Willingly provide dedicated time to DPE and deploying experienced quality assurance assessment team to be based at DPE for the duration of the project;
- d) Gather proper understanding of the DPE systems and processes for the purpose of external quality assurance assessment;
- e) Timing of quality assurance assessment. All work must be conducted and carried out in line with the approved response by the service provider;

### **8.2. Quality assurance assessment**

- 8.2.1. Service provider must ensure that all work *conforms* to the IIA standards and such work shall be subjected to an external quality assurance assessment as may be considered necessary;
- 8.2.2. The process should end by producing external quality assessment report outlining the findings of the assessment, including;
  - a) An outline of the methodology to be used to conduct the external quality assessment; and
  - b) Make recommendations on the possible actions that need to be taken to correct the weaknesses identified.
  - c) Provide a quality improvement plan/programme.

### **8.3. Independence and objectivity of the assessment team**

- 8.3.1. In carrying out the work, service provider shall ensure that the team maintains their objectivity by remaining independent of activities they access.

#### **8.4. Reporting**

- 8.4.1. The External Quality Assessment exercise is confidential, with the results provided to the CAE;
- 8.4.2. Upon completion of the assignment, a draft report shall be submitted to the CAE, within 20 working days after fieldwork;
- 8.4.3. The report will be finalised within 15 working days following comments received from the CAE;
- 8.4.4. In accordance with the IIA standards, the CAE will submit a final External Quality Assurance Assessment Report to the Acting Director-General and the Chairperson of the Audit & Risk Committee. A summary thereof will be shared with Auditor-General.

#### **8.5. Continuity and profile of Assessment Team**

- 8.5.1. Service provider must guarantee the availability of the relevant staff throughout the duration of the allocated engagement, unless agreed otherwise with the Chief Audit Executive; and
- 8.5.2. The service provider must not bill DPE for any unproductive or duplicated time spent on the assignment, for any reason, including as a result of staff changes.

### **9. PROJECT DURATION**

- 9.1. The project's duration is three (3) months, and the Department reserves the right to assess and review performance as it deems fit and to terminate it subject to contractual performance.

### **10. EVALUATION CRITERIA**

- 10.1. In order to facilitate a transparent selection process that allows equal opportunity to all bidders, DPE has a Supply Chain Management policy that will be adhered to. Proposals will be evaluated in terms of the prevailing Supply Chain Management Request for Quotations policy applicable to DPE and it should be noted that proposals will be evaluated in two (2) phases namely, Mandatory evaluation and Price (R1 000 000) and B-BBEE using the 80/20 formula (preference points system) as per the PPPFA 2017 Regulations.

### 10.1.1. Phase I: Mandatory Evaluation

Bidders who comply with **all the mandatory requirements** will qualify to Phase II, Price (up to R1000 000) and B-BBEE Level contributor

**Table 1- Mandatory Evaluation**

NO	DESCRIPTION	COMPLY	NOT COMPLY	COMMENTS
a)	B-BBEE Level 1-4			
b)	<b>Organisational experience and capability</b> Demonstrate organisational capability to execute the project, including: <ul style="list-style-type: none"> <li>• Minimum of ten (10) years demonstrated experience in executing similar assignments in Public and Private sector.</li> <li>• Company Accreditation by SAICA or Institute of Internal Auditors (IIA) or the Institute of Public Finance and Auditing (IPFA)</li> </ul>			
c)	Company Executed Internal Audit Quality Assurance Assessment Services ( <b>Minimum of eight (8) Quality Assurance Assessments performed</b> ) Attach signed evidence.			
d)	<b>Capacity and experience of a key personnel and the Project Leader.</b> <ul style="list-style-type: none"> <li>• Project leader who will be the lead advisor to the Department must demonstrate requisite knowledge and experience in Internal Audit Quality Assurance with at least ten (10) years' experience and CIA &amp; Certificate in Control Self-Assessment (CCSA) with eight (8) client's assessments. Attach recent CVs and certified copies of</li> </ul>			

	<p>Qualifications not older than three (3) months.</p> <ul style="list-style-type: none"> <li>Minimum two (2) and maximum four (4) team members that will form part of the project must be submitted together with the proposal with at least five (5) years' experiences with Certificate in Control Self-Assessment (CCSA). Attach recent CVs and certified copies of Qualifications not older than three (3) months.</li> </ul>			
e)	<p><b>Approach, Methodology and Project Plan</b></p> <ul style="list-style-type: none"> <li>Detailed approach, methodology and process to be adopted in the project.</li> <li>Project Plan to be linked to the deliverables and output</li> </ul>			
f)	<p><b>Minimum of five (5) relevant, list of contactable client references from similar previous projects done must be submitted.</b></p>			

#### **10.1.2. Phase II : Price and B-BBEE**

- Bidder must complete the pricing schedule attached as **Annexure A**
- The average rate price for each services costed will be utilized to determine the bid price.
- PFMA SCM INSTRUCTION 02 OF 2021/22** threshold for the RFQ is **R1 000 000 with effect from 01 August 2021**
- The evaluation for Price (R1 000 000) and B-BBEE shall be based on the 80/20 PPPFA Principle and the points for evaluation criteria are as follows:

**Table 3- Price and B-BBEE**

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
Price	Detailed budget breakdown	80
B-BBEE (Status Level Verification Certificate)	B-BBEE Level Contributor	20
<b>TOTAL</b>		<b>100</b>



## **11. INSTRUCTIONS TO BIDDERS**

### **11.1. Terms and Conditions**

- a) DPE reserves, under exceptional circumstances, the rights to extend the closing date. All proposals and all subsequent information received from bidders will not be returned.
- b) The adjudication process does not represent a commitment on the part of the DPE to proceed further with that proposal or of any other bidder.

### **11.2. Changes to this RFQ document**

- a) DPE reserves the right to make changes on this RFQ Document. All changes will be communicated to those bidders that have responded to the RFQ/ RFP. No reliance shall be placed on other information or comment from any other person.

### **11.3. Confidentiality**

- a) Any information relating to the submissions, through the process or otherwise shall be treated in strict confidence.

### **11.4. Other matters**

- a) DPE reserves the right not to enter into any relationship and no correspondence pertaining to submissions will be entered into.
- b) If DPE does not accept any proposal, it will declare this RFQ/ RFP call process closed and may then elect to:
  - Proceed on a completely different basis; and
  - Not to appoint any respondent in the event it deems proposals not appropriate.
- c) DPE will not accept any responsibility for costs incurred by bidders in preparing and submitting proposals.
- d) DPE reserves the right to engage in processes to validate all claims made in the proposal.
- e) DPE reserves the right to cancel the award if it is determined that the supplier/service provider recommended for award, has engaged in corrupt or

fraudulent activities in competing for the contract in question. For the purposes of this RFQ/ RFP, "fraudulent practice" means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the accounting officer/authority and includes collusive practices among bidders/contractors (prior to or after submission of proposals) designed to establish prices at artificial, non-competitive levels and to deprive the accounting officer/authority of the benefits of free and open competition.

## **12. PAYMENT STRUCTURE**

- 12.1. DPE undertakes to pay in full within thirty (30) days, all valid claims for work done to its satisfaction upon presentation of a substantiated claim/invoice.
- 12.2. Payments will only be made based on the work completed (milestones/ deliverables) as per the project implementation plan to be agreed at the inception of the project.

## **13. GENERAL**

Below are compulsory requirements for this service:

- 13.1. It is important to note that the successful bidder will work under the supervision of a DPE representative, abide by DPE's Code of Conduct, and other organizational guidelines.
- 13.2. Kindly submit the following document:
  - a) Valid B-BBEE Level of contribution or Sworn Affidavit Certificate issued by the following agencies SANAS, IRBA or CCA (Failure to attach certificate will lead to non- allocation of points)
  - b) Proof that tax matters with SARS are in order (SARS Pin Number/ Tax Clearance Certificate)
  - c) National Treasury Central Supplier Database Report (CSD)
  - d) Completed and signed SBD forms

## **14. CONTACT DETAILS FOR INFORMATION**

- 14.1. Further information regarding technical matters can be sent via email to [Skhulile.Mthethwa@dpe.gov.za](mailto:Skhulile.Mthethwa@dpe.gov.za) or tel: 012 431 1172.
- 14.2. For information regarding supply chain matters, questions can be sent via email to: [quotations@dpe.gov.za](mailto:quotations@dpe.gov.za) or at tel: 012 431 1001.

## **15. SUBMISSIONS OF PROPOSALS**

15.1. Proposals should be submitted on or before the **26 January 2021** by no later than **16h00** to the following email address:  
[quotations@dpe.gov.za](mailto:quotations@dpe.gov.za)

15.2. The selection of the qualifying bid/quotations will be at Department of Public Enterprise's sole discretion. Department of Public Enterprise does not bind itself to accept any bid/quotations and reserves the right not to appoint the bidder.

## ANNEXURE A

### PRICING SCHEDULE

#### (Professional Services)

Note:

- 1 Bidder must complete the pricing as per the table below and **failure will lead to disqualification**
- 2 **The Bidder who fails to quote as per the price schedule will be disqualified.**
- 3 **No hidden costs will be accepted.**
- 4 All pricing will be according to the Scope of work
- 5 Line Prices are all **VAT EXCLUDING**, and **TOTAL PRICE** is **VAT INCLUSIVE**

Service line	Service Description name	Estimated Number of Hours	Hourly Rates	Unit Price	Total cost
1.	Review of documents				
2.	Independent External Quality Review/ assessment				
3.	Reporting and presentation				
4.	Project Leader Rates				
5.	Other Team Members Rates				
6.	Management Fee				
	<b>TOTAL EXCLUDING VAT</b>				
	<b>VAT</b>				
	<b>TOTAL INCLUSIVE VAT</b>				

## SBD 4

### DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
  - the bidder is employed by the state; and/or
  - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
  - 2.1 Full Name of bidder or his or her representative:  
.....
  - 2.2 Identity Number:  
.....
  - 2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>):  
.....
  - 2.4 Company Registration Number:  
.....
  - 2.5 Tax Reference Number:  
.....
  - 2.6 VAT Registration Number:  
.....
  - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

- 2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**
- 2.7.1 If so, furnish the following particulars:
- Name of person / director / trustee / shareholder/ member: .....
- Name of state institution at which you or the person connected to the bidder is employed : .....
- Position occupied in the state institution: .....
- Any other particulars: .....
- .....
- .....
- 2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**
- 2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**
- (Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.
- 2.7.2.2 If no, furnish reasons for non-submission of such proof:
- .....
- .....
- .....
- 2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**
- 2.8.1 If so, furnish particulars:
- .....
- .....
- .....
- 2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**
- 2.9.1 If so, furnish particulars.
- .....
- .....
- .....
- 2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1 If so, furnish particulars.

.....  
.....  
.....

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

YES/NO

2.11.1 If so, furnish particulars:

.....  
.....  
.....

**3 Full details of directors / trustees / members / shareholders.**

Full Name	Identity Number	Personal Reference Number	Tax Number	State Number	Employee / Persal

**4 DECLARATION**

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the ...80/20..... preference point system shall be applicable; or

b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
<b>PRICE</b>	
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.



## 2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. POINTS AWARDED FOR PRICE

### 3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

**A maximum of 80 or 90 points is allocated for price on the following basis:**

80/20

or

**90/10**

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

**Where**

**Ps** = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

**P<sub>min</sub>** = Price of lowest acceptable bid

#### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

## 5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

## 6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

## 7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted.....%

ii) The name of the sub-contractor.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are youth	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are women	<input type="checkbox"/>	<input type="checkbox"/>
Black people with disabilities	<input type="checkbox"/>	<input type="checkbox"/>
Black people living in rural or underdeveloped areas or townships	<input type="checkbox"/>	<input type="checkbox"/>
Cooperative owned by black people	<input type="checkbox"/>	<input type="checkbox"/>

Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....  
 .....  
 .....  
 .....  
 .....

**8.6 COMPANY CLASSIFICATION**

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a

fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

**WITNESSES**

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME).....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION  
FORM IS TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,  
ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION  
PROVE TO BE FALSE.**

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

Js365bW

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid/price quotation:

---

(Bid Number/price quotation and Description)

in response to the invitation for the bid/price quotation made by:

**Department of Public Enterprises**

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid/price quotation, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid/price quotation in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid/price quotation invitation, based on their qualifications, abilities or experience; and



- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

#### **SBD 9**

6. The bidder has arrived at the accompanying bid/price quotation independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding/quote with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

**SBD 9**

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

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