

SCOPE OF WORK

THE APPOINTMENT OF A SERVICE PROVIDER FOR THE STANDARDISATION AND INTEGRATION OF RISK AND COMPLIANCE PROCESSES FOR CEF SOC LTD.

1. ABOUT CEF

CEF SOC Ltd is a Schedule 2 State Owned national energy utility entity with a focus on oil, gas, coal and renewable and clean energy options reporting to the Department of Mineral and Petrol Resources (DMPR) as its primary shareholder. The company derives its mandate from the Central Energy Fund Act No. 38 of 1977. The Act mandates CEF SOC Ltd to contribute to the national security of energy supply through commercial operations and projects, as well as investing in developmental projects, all the while operating in a highly competitive and capital-intensive environment with the need to be a profitable entity through its subsidiaries and associates. The dual mandate of Commercial and Developmental obligations requires a tight balancing act between the two imperatives given the strategic nature of the national assets that The Group holds, and its obligations as defined in the National Development Plan (NDP).

2. BACKGROUND

CEF Group recognises risk management as a systematic and formalised process to identify, assess, manage and monitor risks and therefore adopt a comprehensive approach to the management of risk and compliance. An entity-wide approach to risk and compliance management has been adopted by the CEF Group, which means that risk and compliance management processes within CEF Group must be aligned and integrated to support CF Group efforts towards achieving this objective. Equally, they must ensure compliance with relevant legislation, and fulfil the expectations of employees, communities and other stakeholders in terms of corporate governance.

3. PURPOSE OF THE PROJECT

The purpose is to appoint a service provider that will assist CEF Group with the standardisation and integration of enterprise risk and compliance management processes within the CEF Group to ensure that there is alignment and uniformity with our risk and compliance methodology, Frameworks and policies, reporting, risk tools and systems.

4. SPECIFICATION

4.1. SCOPE OF WORK

- Facilitate a well-structured enterprise- wide risk register mapping manual and standards for CEF Group.
- To assist with standardisation of risk management across all CEF subsidiaries
- To streamlined risk reporting, for consistent application of risk practices, and enhanced governance.
- By finalise the development and consolidation of a risk register capturing all strategic, operational, financial, and compliance risks across all Group.
- Facilitate consolidating the Group Compliance and monitoring management Report and develop common approach mechanism of escalation of non-compliances.
- Our intervention is to conduct a well-structured risk management workshop that outlines the risk management process flow in line with Enterprise Risk Management and BCP.
- Develop a comprehensive strategic risk register as well as formulation of BCP that will effectively and efficiently reduce or manage risk exposure to/within acceptable or tolerable levels for CEF.
- Develop a customised best practice Combined Assurance model and BSP.

4.2. Key deliverable objectives

- To develop common standards of consolidation of a risk register that covers capturing strategic, operational, financial, and compliance risks across all departments and subsidiaries of CEF Group
- Develop and implement manual and SOP for common standards application.
- Develop and implement common terms protocols for standardising risk management by implementing a Group-Wide Risk and Compliance formulars and pillars.
- To assist management to fully understand the risk management standards process flow
- To assist CEF to identify and develop structured ERM and combined assurance workshop sessions.
- To develop an effective and efficient risk management that ensures the achievement of the organisation's objectives
- Develop Risk maturity framework monitoring tools

- Develop BCP framework and tools

4.3. Expected Outcomes

- Define and apply concepts of enterprise risk management
- Identify the roles and responsibilities within an organization to implement enterprise risk management as an enterprise-wide function
- Understand the enterprise risk management framework and National Treasury requirements.
- Link risk management into strategic planning processes
- Learn how to implement an effective enterprise risk management program in an organization
- Use practical techniques to assess risks and record them.
- Understand how to monitor and evaluate an enterprise risk management program for improvement.
- Setting, review and finalisation of drafting of risk Management culture and maturity
- Align risk management policies, governance structures, and compliance frameworks across subsidiaries.
- Align and standardise risk registers at each subsidiary, ensuring alignment with CEF's enterprise-wide risk framework.
- Align and ensure subsidiaries integrate risk registers with BCP frameworks.
- Align and implement Combined Assurance framework to all subsidiaries, ensuring consistency in assurance activities.

Task Description	Facilitation Days	Outcome documents	Required activities	Output timelines
Risk management project: Comprehensive Strategic Risk Register, EMR workshop, and close-off report				
Risk management 1. Risk management process flow(ERM) 2. Strategic and operational Risk identification, assessment, control environment evaluation and monitoring and reporting 3. Combined assurance Model (3-5 lines of defence) 4. Review of Risk Maturity and Tools. 5. Training and Skill Transfer.	Sessions to enable and unlock development of common standards for unification. & Develop and implement manual and SOP.	1. Comprehensive Strategic Risk Register 2. Combined assurance Model. 3. Set and review of Risk Maturity and Tolerance. 4. Develop common manual and standards for integration 5. Train users of customised risk tools 6. Provider continuous support for implementation of common standards applications.	Facilitation, recording, consolidating and reviewing of risks standards and develop common standards required manual and tools for implementation and provider sessions for on boarding of new manual and standards.	Planning Session Risk Workshop: a) Facilitate a well-structured enterprise- wide risk register mapping manual and standards for CEF Group. b) To assist with standardisation of risk management across all CEF subsidiaries c) To streamlined risk reporting, for consistent application of risk practices, and enhanced governance. d) By finalise the development and consolidation of a risk register capturing all strategic, operational, financial, and compliance risks across all Group. e) Facilitate consolidating of the Group Compliance and monitoring management Report and also develop common approach mechanism of escalation of non-compliances. With purpose to deliver:- 1. Risk management methodology 2. Reporting 3. Combined assurance 4. Risk indicators

1. CONTRACT OBLIGATIONS

- This document will be annexed to the CEF contract with the service provider and will constitute the schedule of deliverables for the purposes of this project. The service provider's quotation must remain valid for a period of 90 days from the date of submission and be ***inclusive of VAT***. All prices indicated in the quotation must **remain fixed and firm for the period**.
- In the case of the service provider using sub-consultants, the former will be responsible for ensuring delivery of services from any such sub-consultants and for making any payments to such sub-consultants.

2. DISCLAIMER

CEF will not be liable for any incorrect or misleading information on pricing and in relation to any part of this document and reference documents thereto. No legal or other obligation shall arise between the service provider and CEF unless and until a formal award letter or contract has been signed by both parties.

3. FEES AND DISBURSEMENTS

- In relation to the above scope of workshops and sessions for a period of 12 Months, the service provide must provide fixed and firm fee offer that cover the above activities.
- The firm and fixed service fees must be linked to required services with specifies to hours to be offered and specialised personnel names and skill set to be tasked to the matter must be provided and the hourly rate specified for the duration of the service period.
- **Also be specific on the fee cap (excluding VAT and disbursements). Note only bids who submit a fixed fee/pricing offer inclusive off all anticipated consultants advisors to be required to deliver the overall task and associated disbursement will be deemed as a responsive bid.**

4. ASSUMPTIONS

Fee proposal MUST BE clear and specific and consider the following assumptions amongst others:

- The scope of work must be performed in full by the service provider unless otherwise directed by CEF;
- Hourly rate of all team member must be stated. It is assumed that the team will consist of Team lead and the Team lead must be specified and must have expertise as expected in the outline of the scope of work. Hours for any work to be completed must be set out of the scope and detailed.