

REQUEST FOR QUOTATION

RFQ 007-2023-24
 Enquiries: Itumeleng Likotsi
 Tel: 012 315 5572
 Email: rfp@gtac.gov.za

ATTENTION: PROSPECTIVE BIDDERS

RFQ 007-2023-24: PROVISION OF SERVICES TO THE JOBS FUND TO UNDERTAKE AN AGREED UPON PROCEDURES AUDIT OF THE SELECTED JOBS FUND PROJECT

The Professional Services Procurement (PSP) Unit within Government Technical Advisory Centre (GTAC) hereby invites credible suppliers to submit a quotation in response to the Terms of Reference attached hereto.

1. EVALUATION METHODOLOGY

1.1. The table below reflects the evaluation methodology for this Request for Quotation:

Evaluation Stage	Description
Stage 1: Administrative Compliance	Evaluation of documents cited in section 2 below. Documents must be submitted and duly completed and signed where required.
Stage 2: Mandatory requirements	Refer to attached Terms of Reference (TOR).
Stage 3: Functionality/Technical Evaluation	Refer to attached Terms of Reference (TOR).
Stage 4: Preferential Procurement Regulations 2022 (Price and Specific Goals)	80/20 Price and specific goals evaluation based on the Preferential Procurement Regulations 2022 - (refer to the SBD 6.1 for more detail).



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2. PHASE 1: ADMINISTRATIVE COMPLIANCE REQUIREMENTS

2.1. The following documents must be submitted for administrative compliance evaluation. Documents must be duly completed and signed (where applicable).

- a) SBD 1 - Invitation to Bid
- b) SBD 2 - Tax Clearance Certificate Requirements/ Updated CSD registration report/MAA number
- c) SBD 4 - Bidder's Disclosure
- d) SBD 6.1 - Preference points claim form in terms of the preferential procurement regulations 2022 if applicable.
- e) SBD 3.3 - Pricing Schedule
- f) ID copy of the Directors/ Shareholders for screening purposes
- g) Functionality/Technical response (Response to technical evaluation criteria cited in the TOR)

3. PHASE 2: MANDATORY REQUIREMENTS (REFER TO ATTACHED TOR)

- a) The audit firm should be a member of the Independent Regulatory Board for Auditors (IRBA) and members of the audit team should comprise of registered accounting and audit professionals with post-graduate qualifications in accounting and auditing.
- b) Failure to comply with this requirement will lead to automatic disqualification.
- c) The team is to be led by an audit manager with at least 7 years of experience in auditing as well as a team leader.

4. PHASE 3: FUNCTIONALITY EVALUATION (REFER TO ATTACHED TOR)

- 4.1. Bidders are required to submit a functionality/technical proposal in response to the technical evaluation criteria cited in the Terms of Reference.
- 4.2. Bidders are required to meet the minimum score of 70% for the desktop evaluation to be considered on stage 2 for Preferential Procurement Regulation (PPR) 2022.

5. PHASE 4: PRICE AND SPECIFIC GOALS EVALUATION BASED ON THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 - (REFER TO THE SBD 6.1 FOR MORE DETAILS)

5.1. 80/20 Preference Points Evaluation

- a. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of



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this tender the tenderer will be allocated points based on the goals stated in table 1 of SBD6.1 as may be supported by proof/ documentation stated in the conditions of this RFQ

- b. The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to (RFQ) R1 000 000 (all applicable taxes included).
- c. Points for this RFQ shall be allocated/awarded for:
- The bid price (maximum 80 points)
 - Specific goals (maximum 20 points) as allocated and specified on SBD 6.1 to claim points accordingly.

Number of points allocated (80/20 points system)	
Price	80
The specific goals allocated points in terms of this RFQ are as follows:	20
<u>Above 30% ownership for Historically Disadvantaged Individuals who had no franchise in national elections before the 1983 or 1993 Constitutions.</u>	<u>5</u>
<u>Women percentage of ownership: 30% and above</u>	<u>5</u>
<u>Disability percentage of ownership: 30% and above</u>	<u>5</u>
<u>Youth percentage of ownership: 30% and above</u>	<u>5</u>
Total Points	100

The CSD report shall be used as evidence to confirm/award points for Specific Goals. It is the responsibility of the bidding entity/bidder to ensure that the information on the CSD is updated and accurate. Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for Specific Goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

6. SUBMISSION REQUIREMENTS

6.1. The following requirements will apply:

- Price quotation must be provided separately on the SBD 3.3 provided.
- Price(s) quoted must be valid for sixty (60) days from date of offer.
- Total cost must be inclusive of all applicable taxes (if no indication is given, quoted prices will be evaluated as all applicable taxes inclusive).
- Price (s) quoted must be within the RFQ threshold of R1 000 000.00 to be compliant and valid.
- Late or incomplete submissions will not be accepted. Failure to comply with these condition will invalidate your proposal.



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6.2. The bidder should ensure that the following submission requirements are included in the submission with the quotation:

- a. Duly completed and signed Standard Bidding Documents (SBD) forms: (SBD 1, SBD 2, SBD 3.3, SBD 4 and 6.1), bidders are to make sure that they fully complete SBDs.

NB: Bidders will be disqualified if any of the SBD 4 form is not submitted or found not to be true and complete in every respect.

- b. CSD registration report and Pin number.

7. SUBMISSION DETAILS AND CLARIFICATION

Submissions must be sent to: rfp@gtac.gov.za by **14:00 on 13 September 2023**.

Professional Services Procurement (PSP): GTAC will evaluate proposals in accordance with the evaluation methodology cited on per 1.1 above but is neither legally bound nor obligated to accept quoted rates and further reserves the right to negotiate professional rates around any quotation before the award of this RFQ.

Any clarification regarding this invitation or the Terms of Reference must be addressed to the aforementioned e-mail address.

Yours sincerely



Aletta Mbuyane

Professional Services Procurement: Acquisition and Sourcing

Date: 29 August 2023



PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)							
BID NUMBER:	RFQ 007 2023-24	CLOSING DATE:	13 September 2023		CLOSING TIME:	14h00	
DESCRIPTION	PROVISION OF SERVICES TO THE JOBS FUND TO UNDERTAKE AN AUDIT OF THE SELECTED JOBS FUND PROJECT						
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)							
NOT APPLICABLE							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON	Aletta Mbuyane			CONTACT PERSON	Aletta Mbuyane		
TELEPHONE NUMBER	012 315 5867			TELEPHONE NUMBER	012 315 5867		
FACSIMILE NUMBER	-			FACSIMILE NUMBER	-		
E-MAIL ADDRESS	rfp@gtac.gov.za			E-MAIL ADDRESS	rfp@gtac.gov.za		
SUPPLIER INFORMATION							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER	CODE			NUMBER			
CELLPHONE NUMBER							
FACSIMILE NUMBER	CODE			NUMBER			
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA		
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]		
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS							
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?					<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?					<input type="checkbox"/> YES <input type="checkbox"/> NO		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.							

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

Application for a Tax Clearance Certificate

Purpose

Select the applicable optionTenders ☐ Good standing ☐

If "Good standing", please state the purpose of this application

Particulars of applicant

Name/Legal name (Initials & Surname or registered name)			
Trading name (if applicable)			
ID/Passport no		Company/Close Corp. registered no	
Income Tax ref no		PAYE ref no	7
VAT registration no	4	SDL ref no	L
Customs code		UIF ref no	U
Telephone no	CODE - NUMBER	Fax no	CODE - NUMBER
E-mail address			
Physical address			
Postal address			

Particulars of representative (Public Officer/Trustee/Partner)

Surname			
First names			
ID/Passport no		Income Tax ref no	
Telephone no	CODE - NUMBER	Fax no	CODE - NUMBER
E-mail address			
Physical address			

Tender number	<input type="text"/>
Estimated Tender amount	R <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/>
Expected duration of the tender	<input type="text"/> <input type="text"/> <input type="text"/> year(s)
Particulars of the 3 largest contracts previously awarded	
Date started	Date finalised
Principal	Contact person
Telephone number	Amount

Are you currently aware of any Audit investigation against you/the company?.....

If "YES" provide details

YES	NO
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I the undersigned confirm that I require a Tax Clearance Certificate in respect of or .

I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

- -

Date

Name of representative/agent

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

C

C

Y

Y

—

M

M

—

D

D

Date

Name of applicant/
Public Officer

1. It is a serious offence to make a false declaration.
2. Section 75 of the Income Tax Act, 1962, states: Any person who
 - (a) fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - (b) without just cause shown by him, refuses or neglects to-
 - (i) furnish, produce or make available any information, documents or things;
 - (ii) reply to or answer truly and fully, any questions put to him ...As and when required in terms of this Act ... shall be guilty of an offence ...
3. **SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
4. Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

PRICING SCHEDULE

(Professional Services)

NAME OF BIDDER: RFQ 007-2023-24

CLOSING TIME 14:00 PM ON 13 SEPTEMBER 2023

OFFER TO BE VALID FOR 60 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF **ALL APPLICABLE TAXES
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RFQ 007-2023-24: PROVISION OF SERVICES TO THE JOBS FUND TO UNDERTAKE AN AUDIT OF THE SELECTED JOBS FUND PROJECT.

1. The financial proposal for this RFQ should cover for all project activities as per attached Terms of Reference (ToR) including the potential disbursements.

Total project costs for the entire duration: R _____ (**All applicable taxes)

2. Bidders must also submit a detailed breakdown costs as highlighted on the TOR.

3. Period required for commencement with project after acceptance of bid _____

4. Are you a VAT vendor? Yes/No

5. Are the rates quoted firm for the full period? Yes/No

6. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

Any enquiries regarding this Request for Quotation (RFQ) procedures may be directed to: rfp@gtac.gov.za

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

- 2.2 Do you, or any person connected with the bidder, have a relationship

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

I, _____ the _____ undersigned,
 (name)..... in
 submitting the accompanying bid, do hereby make the following
 statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

² 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.

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature	Date
.....
Position	Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

1.2 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 80/20 preference point system.

1.3 Points for this tender shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
 - (a) an invitation for tender for income-generating contracts, that either the 80/20 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Price	80	
The specific goals allocated points in terms of this tender.	20	
Above 30% ownership for Historically Disadvantaged Individuals who had no franchise in national elections before the 1983 and/or 1993 Constitutions.	5	
Women percentage of ownership: 30% and Above	5	
Disability percentage of ownership: 30% and above	5	
Youth percentage of ownership: 30% and above	5	
Total Points.	100	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
 - ☐ One-person business/sole propriety
 - ☐ Close corporation
 - ☐ Public Company
 - ☐ Personal Liability Company
 - ☐ (Pty) Limited
 - ☐ Non-Profit Company
 - ☐ State Owned Company
- [TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

	SIGNATURE(S) OF TENDERER(S)
SURNAME AND NAME:
DATE:
ADDRESS:



TERMS OF REFERENCE

For the Provision of Services to the Jobs Fund to Undertake an Agreed upon procedures audit of the selected Jobs Fund Project

BACKGROUND INFORMATION

Programme Identification

Name of Client	Jobs Fund
Name of Sub-Project	Agreed Upon Procedures Audit of the selected Jobs Fund Project
Project Reference Number	PN558
Contracting Authority	Government Technical Advisory Centre
Accountable Officer	Ms. Najwah Allie-Edries
Project Purpose	Provision of Services to the Jobs Fund to Undertake an Agreed upon procedures audit of the selected Jobs Fund Project

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I. APPENDIX I: Template for CV for Lead auditor

1 BACKGROUND INFORMATION

1.1 Introduction

The President launched the Jobs Fund (JF) during the State of the Nation Address on the 10th of February 2011. The objective of the Jobs Fund is to co-finance innovative public and private sector initiatives that will significantly contribute to job creation. The Jobs Fund operates on challenge fund principles and acts as a catalyst for innovation and investment in new ways of working that directly contribute to long-term sustainable employment creation.

The Jobs Fund aims to stimulate good ideas, risk-taking, and investment to discover new ways of working, where the costs and risks may be unknown, and where the pro-poor impact, principally in the form of sustainable job creation, may be significantly larger than with conventional approaches. The Minister of Finance is the Executive Authority for the Jobs Fund and retains ultimate responsibility for the operation of the fund.

The Jobs Fund is implemented by the Government Technical Advisory Centre (GTAC), an agency of the National Treasury (NT).

As the funder, National Treasury:

- Has ownership of the fund.
- Provides oversight and strategic direction of the fund.
- Is responsible for high-level coordination of government-level input regarding the fund.
- Has fiduciary responsibility for the fund.
- Controls and ensures the proper financial management of the fund; and
- Ensures performance against the objectives of the fund.

This oversight is exercised through the Jobs Fund Project Management Office (PMO).

1.2 Purpose of the Funding

The Jobs Fund aims to act as a catalyst for innovation and investment in new ways of working that directly contribute to long-term sustainable employment creation. Specifically, the Fund aims to:

- *Support self-sustainable job creation initiatives* and improve the employment prospects especially of young people.
- *Support innovative approaches to job creation* and promote opportunities that lead to the long-term improvement of the employment prospects of the unemployed including a focus on:
 - Local economic development and the spatial integration of fragmented urban areas
 - Skills development, productivity enhancement and enterprise growth, particularly in sectors with significant employment potential
 - Rural development and improving linkages between rural communities and urban markets.
 - Creating stronger economic links between small enterprise suppliers and large firms and market opportunities

- Building stronger cooperation between public and private sector development partners.

The Jobs Fund co-finances successful project proposals from the private and public sector as well as civil society organisations to optimise the outcome and developmental return on its investment. The Jobs Fund identified five broad funding windows (focus areas for potential projects) in its first fifth calls for proposals:

- Enterprise Development — for investments in new business models, product development, local procurement, marketing support, equipment upgrading, or enterprise franchising designed to broaden access to economic opportunities and job creation.
- Infrastructure Investment — for local infrastructure investment projects such as light manufacturing enterprise zones, local market and business hub facilities, critical transport and communication links and upgrading of infrastructure services, which directly enable enhanced investment and job creation.
- Support for Work Seekers — for programmes with a particular focus on unemployed youth such as job search projects, training activities and support for career guidance and placement services.
- Institutional Capacity Building — for projects aimed at strengthening institutions through which jobs are created.

1.3 Purpose of the Agreed upon procedures audit assignment.

The funds made available through the Jobs Fund is a specific purpose grant to achieve clearly defined employment and learning outcomes in respect of the financial management of the framework. The Fund on an annual basis conducts Agreed upon procedures audits on selected Jobs Fund Projects.

The purpose of this Terms of Reference is to set out the audit capacity required as well as key activities involved in undertaking an Agreed upon procedures audit of the selected Jobs Fund Project.

2 OBJECTIVES OF THE SERVICES TO BE PROVIDED

2.1 General Objective

The overall objective of this assignment is to undertake an independent Agreed upon procedures audit of the selected project funded by the Jobs Fund.

2.2 Specific objectives

Specific objectives under this assignment include the following:

- Assessing compliance with respect to the requirements as set out in the grant agreement and addenda: meeting matched funding and income commitments; and upholding and enforcing project-related agreements (such as off-take agreements, partnership

agreements, etc.).

- Assessment of existing systems for risk management, the control framework, and governance processes including adequacy of the accounting and financial operations and reporting systems.
- Assessing whether the accounts are true and fair. This means that an examination is made of annual accounts or other types of reports that have been drawn up based on all projects related accounts and their underlying supporting documents. Not only should the accounts fairly represent the use of funds, but also the project's reported finances on the Grant Management System must correspond with these accounts.
- Assessing implementation against plans, in particular, expenditure should be assessed against the intended use to identify financial irregularities and implementation activities should be assessed against the project plan.
- Verifying participation of beneficiaries in the project program and benefits derived from the project activities against the project plan and supporting documentation by interacting with beneficiaries.
- Verifying reported achievements against the project plan and documenting the extent of the completeness of the portfolio of evidence.
- Identify the indicators of fraud or irregularities that may have occurred and inform JF management as soon as auditors become aware of them.
- Probe any related party transactions with funding and transactional partners for competitiveness and transparency.
- Investigate and confirm if Matched Funding is not being repaid back to Matched Funding Partners during implementation. That Matched funding is not being brought into the project through the project bank accounts and being taken out through related party beneficiaries, service providers and any other means and being brought back again and misrepresented as additional Matched Funding.
- Investigate and confirm whether none of the beneficiaries are related parties of the JFP.
- Investigate and confirm whether all loans have been serviced with interest and loan repayments being paid into the designated and approved JF Project Bank Account and not to the JFP's Corporate bank accounts.
- Investigate and confirm that transactions between the JF Partner, beneficiaries, service providers were conducted through a competitive process and that these beneficiaries and service providers are not related parties of the JFP at arm's length.
- Seek to confirm through the (physically) stamped Bank Statements sourced directly from the bank that all transactions are correct and are free from fraud and error.

3 ASSUMPTIONS AND RISKS

3.1 Assumptions

The auditor will be given access to all legal documents, correspondence, and any other information associated with the project and deemed necessary by the auditor.

It is necessary that the auditor becomes familiar with the Jobs Fund Frameworks.

3.2 Risks

Key risks that warrant noting are the following:

- Risk of non-cooperation by Jobs Fund Partners in assisting with access to documentation and information.
- Loss of institutional memory within the Jobs Fund PMO; and
- Inadequate record keeping and maintenance of systems by Jobs Fund Partners.
- Material non-compliance, errors or irregularities, fraud

Based on the information received during the planning phase of the engagement, including the auditors own risk assessment, the auditors shall determine the type and scope of audit procedures to mitigate the significant risks. Accordingly, auditors must define and carry out suitable agreed upon procedures audit tasks to obtain an overview of the aforementioned aspects before assessing the individual Agreed upon procedures audit findings and reaching a final independent decision on the audit engagement. Unless otherwise stated sample sizes are to be determined by the auditor's own risk assessment and sampling models to a 95% confidence level.

4 SCOPE OF THE SERVICES TO BE PROVIDED

The scope of Agreed upon procedures audit services shall cover factual findings through the verification of validity, accuracy and completeness of financial information prepared by the Jobs Fund Partner, as well as the verification of the reported achievements against the contracted indicators and the implementation of the project in accordance with the grant agreement.

The Agreed upon procedures audit work should include the review of:

- Background documentation on the project – the original project application form, the project appraisal, Investment Committee approval and due diligence.
- The project's contract documentation includes the Grant Agreement, Funding agreements, and partnership agreements with Implementing Agents/ key service providers.
- The project's planning documentation – project results chain and implementation plan (PIMP) and project activity-based budget.
- The project's quarterly progress reports, annual factual findings reports and completion reports (if applicable) and all relevant supporting documentation.
- The project's documentation evidencing adherence to selection criteria, support provided and subsequent monitoring and evaluation of project beneficiaries.

- Project-related accounts, invoices and supporting documents (asset register, loan book, etc.).
- Project's portfolio of evidence including employment contracts, letters of employment, affidavits, timesheets, management accounts, training certificates, and letters of completion.
- Key correspondence between the Jobs Fund and Jobs Fund Partners including correspondence relating to non-compliance, breach, and remedial plans.
- Jobs Fund Operating Guidelines, indicator definitions, protocols, proxy definitions and usage.

Fraud detection and investigation

- JF management has a responsibility to establish and maintain an effective control system at a reasonable cost to prevent potential fraud, however the auditor should have sufficient knowledge to identify the indicators of fraud but is not expected to have the expertise of a person whose primary responsibility is detecting and investigating fraud.

The objective of the auditor in detecting fraud is to assist the JF to effectively discharge of their responsibilities by furnishing them with analyses, appraisals, recommendations, counsel, and information concerning the activities reviewed. In performing their work, the auditor should be aware of the possibility that fraud or irregularities may have occurred.

- The auditor should independently appraise, examine, and evaluate the activities and inform the JF of any material control weaknesses, material non-compliance situations, material errors or irregularities, or fraud that come to their attention as soon as they become aware of them.

The above should be considered in the context of the Jobs Fund Frameworks. To this effect, the scope of the Agreed upon procedures audit shall cover the following areas as they are performed at the level of the project:

4.1 Audit areas

The areas to be covered in the audit are specified below for the period from the inception date of the project to 30 June 2023; and will include both a financial and performance audit in terms of the ISAE 3000 and ISRS 4400 standards.

4.1.1 Adherence to key contractual obligations for project success

The Agreed upon procedures audit work shall test the extent to which the Jobs Fund Partner has adhered to or implemented key project-related agreements (such as the grant agreement (including the Activity Based Costing Project Implementation Plan (ABC PIMP)), off-take agreements, partnership agreements, loan agreements, beneficiary agreements) that are critical to the success of the project and its outcomes. This should include ascertaining whether:

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- The project maintained the original project plan or is following an authorised remedial project plan, approved by the Jobs Fund, confirming that the key elements of the project plan present including but not limited to:
 - staffing requirements.
 - timelines.
 - appropriate risk management.
 - critical success criteria (i.e., if the project meets these, then it should meet its goals).
- All the relevant stakeholders have been identified and notified of the change of project plan i.e., is there clear communication of the new scope, objectives, costs benefits and impacts.
- There is a stakeholder management plan in place. The project accountabilities and responsibilities have been clearly defined.

4.1.2 Governance

- The agreed upon procedures audit work should confirm that there are appropriate internal controls, management mechanisms, and data systems in place for recording and reporting project financials, performance and results that can be evidenced. Any serious weaknesses, data misrepresentations or unplanned expenditure, fraud or irregularities discovered during the normal course of agreed upon procedures audit work should be reported on.
- Review the status and actions of previous audit findings, if applicable, and recommendations.

4.1.3 Matched funding

The agreed upon procedures audit work shall cover the fulfilment of the matched funding requirement:

- Verifying the deposit and use of matched funding in project bank account(s) exclusively for the project in line with the project bank statement.
- Physical verification, review of the audit trail and confirmation of actual in-kind contributions to the project.
- Verifying compliance with matched funding loan agreements where project funding is obtained through loans.
- Verification of matched funding to loan agreements, drawdown statements and invoices where applicable.

4.1.4 Financial Management

The agreed upon procedures audit work shall cover the adequacy of the accounting, financial operations, and reporting systems. This specifically includes:

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- Testing the existence and management of separate project bank accounts in accordance with the Jobs Fund Operating Guidelines.
 - Testing that Jobs Fund Partners have sound controls, processes, structures, and governance mechanisms to safeguard funds awarded as per the Jobs Fund Grant Agreement.
 - Testing the proper recording of all financial transactions in the Jobs Fund Partner's financial system, expenditure reports on the GMS correspond with the project's accounts, and any differences are properly explained and accounted for.
 - Testing that payments made to Implementing Agents (IA) where applicable are verified by the Jobs Fund Partner for validity and accuracy and completeness before payment.
 - Validation of expenditure at implementing agent level. The Agreed upon procedures audit work will cover the review of expenditure incurred at implementing agent level to verify that all expenditure is in line with the contracted ABC PIMP.
 - Testing the validity, accuracy, and completeness of the transfers out of the project bank account to the Jobs Fund Partner's bank account as reimbursements for payments made out of the Jobs Fund Partner's company bank account on behalf of the project.
 - Testing and confirming that the reimbursements to the Jobs Fund Partner's bank account are approved by the Jobs Fund and that there are no duplications.
 - Testing the reasonability and accuracy of the allocation of shared costs between the Project, the Jobs Fund Partner and where applicable the Implementing Partner.
 - Testing that expenditure is evidenced with supporting documentation such as invoices, payroll information, purchase documentation and any supporting contracts and that there is no roundtripping of expenditures to bolster project expenses.
 - Documenting the basis, source, and use of other project income. For interest income from on lending, confirm that this is appropriately reinvested into the project, unless there is JF approval for a different arrangement. For loan repayments, confirm that this is not used as matched funding, but reinvested into the project in terms of the original intent.
 - Confirmation that any profit distribution from the project is in accordance with the Grant Agreement agreed with the Jobs Fund. Quantify the amount of surplus cash at the date of the closure of the project and apportion to funding sources.
- Determine the extent to which the Jobs Fund Partner is in a position to meet outstanding obligations.

4.1.5 Asset Management

The Agreed upon procedures audit work should test the extent of compliance with the Jobs Fund Operating Guidelines with respect to asset management. Specifically, the Agreed

upon procedures audit work shall verify:

- That any asset purchases and infrastructure developed for the purposes of project delivery is recorded in the project asset register (reports on the GMS correspond with the project's asset register).
- That assets are appropriately managed and maintained (i.e., that there are procedures for receipt, storage, repairs, and disposal).
- That transfer to third parties is effectively managed and disclosed and in line with the Jobs Fund Operating guidelines.
- Physical inspection of the location and condition of material assets.

4.1.6 Transfers

The agreed upon procedures audit work shall also cover transfers, loans and subsidies made by the Jobs Fund Partner to third parties and test:

- That these are made in accordance with the project plan and budget.
- That the intended beneficiary group is the actual beneficiary groups as specified in the Grant Agreement.
- That the terms and conditions agreed with the JF are adhered to.
- That all transfers are appropriately approved (there is a clear and transparent process and criteria with clear delegations) and managed (in terms of a signed agreement).
- That all related transactions (loan, extensions, bad debt write-offs, conversion to subsidies, capital repayments and interest paid) is properly recorded, reported on, or disclosed (on the GMS and any other relevant management reports).
- That these are appropriately tracked and accounted for by the Jobs Fund Partner and project beneficiaries.
- Review credit and write-off policies and test for adherence.

4.1.7 Third-party beneficiaries

- Third-party beneficiaries' selection in line with selection criteria approved by the Jobs Fund.
- The verification of actual source supporting documentation i.e., invoices and bank statements.
- Physical inspection of transferred assets to the beneficiaries and or analytical reviews to test the accuracy and validity of transfers. Enquiry with the beneficiary of their participation and the benefits derived from the project as reported and evidenced by the Jobs Fund Partner.
- Check that mentorship/ business development agreements are being adhered to.

4.1.8 Reimbursements:

The Agreed upon procedures audit work shall cover reimbursements made by the Jobs Fund Partner in cases where the Jobs Fund Partner invoices the project for expenses paid outside of the project bank account and test:

- The validity, accuracy, and completeness of the transfers from the project bank account to the Jobs Fund Partner's bank account as reimbursements for payments made out of Jobs Fund Partner's company bank account on behalf of the project.
- Financial information for payments from the project bank account to reimburse the expenditure outside of the project bank account. Agreed upon procedures audit work should also cover a review of procedures to ensure adequate internal controls around these transactions. All supporting documentation of the transactions must be reviewed for accuracy and validity in line with the contracted ABC PIMP.
- Reimbursements from the project bank account into corporate bank accounts are in line with the Jobs Fund Operating guidelines and JF approval on record.

4.1.9 Verification of Deliverables (Project outputs-jobs, trained beneficiaries, internships)

The Agreed upon procedures audit work shall cover testing of:

- The process to deliver such outputs/outcomes and how this process is documented.
- The controls in this process that allow for appropriate confirmation of delivery.
- How these outputs/outcomes are measured and whether the means of verification allows for confidence in the accuracy of reported achievements.
- Testing the completeness and reliability of the project's portfolio of evidence.
- How project outputs/outcomes are consolidated and reported and whether the collected portfolio of evidence supports the reported results.
- Whether the project resources are producing the planned results. For example, are the costs being incurred for training producing the planned number of trained beneficiaries? It is the Agreed upon procedures auditor's role to identify where the inputs are not producing the planned outputs/outcomes from a factual observation. The Jobs Fund Partner would be required to respond to these findings, with appropriate explanations.
- Although the definitions for each of the six Jobs Fund indicators are standard and the auditors are expected to familiarize themselves with these definitions, certain projects have implemented proxy measures for calculating progress against their contracted indicators:
 - They are used when direct measures of the outcome (e.g., an employment contract for a new permanent job) are unobservable and/or unavailable.
 - Proxy measures are most often used, in the context of the Jobs Fund, when measuring the point at which an entrepreneur becomes gainfully self-employed and can therefore be counted as a new permanent job.

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- The auditors are expected to take a sample of beneficiaries reported on the Jobs Fund Standard Schedule of Evidence list for each indicator and perform verification checks:
 - A random sample against each contracted programmed indicator is expected. The sample size is to be calculated by the service provider using a 95% confidence level¹ and beneficiaries are then to be randomly selected from the Standard Schedule of Evidence list.
- With regards to the verification process, the auditors will need to triangulate their checks by assessing 1) what was reported by the Jobs Fund Partners on the GMS, 2) what was reported on the Standard Schedule of Evidence list, and 3) the documentation contained within the portfolio of Tier 1 evidence:
 - Check that the reported indicator number on the GMS corresponds with the Standard Schedule of Evidence (100% sample in this case).
 - Check that the Standard Schedule of Evidence is complete (i.e., there is no missing data) [100% sample in this case].
 - Check for double counts in the Standard Schedule of Evidence and also check for double counts between Indicators 1, 2 & 3 (i.e., all the permanent jobs) [100% sample in this case].
 - Take a random sample of beneficiary names on the Standard Schedule of Evidence and check against the Tier-1 evidence available.

4.1.10 Reporting

Auditors are expected to perform procedures to assess the validity, accuracy, and completeness of the project's quarterly reporting information with specific focus on the key components of the SCOA budget: Own funding, outside source funding, loan financing, valuation of in-kind contributions, other project income, management costs, transfers, subsidies, compensation and goods and services as well as reported performance information against applicable performance indicators.

¹ This sampling methodology is used to determine the number of reported beneficiaries you need to verify in order to obtain results that may be generalised across the total reported number.

5 AUDIT SIZE

The project has a reported total expenditure of R173 473 188 against a target of R382 535 639 as of 31 March 2023. The project's main operations and records are located in Gauteng and is implemented, and has beneficiaries, across all provinces. The project is to undergo financial and performance procedures (ISAE 3000 & ISRS 4400).

Item	Description	Event	
1	Project Status	Implementation	
2.	Implementation Start Date	2 March 2020	
3.	Termination date	31 March 2024	
4.	Audit period	From the inception date of the project to 31 March 2023	
3.	Province/Reach	All provinces	
4.	Funding window	Enterprise Development	
		Total Contracted	Actual Inception to 30 June 2023
5.	Project expenditure	382 535 639	173 473 188
6.	Jobs Fund Grant	70 000 000	39 671 360
7.	Number of new permanent full-time positions/job	915	630
8.	No. of Trained Beneficiaries	141	182

6 EXPECTED OUTPUTS

The following outputs are expected under this assignment:

6.1 Factual findings report.

The auditors are responsible for elaborating all the factual findings made during the project audit and were possible an opinion. The audit finding should also include results of review of the detailed ledger including matters relating to the form, content, presentation, and disclosure of financial statements in accordance with applicable standards. The report format shall be in line with International Standards on Related Services (ISRS) 4400 (Revised). The factual findings report shall include, where applicable, estimates of the grant amount that should be considered for recoupment by the Jobs Fund. Sample sizes of tests conducted during the audit are to be incorporated in the report and referenced to recoupment calculations where appropriate. The report should include the analysis, appraisals, recommendations, and counsel concerning fraud indicators.

6.2 Management Letter

As part of the engagement, the auditors are expected to provide a detailed management report documenting the internal control deficiencies identified, the level of risk posed by such deficiencies, their impact on the project and Jobs Fund Partners and provide a recommendation to address such deficiencies identified as well as the shortcomings of the portfolio of evidence and the methodology used to collect and verify such data.

It should be noted that where the auditor's report contains audit findings as indicated above, the management letter must be accompanied with a response by the Jobs Fund Partner indicating how these issues will be addressed/ managed going forward.

6.2.1 Compliance Report

In addition, auditors are expected to present any instances of non-compliance with key legislation that includes Public Finance Management Act (PFMA), Municipal Finance Management Act (MFMA), Division of Revenue Act and the Companies Act, Basic Conditions of Employment Act, the level of risk, the implications of such non-compliance and remedies to address the issues of non-compliance. Furthermore, the auditors are expected as part of their engagement to conduct an audit of predetermined objectives with specific references to the grant agreement.

6.2.2 Auditors Report on Internal Controls

The auditor's report on internal controls should demonstrate the auditor's understanding of the relevant control policies and procedures and identify material weaknesses in the internal controls in the management of risk.

6.3 Audit Recommendations

The Jobs Fund Partner must consider the recommendations of their auditor in order to improve the management of the project.

6.4 Log of audit findings

The auditors shall provide a log of audit findings in a format acceptable to the Jobs Fund, including details such as:

- Finding
- Area of audit
- Responsible
- Amount/unit
- Risk rating
- Status

7 PROPOSAL

7.1 Submission requirements

The audit proposal submitted must address and include information on the following:

1. Project price proposal (Mandatory).
2. **Certificate** of Independent Regulatory Board for Auditors (**IRBA**) membership for the Audit Firm **and** the Lead Auditor or Audit Partner responsible for the engagement (Mandatory).
3. Provide a summary of the CV of the Lead Auditor, **using the template in Annexure I**
4. Detailed CV of the Lead Auditor indicating specific audit expertise/experience in respect of the following:
 - CV's must clearly indicate Company/Client names, project/assignment titles, brief background of the project/assignment, the proposed Lead Auditor's role in the project/assignment and duration of the assignment/project:
 - Number of years' experience in financial and performance assurance engagements (ISAE 3000).
 - Number of years' experience in Financial and performance Agreed Upon Procedures (ISRS 4400).
 - Public sector audit.
 - Number of years' experience in donor funding audit.
 - Demonstrate sound experience in performing forensic audit.
5. Copies of educational qualifications.
6. Project proposal indicating the proposed approach and methodology, which includes:
 - Project plan.
 - Reporting framework methodology.
 - Resource Matrix.
 - Audit methodology.
 - Preliminary audit plan; and
 - Approach to skills and knowledge transfer by means of recommendations to JF staff and potential remedies.

7.2 Budget

The Audit proposal should include a breakdown of hourly rates, time, and other resources to be utilised as well as a preliminary audit plan.

In the minimum, the quote must include the elements depicted in Table 7.2.1.

Table 7.2.1: Budget proposal

Project outputs	Estimated project hours per output	Estimated cost per output
1. Planning with Jobs Fund		
2. Planning with Jobs Fund Partner		
3. Testing		
4. Draft factual findings report		
5. Draft Management Letter		
6. Final reports		
7. Audit log		
Total costs for the project (Incl. Vat)		

Proposed disbursement allocations (e.g., travel and subsistence expenses) are to be disclosed in the budget. The amount allocated toward disbursements should not exceed 10% of the total proposed budget. All disbursement claims need to align with the National Treasury instruction No 3 of 2016/17 on Cost Containment Measures and the prevailing National Travel Policy Framework. The said policy framework will guide the permitted disbursements claims on the following items:

- Accommodation.
- Car Rental.
- Meal while travelling to audit sites.

7.3 Required expertise.

The audit firm **and** the audit engagement partner **or** audit lead should be a member of IRBA, and members of the audit team should comprise of registered accounting and audit professionals. The team is to be led by a Lead Auditor with at least seven (7) years' experience in auditing.

As part of the submission, bidders should highlight who is the lead auditor as well as the senior team member who is the Associate Member of the ACFE (Certified Fraud Examiner) and attach proof of membership.

Audit experience with donor-funded projects, enterprise development, monitoring and evaluation, data verification, financial and performance audits and public sector auditing experience will be essential. Resumes of the staff relating to this scope of work are to be submitted.

7.4 Evaluation criteria

The evaluation process will comprise three (3) - phased approach will be followed:

- 1) Administrative compliance Requirements
- 2) Mandatory Requirement/s and Functionality/Technical evaluation
- 3) Preferential Procurement Regulation, (PPR) 2022 (Price and Specific goals) evaluation

The proposals will be scored against the extent to which the following requirements are adequately

addressed and competitive:

- Service Provider's understanding of the project requirements
- The proposed methodology and approach (including the approach to skills and knowledge transfer)
- The proposed project plan – (in terms of timelines and coherence of sequencing)
- The collective experience of the proposed team
- The overall experience of the lead team member

Phase I: Initial administration screening process

Step	Administrative Requirements	Check	Non-Submission will result in a disqualification on Yes/No
1	Master RFQ document	Provided and bound	Yes
Included in the RFQ document			
2	SBD 1-Invitation to bid	Completed and signed	No
3	Tax clearance status: CSD registration report or number/SARS pin	Provided and valid	No
4	SBD 4 – Bidder's Disclosure	Completed and signed	Yes
5	SBD 6.1 – Preferential Point Claim form in terms of the Preferential Procurement Regulation (PPR) 2022	Completed and signed	No
6	SBD 3.3 - Pricing Schedule	Completed and signed	Yes

Phase 2: Mandatory Requirement/s and Functionality/Technical evaluation

No.	Evaluation Criteria	Weight	Scoring Criteria
2	Mandatory qualification: Failure to adhere to any of these requirements will result in disqualification		
2.1.	Is audit firm and engagement partner or audit lead a member of Independent Regulatory Board for Auditors (IRBA) At least one senior team member to be AssociateMember of the ACFE (Certified Fraud Examiner) (Failure to provide proof of registration for both audit firm and individual shall result in disqualification).	Yes / No Yes / No	
2.2	Technical evaluation Bidders must attain a minimum threshold of 70 percentage in order to be evaluated for Price and Specific goals evaluation		
2.2.1.	Capability profile: Financial and performance assurance engagements (ISAE 3000) (Based on Lead Auditor, using information from theirCV)	20	Experience: <ul style="list-style-type: none"> • 8 - 10+ years = 5 • Between 6 and 7 years = 4 • Between 3 and 5 years = 3 • Below < 3 years = 2 • No relevant experience = 1
2.2.2.	Capability profile: Financial and performance Agreed Upon Procedures (ISRS 4400) (Based on Lead Auditor, using information from theirCV)	20	Experience: <ul style="list-style-type: none"> • 8 - 10+ years = 5 • Between 6 and 7 years = 4 • Between 3 and 5 years = 3 • Below < 3 years = 2 • No relevant experience =1

No.	Evaluation Criteria	Weight	Scoring Criteria
2.2.3	Capability profile: Experience in fraud investigations (Based on Senior Team member with the ACFE certification, using information from their CV)	10	Experience: <ul style="list-style-type: none"> • 8 - 10+ years = 5 • Between 6 and 7 years = 4 • Between 3 and 5 years = 3 • Below < 3 years = 2 • No relevant experience in Fraud Investigation =1
2.2.4.	Capability profile: Public sector audit based on Lead Auditor, using information from theirCV)	15	Experience: <ul style="list-style-type: none"> • 8 - 10+ years = • Between 6 and 7 years = 4 • Between 3 and 5 years = 3 • Below < 3 years = 2 • No Public Sector audit =1
2.2.5.	Capability profile: Audit of donor funded development programmes. based on Lead Auditor, using information from theirCV)	15	Experience: <ul style="list-style-type: none"> • 8 - 10+ years = 5 • Between 6 and 7 years = 4 • Between 3 and 5 years = 3 • Below < 3 years = 2 • Irrelevant information =1
2.2.6.	Qualification(s) based on Lead Auditor, using information from theirCV)	10	Qualification (s): <ul style="list-style-type: none"> • Registration with professional body (SAICA) and relevant B. Com Hons NQF 8 =5 • Relevant B. Com 3 Year tertiary qualification NQF 7 = 4 • Matric with post matric qualification and studying towards a relevant B. Com qualification NQF 4 – 6 = 3

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			<ul style="list-style-type: none">• Studying towards a relevant B. Com qualification = 2• No formal post matric qualification =1
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No.	Evaluation Criteria	Weight	Scoring Criteria
2.2.7	Approach and methodology (as per section 7.1)	10	<ul style="list-style-type: none"> • Proposal addressed all areas of the requirements. Confident the project can be implemented. Timeframes for implementation are in line with the requirements of the ToR = 5 • Proposal addressed all areas of the requirements. Confident the project can be implemented with additional guidance from the JobsFund. Timeframes for implementation are not in line with the requirements of the ToR = 4 • Proposal partially addressed some areas of the requirements, but overall, not appropriate for project—i.e., scope not fully addressed, or timeframes are misaligned to ToR requirement = 3 • Proposal does not address the needs of the assignment = 2 • No methodology addressing the requirements of the assignment = 1
	Total Score: Technical evaluation	100	
	Total Technical Minimum Threshold for functionality	70%	

The bid must attain a minimum threshold score of 70% in order to be shortlisted and evaluated further based on the (80/20) principle of which eighty (80) points are allocated for the price as allocated in the enclosed form SBD 6.1 that must be completed, and the remaining twenty (20) points are allocated for the specific goals as indicated in the table below:

Number of points allocated (80/20 system)	
Price	80
The specific goals in terms of this tender	
Above 30% ownership for Historically Disadvantaged Individuals who had no franchise in national elections before the 1983 or 1993 Constitutions.	5
Women percentage of ownership: 30% and above	5
Disability percentage of ownership: 30% and above	5
Youth percentage of ownership: 30% and above	5
Total of specific goals	20
Overall Total	100

SUBMISSION REQUIREMENTS

Bidders should ensure that the following information is included in their bids and that they meet the relevant requirements:

- a) Bidders must submit **all** Standard Bidding Documents (SBD), as outlined below. All Standard Bidding Documents SBD 1, 3.3,4 and 6.1 must be fully completed and duly signed.
- b) Bidders will be **disqualified if SBD 4** is not fully completed and duly signed or is found not to be true and complete in every respect.
- c) All bid proposals will also be assessed for compliance with the administrative requirements of the bid:

Step	Administrative Requirements	Check
The bid document must include the following:		
1	SBD 1- Invitation to Bid	Completed and signed
2	Tax clearance status: CSD registration report or number/SARS pin	Provided and valid

Step	Administrative Requirements	Check
3	SBD 3.3 – Pricing Schedule	Completed and signed
4	SBD 4 – Bidder's Disclosure	Completed and signed
5	SBD 6.1 - Preferential Point Claim form in terms of the Preferential Procurement Regulation (PPR) 2022	Completed and signed

d) GTAC reserves the right to reject applications that are not submitted in the prescribed format or where the information presented is illegible or incomplete.

e) Central Supplier Database (CSD) summary registration report/number.

f) Bidder's tax matters must be compliant at the time of award. In case where a bidder's tax matters are non-compliant a bidder will be given a minimum of seven (7) days to remedy the tax matters. Failure to remedy this will invalidate the bid.

8 PROJECT MANAGEMENT & REPORTING

The successful audit team will report to the Chief Director: Development Finance in the National Treasury on a regular basis as agreed at inception. The Lead Auditor will be expected to oversee the process.

The audit team will be expected to attend an inception meeting which will include a briefing on the Projects. They are to provide bi-weekly updates to the Jobs Fund team. Audit teams are to avail themselves for an inception meeting.

9 LOGISTICS AND SCHEDULE OF THE ASSIGNMENT

9.1 Location where the services are required.

The project will be based on site at the relevant Jobs Fund Partner selected for engagement. The assignment will involve occasional travel to the Jobs Fund Partner premises.

9.2 Time Frame

Audits are expected to be completed within four (4) months from the date of appointment.

9.3 Logistic Support

The Jobs Fund PMO will provide administrative support as required.

RESTRICTED

The service provider will be responsible for the following requirements:

- Its own premises, workspaces, and desks.
- All IT including computers.
- All mobile communications; and
- Any travel and accommodation arrangements (with prior approval of the project manager).

10 BID VALIDITY PERIOD

The bid validity period is sixty (60) days from the closing date of this RFQ.

11 CONTRACTING AUTHORITY

The Contracting Authority will be the National Treasury through Government Technical Advisory Centre (GTAC).

Annexure A: CV template

#	Name of Team Member	Role in Project	List Key Capability Area (As per the ToR)	Reference Experience in Key Capability Areas (Reference specific projects they have worked on)	Duration of Experience for each Project (In months)	Reference (List name, organisation, contact number, and email address)
1	E.g.: Thandi Sithole	E.g.: Audit Lead	1. Financial and performance assurance engagements (ISAE 3000) (Based on Lead Auditor, using information from their CV)	1. Worked as Programme Director at the XYZ Challenge Fund in Kenya. Core responsibilities included...	36 months	Mr Zamile Ndlovu, XYZ Challenge Fund Director, Tel: xxxxxxxxxx; email address: xxxxxxxxxx
				2. Project lead on the Mid-line Evaluation of ABC Challenge Fund in Pakistan. Core responsibilities included...	8 months	Ms Catherine Gregory, Evaluation Specialist for ABC Challenge Fund, Tel: xxxxxxxxxx; email address: xxxxxxxxxx
			2. Capability profile: Financial and performance Agreed Upon Procedures (ISRS 4400) (Based on Lead Auditor, using	1. Lecturer in Post-graduate Evaluation Methodology at University of Knightsworth	24 months	Prof. Jacob Dube, Head of Psychology University of Knightsworth, Tel: xxxxxxxxxx; email address: xxxxxxxxxx
				2. Project lead on the Youth Workseekers Placement (YWP) Fund Summative	4 months	Dr Theresa Naidoo, Programme Director YWP

RESTRICTED

#	Name of Team Member	Role in Project	List Key Capability Area (As per the ToR)	Reference Experience in Key Capability Areas (Reference specific projects they have worked on)	Duration of Experience for each Project (In months)	Reference (List name, organisation, contact number, and email address)
			information from their CV)	Evaluation. Methodology included...		Fund, Tel: xxxxxxxxxx; email address: xxxxxxxxxx
				3.		
			3. Capability profile: Financial and performance Agreed Upon Procedures (ISRS 4400) (Based on Lead Auditor, using information from their CV)	1.		
				2.		
				3.		
			4. Capability profile: Experience in fraud investigations (Based on Senior Team member with the ACFE certification, using information from their CV)	1.		
				2.		
				3.		
			5. Capability profile: Public sector audit based on Lead Auditor, using information from their CV)	1.		
				2.		
				3.		

RESTRICTED

#	Name of Team Member	Role in Project	List Key Capability Area (As per the ToR)	Reference Experience in Key Capability Areas (Reference specific projects they have worked on)	Duration of Experience for each Project (In months)	Reference (List name, organisation, contact number, and email address)
			6.Capability profile: Audit of donor funded development programmes. based on Lead Auditor, using information from their CV)	1.		
				2.		
				3.		
			7.Qualification(s) based on Lead Auditor, using information from their CV)	1.		
				2.		
				3.		

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

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2. Application
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6. Patent rights
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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 “GCC” means the General Conditions of Contract.
- 1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 “Project site,” where applicable, means the place indicated in bidding documents.
- 1.21 “Purchaser” means the organization purchasing the goods.
- 1.22 “Republic” means the Republic of South Africa.
- 1.23 “SCC” means the Special Conditions of Contract.
- 1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

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|--|--|
| 2. Application | <p>2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p> |
| 3. General | <p>3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za</p> |
| 4. Standards | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p> |
| 5. Use of contract documents and information; inspection. | <p>5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.</p> <p>5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.</p> <p>5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.</p> |
| 6. Patent rights | <p>6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.</p> |
| 7. Performance security | <p>7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> |

- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections,
tests and
analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with

supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment	<p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.</p> <p>16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>
17. Prices	<p>17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.</p>
18. Contract amendments	<p>18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.</p>
19. Assignment	<p>19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.</p>
20. Subcontracts	<p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.</p>
21. Delays in the supplier's performance	<p>21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.</p> <p>21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.</p> <p>21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.</p>

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard

the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination
for insolvency**

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

**27. Settlement of
Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of
liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

		(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1	The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	31.1	Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
	31.2	The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
32. Taxes and duties	32.1	A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
	32.2	A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
	32.3	No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
33. National Industrial Participation Programme (NIP)	33.1	The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.