



## employment & labour

Department:  
Employment and Labour  
REPUBLIC OF SOUTH AFRICA



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### REQUEST FOR PROPOSALS FOR THE APPOINTMENT OF A PANEL SERVICE PROVIDERS TO RENDER VERIFICATION AND SUPPORT SERVICES FOR THE COVID19TERS DISASTER BENEFIT TO THE UNEMPLOYMENT INSURANCE FUND FOR A PERIOD OF TWELVE (12) MONTHS

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**TENDER NUMBER** : UIF6/2023

**DATE ISSUED** : 21 February 2024

**CLOSING DATE AND TIME** : 14 March 2024 at 11h00

**BID VALIDITY PERIOD** : 180 Calendar days

  

**TENDER BOX ADDRESS** : Unemployment Insurance Fund  
ABSA TOWERS  
Ground Floor  
230 Lillian Ngoyi Street  
Pretoria  
0002

  

**TENDER BRIEFING SESSION** : Refer to paragraph 4 on page 4

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## A BID PROCEDURES AND APPLICABLE LEGISLATION

### 1. INTRODUCTION

The Unemployment Insurance Fund (UIF) is a schedule 3A public entity in terms of the Public Finance Management Act (PFMA), Act 1 of 1999. The supreme mandate of the Unemployment Insurance Fund (UIF) is derived from section 27(1) (c) of the Constitution of the Republic of South Africa. The Unemployment Insurance Fund provides social security to its contributors in line with section 27(1) (c) which states that “everyone has the right to social security”.

The mandate of the Unemployment Insurance Fund is stated in the Unemployment Insurance Act, No 63 of 2001 (as amended). The Unemployment Insurance Fund was established in terms of section 4(1) of the Unemployment Insurance Act. The Act empowers the Unemployment Insurance Fund to register all employers and employees in South Africa and pay those who qualify for unemployment insurance benefits.

On the 25<sup>th</sup> of March 2020, the Minister of Employment and Labour issued a directive in terms of Regulation 10 (8) of the regulations issued by the Minister of Corporative Governance and Traditional Affairs in terms of Section 27 (2) of the Disaster Management Act 2002 to implement steps in respect of the administration of the COVID-19 through the COVID19 Temporary Employee/Employer Relief Scheme to prevent an escalation of the COVID-19 infections funded through the National Disaster Benefit.

In line with the above regulation, the Unemployment Insurance Commissioner created a dedicated email address: [COVID19ters@labour.gov.za](mailto:COVID19ters@labour.gov.za) for Employers to submit their applications on behalf of the employees who are affected by the lockdown. During April 2020, Unemployment Insurance Fund (UIF) implemented an online portal through the Department of Labour website for Employers to directly load the CSV files and submit applications for the disaster benefit.

To date (18 October 2023), the Fund has received claims from a total of **776 912** (248 251 unique employers) employers and paid an amount of **R 65 054 356 736** to benefiting **14 855 525** (4 980 614 unique employees) employees.

## **2. PURPOSE OF THIS REQUEST FOR PROPOSALS (RFP)**

The purpose of this Request for Proposal (RFP) is to solicit proposals from a panel of potential bidders to render verification and support services for the Covid19ters Disaster Benefit the Unemployment Insurance Fund for a period of twelve (12) months.

The purpose of verification services is to conduct a post-verification audit on all COVIDTERS benefits through the end to end audit process of the payment value chain. The post-verification exercise will be done through the real time audit and desktop assurance services using the proactive and reactive approach.

### **3. LEGISLATIVE FRAMEWORK OF THE BID**

#### **3.1 Tax Legislation**

In terms of National Treasury Instruction No. 09 of 2017/18, no tender may be awarded to any bidder whose Tax matters have not been declared by the South African Revenue Services (SARS) to be in order. Therefore, bidders must provide the Fund with the tax compliance PIN or the MAAA number obtainable when registering on the CSD. This is required in order for the Fund to verify the tax status of a bidder as part of the tender proposal. The bidder must also ensure that all sub-contractors (if applicable) are tax compliant.

It must be noted that bidders must not only be compliant when submitting a proposal to the Unemployment Insurance Fund but must remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).

#### **3.2 Unemployment Insurance Act, 63 of 2001 (as amended)**

The mandate of the Unemployment Insurance Fund is stated in the UIA. The UIF was established in terms of section 4(1) of the UIA No 63 of 2001 (as amended). The Act empowers the UIF to register all employers and employees in South Africa and pay those who qualify for unemployment insurance benefits.

#### **3.3 Procurement Legislation**

The Unemployment Insurance Fund has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000), and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003), and the Unemployment Insurance Fund Act and the State Information Technology Agency Act, 1998 (Act No. 88 of 1998), as amended.

#### **3.4 Technical Legislation and/or Standards**

Bidder(s) should be cognisant of the legislation and/or standards specifically applicable to the required services.

#### 4. BRIEFING SESSION

A virtual briefing- and clarification session will be held 29 February 2024 via the Microsoft Teams platform to clarify to bidder(s) the scope and extent of work to be executed by the bidder. **Attendance is optional but highly recommended.** Bidders who wish to attend the session should provide their email addresses to [UIFTenders@labour.gov.za](mailto:UIFTenders@labour.gov.za). A link to the virtual session will be provided to all bidders who provided their email addresses before 27 February 2024.

#### 5. CLARIFICATION QUERIES

Bidders may raise any clarification queries and forward these via email to [UIFTenders@labour.gov.za](mailto:UIFTenders@labour.gov.za). The final date and time for receipt of clarification queries is 06 March 2024, at 15:00.

The UIF undertakes to respond to all queries duly received by 11 March 2024 at 17h00. All clarification queries received and responses provided will be uploaded on the National Treasury E-Tender Portal, the Government Tender Bulletin (if available) and the Department of Labour and Employment (DEL) website up to three (3) working days before the closing of the bid, unless there is a compulsory tender briefing session. Responses to clarification queries will only be emailed to those bidders who attended the compulsory session when applicable.

#### 6. TIMELINE OF THE BID PROCESS

The period of validity of the tender and the withdrawal of offers, after the closing date and time is Hundred and Eighty (180) calendar days commencing from the tender closing date. Should it under exceptional circumstances be necessary to extend the validity period, bidders will be requested well in advance to agree to such extension. ~~Non-responsiveness by bidders, to the Fund's request for extension of validity~~ periods, will be interpreted as acceptance by the bidder of the terms of the extension.

The project timeframes of this bid are set out below:

**Table 1**



Activity	Due Date
<b>Advertisement of bid on National Treasury's E-tender portal, the Government Tender Bulletin (if available) and the DEL website:</b>	21 February 2024
<b>Briefing session, if applicable:</b>	29 February 2024
<b>Closing date for questions from prospective bidders relating the Bid:</b>	06 March 2024
<b>Bid/Tender closing date:</b>	14 March 2024

**Prospective bidders must also take note of the following:**

- 6.1** All dates and times in this bid document are South African standard times.
- 6.2** Any time or date in this bid is subject to change at the Unemployment Insurance Fund's discretion.
- 6.3** The establishment of a time or date in this bid does not create an obligation on the part of the Unemployment Insurance Fund to take any action, or create any right in any way for any bidder to demand that any action is taken on the date established.
- 6.4** The bidder accepts that, if the Unemployment Insurance Fund extends the deadline for the submission of bids (the Closing Date) for any reason, the requirements of this bid will apply equally to the extended deadline.

**7. CONTACT AND COMMUNICATION**

- 7.1** Bidder(s) can make enquiries in writing: e-mail **UIFTenders@labour.gov.za** regarding this bid, before the closure of the bid.
- 7.2** The delegated office of the Unemployment Insurance Fund may communicate with bidders where clarity is sought regarding the bidding process or the specifications as set out in this document, provided that such communication takes place prior to the closing date of the bid.

- 7.3** Bidders must note that communication with an official or a person acting in an advisory capacity for the Unemployment Insurance Fund in respect of the bid is discouraged between the closing date and the award of the bid.
- 7.4** Communication during this stage of the bid process can only take place between officials from the Fund and bidders in writing.
- 7.5** Whilst all due care has been taken in connection with the preparation of this bid, the Fund makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current or complete. The Unemployment Insurance Fund, and its employees and advisors will not be liable with respect to any information communicated that may not be accurate, current or complete.
- 7.6** If bidders find or reasonably believe they have found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the Unemployment Insurance Fund (other than minor clerical/administrative matters), such bidders must promptly notify the Fund in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the Fund an opportunity to consider what corrective action is necessary (if any).
- 7.7** Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by the Unemployment Insurance Fund will, if possible, be corrected and provided to all bidders without attribution to the bidders who provided the written notice.
- 7.8** All persons (including bidders obtaining or receiving the bid and any other information in connection with the bid or the tendering process) must keep the contents of the bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a tender proposal in response to this bid.

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## **8. LATE BIDS**

Bids received after the closing date and time, at the address indicated in the bid document, will not be accepted for consideration and where practical, be returned unopened to the bidder(s). In terms of the Fund's policies, the closing time for all tenders is 11h00. Telkom's 1026 number is used to determine the accuracy of the closing time.



## **9. COUNTER CONDITIONS**

Bidders' attention is drawn to the fact that amendments to any of the bid conditions or setting of counter conditions by Bidders or qualifying any bid conditions may result in the invalidation of such bids.

## **10. FRONTING**

- 10.1** Government supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background, the Government condemn any form of fronting.
- 10.2** Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established the onus would be on the bidder/contractor to prove that fronting does not exist. Failure to do so within a period of fourteen (14) working days from the date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor to conduct business with the public sector for a period not exceeding ten (10) years. This is in addition to any other remedies the Unemployment Insurance Fund may have against the bidder/contractor concerned.

## **11. SUPPLIER DUE DILIGENCE**

The Unemployment Insurance Fund reserves the right to conduct supplier due diligence prior to the final award or at any time during the contracting period to determine whether a bidder has the capability and ability to execute the contract. In this regard, the Fund may choose to conduct site visits and/or perform risk profile analysis and/or undertake financial viability exercises. Contractual arrangement may include the results of the due diligence audit.

## **12. SUBMISSION OF PROPOSALS**

Bidders must take note of the following regarding the submission of proposals/bids:

- 12.1** Bid documents **must be sealed** and placed in the tender box at the aforesaid address on or prior to the closing date and time of the bid as indicated in this document. The responsibility to submit proposals before the bid closure date and time rests with the bidder. Bidders are therefore encouraged to ensure the method of delivery that they use for their respective bids will result in a timeous proposal submission in the UIF tender box;
- 12.2** Bid documents will only be considered if received by the Unemployment Insurance Fund and placed in the tender box prior to the closing date and time;
- 12.3** Bidders must complete and sign the bid register when placing a bid in the tender box;
- 12.4** The bidder(s) are required to submit three (3) sealed proposals: two (2) copies and one (1) original proposal by the closing date. Each file must clearly indicate whether it is the original or a copy and **sealed** separately for ease of reference during the evaluation process. **The bidders must ensure that original proposals are complete and that copies are exact replicas of the original.**
- 12.5** Files must clearly indicate the bidder's company name and details on each file cover.
- 12.6 All bids must be completed in non-erasable ink.** Bidders are requested to initial each page of the tender document on the bottom right-hand corner. **All mistakes made within the bid proposal should also be initialled. In addition, all pages in the bid submission tender document should be numbered.**
- 12.7** For ease of reference during the evaluation process, **it is of utmost importance that bidders compile their proposals in the format as specified in Table 2 below:**

**Table 2**

<b>File Content</b>
<p><b>Section 1:</b></p> <p><b>Documents listed in Table 4, except for the pricing and specific goal documentation listed in Section 2 below.</b></p>
<p><b>Section 2:</b></p> <ul style="list-style-type: none"> <li><b>3.3 form – Pricing Schedule (Annexure D)</b></li> </ul>

<ul style="list-style-type: none"> <li>• An original or valid B-BBEE Certificate or a certified copy thereof issued by a verification agency accredited by SANAS or an affidavit if applicable whichever is applicable to the bidder.</li> <li>• A current valid CIPC certificate together with copies of the IDs of the directors who hold ownership.</li> </ul>
<b>Section 3:</b> <ul style="list-style-type: none"> <li>• <b>Company Profile</b></li> <li>• <b>Supplementary information such as Joint Venture Agreement(s) (if applicable); Sub-contracting Agreement(s) (if applicable); etc.</b></li> </ul>
<b>Section 4:</b> <b>Financial information as listed in paragraph 15.5</b>
<b>Section 5:</b> <ul style="list-style-type: none"> <li>• <b>Technical mandatory bid requirements are listed under PART B - Specification and Scope of Work.</b></li> <li>• <b>Response to functionality criteria as indicated in Annexures A and B</b></li> </ul>
<b>Section 6:</b> <b>All other documents</b>

### **13. DURATION OF THE CONTRACT**

The successful bidder will be appointed for a maximum period of twelve (12) months.

### **14. VETTING OF SERVICE PROVIDERS**

The successful bidder(s) will be security screened (vetted) prior to the commencement of the contract. Therefore, bidders must include copies of the Identity Documents (ID) of the persons who own, manage and control the company.

Bidders will be vetted in line with the Department of Employment and Labour (DEL) / UIF policies.

## 15. EVALUATION AND SELECTION CRITERIA

### 15.1 MINIMUM STANDARDS

The Fund has set minimum standards (Phases) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

**Table 3**

Phase 1	Phase 2	Phase 3
Primary review of mandatory and other bid requirements	Technical Compliance	Price and Specific Goals
Bidders must submit the documents as outlined in paragraph -15.2 (Table 4) below. Only bidders that comply with these requirements will be evaluated in Phase 2.	Bidder(s) are required to achieve a minimum of 70 points out of 100 points for the technical evaluation criteria to proceed to Phase 3 (Price and Specific Goals).	Bidder(s) will be evaluated in terms of paragraph 15.4 of this bid document for price and applicable specific goals.

### 15.2 PHASE 1 – PRIMARY REVIEW OF MANDATORY AND OTHER BID DOCUMENTS

Without limiting the generality of the Fund's other critical requirements for this Bid, bidder(s) **must** submit the documents listed in **Table 4** below.

All documents must be completed and signed by the duly authorised representative of the prospective bidder(s). During this phase, bidder responses will be reviewed to establish compliance with the listed administration and mandatory bid requirements.

**Table 4**

Bidders must submit all documents and information as per the table below. In order to avoid disqualification, it is imperative that bidders **MUST** familiarise themselves with the notes at the bottom of the table.

Documents that must be submitted	Non-s ubmission will result in disqualification	
Invitation to Bid – SBD 1 ( <i>Annexure C</i> )	No	Complete and sign the supplied pro forma document



Documents that must be submitted	Non-s ubmission will result in disqualification	
<ul style="list-style-type: none"> <li><b>SBD 3.3</b></li> </ul>	*Yes	Bidders must Indicate the total tender price (inclusive of all applicable taxes) for the duration of the contract period on the SBD 3.3 – Pricing Schedule
<b>Declaration of Interest – SBD 4 (Annexure E)</b>	No	Complete and sign the supplied pro forma document.
<b>Preference Point Claim Form – SBD 6.1 (Annexure F)</b>	No	Complete and sign the supplied pro forma document. Bidders must also indicate the specific goal points claimed under Table 1 of the SBD 6.1 form.
<b>Registration on Central Supplier Database (CSD)</b>	No	<p>The bidders must be registered as service providers on the Central Supplier Database (CSD). Bidders who are not registered must proceed to complete the registration of your company prior to submitting your proposal.</p> <p>Visit <a href="https://secure.csd.gov.za/">https://secure.csd.gov.za/</a> to obtain your vendor number.</p> <p>The proof is the registration certificate received from the CSD indicating the unique vendor number issued.</p>
<b>Tax Compliance Status PIN</b>	**No	<p>Bidders must provide a tax compliance status PIN or the MAAA number obtainable when registering on the CSD in order for the Fund to verify the tax status of all bidders who submitted proposals.</p>

Documents that must be submitted	Non-s ubmission will result in disqualification
<p><b><u>Important note:</u></b></p> <p><b>* SBD 3.1 - Pricing Schedule (Annexure D). The total price as per SBD 3.1 (Annexure D) will be considered by the Fund as the “price” for this tender and will be utilized in order to calculate points for Price and specific goals. Non-submission of a SBD 3.1 without a total bid price in the bid proposal, will lead to <u>immediate disqualification</u>.</b></p> <p><b>**Failure by a bidder to be tax compliant at the <u>award stage</u> or have written proof from SARS to verify their tax compliance status, or the arrangement the bidder has made with SARS to meet outstanding tax obligations, will lead to disqualification.</b></p>	

### 15.3 PHASE 2 - TECHNICAL/FUNCTIONAL COMPLIANCE

All bidders are required to respond to the technical evaluation criteria scorecard (refer to **Annexure A and B** and primary criteria checklist (refer to Table 4).

Only Bidders that have met the Primary Criteria in **Phase 1** will be evaluated in **Phase 2** for functionality. Functionality will be evaluated in **Phase 2** as follows:

Bidders will be evaluated out of 100 points in respect of their expertise in the relevant field. Any bidder that scores less than 70 points out of 100 on functionality shall not be considered for **Phase 3** of the evaluation process.

**Refer to Annexure B for the detailed scoring guideline on the applicable evaluation criteria that will apply.**

### 15.4 PHASE 3 - PRICE AND SPECIFIC GOAL EVALUATION (90/10)

Only Bidders that have met the 70-point threshold in **Phase 2** will be evaluated in **Phase 3** for Price and Specific Goals. Price and Specific Goals will be evaluated as outlined in the paragraphs below.

It is foreseen that the value of this bid will exceed R50 million. Therefore, in terms of regulation 5 of the Preferential Procurement Regulations 2022 pertaining to the



Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the 90/10-preference point system in terms of which points are awarded to bidders on the basis of:

**Price: 90**

Bidders must ensure that a comprehensive and relatively competitive bid price inclusive of VAT and all other related costs are submitted in terms of the price/rates proposal. The quoted price must be for the full duration of the contract period.

**Bidders MUST also complete the enclosed SBD 3.3 – Pricing schedule (Annexure D)**

**that forms part of the tender pack provided to all bidders.**

**Specific Goals: 10**

Bidders will score a minimum of 0 (zero) points and a maximum of 10 (ten) points, depending on their Specific Goal score.

- The bid price (maximum 90 points)
- Specific Goal score (maximum 10 points)

***Stage 1 – Price Evaluation (90 Points)***

The following formula will be used to calculate the points for price:

$$Ps = 90 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where:

- 
- |      |   |  |
|------|---|--|
| Ps   | = | Points scored for comparative price of bid under consideration |
| Pt   | = | Comparative price of bid under consideration                   |
| Pmin | = | Comparative price of lowest acceptable bid                     |

However, if it becomes unclear during the course of the bidding process which preference point system will be applicable, then either the 80/20 or the 90/10 preference point system will apply, based on the lowest acceptable bid which will determine the applicable preference point system that will be used.

***Stage 2 – Specific Goal Evaluation (10 Points)***

***Specific Goal Points allocation***

A maximum of 10 points may be allocated to a bidder for attaining the required specific goals in accordance with the table below:

**Table 5**

<b>Specific goals</b>	<b>10 points allocation based on 90/10</b>	<b>The specific goals applicable to this tender</b> [Mark with "X" in the relevant block and ensure that the total adds up to 10 points]	<b>Evidence/Proof requirements</b> [Refer to paragraphs (a) to (d) below Table 5 for detailed descriptions]
1. Black ownership (100%)	5	X	(a) & (b)
2. Women ownership (51-100%)	2	X	(b)
3. Youth ownership (51-100%)	2		(b)
4. Disability (51-100%)	1		(d)
5. EME/QSE black owned (51-100%)	3	X	(a) & (b)
6. Township and Rural Development	2		(c)
7. EME/QSE women owned (51-100%)	3		(b)
8. EME/QSE youth owned (51-100%)	3		(b)
9. Military Veteran ownership (100%)	3		(e)
10. Co-operatives	5		(b)

Specific goal points will be allocated to bidders on submission of the following documentation or evidence:

- (a) An original or valid B-BBEE Certificate or a certified copy thereof issued by a verification agency accredited by SANAS or an affidavit if applicable whichever is applicable to the bidder.
- (b) A current valid CIPC certificate together with copies of the IDs of the directors who hold ownership.
- (c) Municipal rates and taxes statements not older than three months with physical business address of the bidder, must be attached to the proposal. In the case of rented facilities where no rates and taxes statements are available in the name of the bidder, a copy of a valid lease agreement for the rented facility must be attached as evidence.

Bidders must note that physical site-inspections may be conducted to verify addresses provided.

(d) A doctor's letter on a doctor's letterhead indicating the applicable International Disability Code 10 (IDC10).

(e) Proof of status as Military Veteran – must be registered on the central database for military veterans of the Department of Military Veterans.

The checklist below (refer to **Table 6**) indicates the B-BBEE documents that must be submitted for this tender. **Failure to submit proof of as required in Table 6 below as well as the other proof as outlined in the paragraphs above, will result in the bidder scoring zero** in terms of specific goal preferential procurement provisions. However, such a bidder will not be excluded from the tender process.

**Table 6**

Classification of different enterprises

Classification	Turnover
Exempted Micro Enterprise (EME)	Below R10 million p.a.
Qualifying Small Enterprise (QSE)	Between R10 million and R50 million p.a.
Generic Enterprise (Large Businesses)	Greater than R50 million p.a.

#### Joint Ventures and Consortiums

A trust, consortium or joint venture, will qualify for points for their specific goal points, provided that the entity submits the following documents or evidence.

- An original or valid B-BBEE Certificate or a certified copy thereof issued by a verification agency accredited by SANAS or an affidavit if applicable whichever is applicable to the bidder.
- A current valid CIPC certificate together with copies of the IDs of the directors who hold ownership

Non-compliance will lead to a zero score under the relevant specific goal.

### **Stage 3 (90 + 10 = 100 points)**

The Price and specific goal points will be consolidated.

## **15.5 FINANCIAL ANALYSIS**

A Financial Analysis will be conducted on the qualifying bidder(s) after the completion of Pricing and specific goal evaluation.

As a minimum requirement, the bidder must submit confirmation of its financial soundness to prove that it is a going concern. This could be done through one of the following options:

- (i) audited financial statements signed by the relevant parties; or
- (ii) proven statistics for the last financial year; or
- (iii) other form of documentary evidence to that effect; or
- (iv) through a letter signed by the CEO/ CFO indicating the financial statistics.

The information provided must cover the last full financial year **and** it must confirm in writing or must prove that the relevant party is a going concern.

In the case of an unincorporated Joint Venture (JV), the separate audited annual financial statements of the last full financial year of all the entities forming part of the JV should be submitted. A copy of the JV legal agreement detailing the percentage ownership of each entity should also be included in the submission. Incorporated JVs must submit financial statements in the name of the incorporated JV entity.

Note should be taken that the successful bidder(s) might be required to submit audited financial statements during the contract period should the Fund deem it necessary to mitigate any risks that may arise during this period.

## **16. GENERAL CONDITIONS OF CONTRACT**

Any award made to a bidder(s) under this bid is conditional, amongst others, upon:

- 16.1** The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract (refer to **Annexure G**) as the minimum terms and conditions upon which the Fund is prepared to enter into a contract with the successful bidder(s); and

- 16.2** By submitting a proposal, a bidder accepts the conditions as contained in the General Conditions of Contract (**Annexure G**).

## **17. CONTRACT PRICE ADJUSTMENT/ANNUAL ESCALATION**

Annual escalations should be CPI related as published by Stats SA and other legislative taxes.

## **18. SERVICE LEVEL AGREEMENT / CONTRACT**

- 18.1** Upon award of the tender, the Fund and the successful bidder(s) will conclude a contract / service level agreement regulating the specific terms and conditions applicable to the goods and/or services being procured by the Fund.

- 18.2** The bid specifications of this bid will form an integral part of the contract / service level agreement tender document and therefore bidders must clearly indicate in their proposals whether the specific goods and/or services offered are according to specification or not.

## **19. SPECIAL CONDITIONS OF THIS BID**

The Fund reserves the right:

- 19.1** not to award or to cancel this tender (i) should there be no longer a need for the goods/services; (ii) funds are no longer available to cover the total envisaged expenditure; (iii) no acceptable bid is received; and (iv) there is a material irregularity in the tender process.
- 19.2** to negotiate a market-related price with a bidder in accordance with the provisions of the UIF's SCM Policy provisions.
- 19.3** to accept part of a tender rather than the whole tender;
- 19.4** to carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid;
- 19.5** to correct any mistakes at any stage of the tender that may have been in the Bid documents or occurred at any stage of the tender process;



**19.6** to conduct Financial Analysis only on the recommended bidder(s) after completion of the pricing and specific goal evaluation stage. In this regard bidders are referred to paragraph 16.5 of this bid which outlines the financial documentation required from bidders.

**19.7** not to award the tender to the bidder whose financial matters are not in order.

**19.8** award to multiple bidders to spread the risk.

## **20. THE FUND REQUIRES BIDDER(S) TO DECLARE**

In the Bidder's Technical response, bidder(s) are required to declare the following:

Confirm that the bidder(s) is to –

**20.1** act honestly, fairly, and with due skill, care and diligence, in the interests of the Fund;

**20.2** have and employ effectively the resources, procedures and appropriate technological systems and equipment for the proper performance of the services;

**20.3** act with circumspection and treat the Fund fairly in a situation of conflicting interests;

**20.4** comply with all applicable statutory or common law requirements applicable to the conduct of business;

**20.5** make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with the Fund;

**20.6** avoidance of fraudulent and misleading advertising, canvassing and marketing;

**20.7** conduct their business activities with transparency and consistently uphold the interests and needs of the Fund as a client before any other consideration; and

**20.8** to ensure that any information acquired by the bidder(s) from the Fund will not be used or disclosed unless the written consent of the client has been obtained to do so.

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## **21. CONFLICT OF INTEREST, CORRUPTION AND FRAUD**

The Fund reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed

on a recognised stock exchange), directors or members of senior management, whether in respect of the Unemployment Insurance Fund or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity") -

- 21.1** engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- 21.2** seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- 21.3** makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the Fund's officers, directors, employees, advisors or other representatives;
- 21.4** makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- 21.5** accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- 21.6** pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- 21.7** has in the past engaged in any matter referred to above; or
- 21.8** has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

Furthermore, a tenderer may be considered to have a conflict of interest with one or more parties in this tendering process, if:

- (a) they have a controlling partner/majority shareholder in common; or
- (b) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the tender/proposal of another tenderer, or influence the decisions of the UIF regarding this bidding process.

**A Tenderer must not have a conflict of interest. All Tenderers found to have a conflict of interest shall be disqualified.**

## **22. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT**

- 22.1** The bidder should note that the terms of this bid will be incorporated in the proposed contract with the successful bidder by reference, and that the Fund relies upon the bidder's response to this bid as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.
- 22.2** It follows therefore, that misrepresentations in a bid response / proposal may give rise to service termination and a claim by the Fund against the bidder notwithstanding the conclusion of the Service Level Agreement between the Fund and the bidder for the provision of the service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement will prevail.

## **23. PREPARATION COSTS**

The bidder will bear all its costs in preparing, submitting and presenting any response or proposal to this bid and all other costs incurred by the bidder throughout the bid process. Furthermore, no statement in this bid will be construed as placing the Fund, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder in the preparation of their response to this bid.

## **24. INDEMNITY**

If a bidder breaches the conditions of this bid and, as a result of that breach the Fund incurs costs or damages (including, without limitation, the cost of any investigations,

procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds the Fund harmless from any and all such costs which the Fund may incur and for any damages or losses the Fund may suffer.

## **25. PRECEDENCE**

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this bid document by reference.

## **26. LIMITATION OF LIABILITY**

A bidder participates in this bid process entirely at its own risk and cost. The Fund shall not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the bidder's participation in this bid process.

## **27. TAX COMPLIANCE**

No tender shall be awarded to a bidder who is not tax compliant. The Fund reserves the right to withdraw an award made, or cancel a contract concluded with the successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award, or whose verification against the Central Supplier Database (CSD) proves to be non-compliant. It remains the duty of a successful bidder to remain tax compliant for the full duration of the contract.

## **28. NATIONAL TREASURY - PROHIBITED BIDDERS**

No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appears on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. The Fund reserves the right to withdraw an award, or cancel a contract concluded with a bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.

## **29. GOVERNING LAW**

South African law governs this bid and the bid response process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

## **30. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL**

A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its sub-contractors (if any) and personnel of its sub-contractors comply with all terms and conditions of this bid. In the event that the Fund allows a bidder to make use of sub-contractors, such sub-contractors will at all times remain the responsibility of the bidder and the Fund will not under any circumstances be liable for any losses or damages incurred by or caused by such sub-contractors. However, the successful bidder may not change sub-contracting arrangements for the duration of the contract period without the explicit written approval of the Fund.

## **31. CONFIDENTIALITY**

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other person not officially involved with the Fund's examination and evaluation of a Tender.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Tender. This bid and any other documents supplied by the Fund remain proprietary to the Fund and must be promptly returned to the Fund upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, bidders must secure the Fund's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process that follows this bid. Failure to

adhere to this requirement may result in disqualification from the bid process and civil action.

No confidential information relating to the process of evaluating or adjudicating tenders or appointing a bidder will be disclosed to a bidder or any other person not officially involved with such process.

### **32. THE FUNDS PROPRIETARY INFORMATION**

Bidders must on their bid cover letter make a declaration that they did not have access to any of the Fund's proprietary information or any other matter that may have unfairly placed that bidder in a preferential position in relation to any of the other bidders.



### 33. PROPOSAL SUBMISSION CHECKLIST



No	Description	To be returned by bidder at bid closure
1.	One original and two copies prepared for submission on closing date (paragraph 12.4, page 9)	Yes
2.	Each page of the proposal numbered and initialed <u>as well as changes within pages initialed</u> (paragraphs 12.6, page 9)	Yes
3.	Contents of the proposal document is according to Table 2 (paragraph 12.7, page 9)	Yes
4.	Copies of ID's included for vetting (paragraph 14, page 10)	Yes
5.	Financial information as listed in paragraph 15.5 (page 18)	Yes
6.	<p>a) An original or valid B-BBEE Certificate or a certified copy thereof issued by a verification agency accredited by SANAS or an affidavit if applicable whichever is applicable to the bidder.</p> <p>b) A current valid CIPC certificate together with copies of the IDs of the directors who hold ownership.</p>	Yes
7.	SBD 3.3: The total tender price inclusive of VAT for the duration of the contract period MUST be completed and submitted as part of the proposal (see Annexure D for detailed pricing requirements)	Yes

No	Description	To be returned by bidder at bid closure
8.	Other SBD documents listed in Table 4, pages 11-12: Completed and signed pro forma documents submitted for - SBD 1 ( <i>Annexure C</i> ), SBD 4 ( <i>Annexure E</i> ) and SBD 6.1, including Table 1 ( <i>Annexure F</i> ),	SBD 1, SBD 4 and SBD 6.1
9.	Tax Compliance status Pin/Tax clearance certificate (Table 4, pages 12 & 13)	Yes
10.	Proof of registration on the Central Supplier Database (CSD) (Table 4, page 11)	Yes
11.	Technical mandatory document requirements are listed under Part B – technical specification and scope of work of this bid document (if applicable). (page 28)	Yes



## **PART B – TECHNICAL SPECIFICATION AND SCOPE OF WORK**

### **1. PURPOSE; SCOPE OF WORK AND DELIVERABLES**

#### **1.1. Purpose of the Project**

The purpose of the project is to verify whether the COVIDTERS funds reached intended beneficiaries at the right time every time. The secondary objective is to ensure that the COVIDTERS funds were not abused or misused by the employers.

The project will also ensure that the Unemployment Insurance Fund achieve its strategic objective to alleviate negative effects of poverty by ensuring that the money indeed reached the intended workers and alleviated poverty.

#### **1.2. Scope of work**

##### ***Verification Services***

The Fund requires qualified and suitable service providers to provide verification and support services to the UIF COVID19 disaster benefit. The service provider/s will be required to provide consulting service and assist UIF with monitoring and reporting functions regarding the COVID19ters benefit.

The service provider will be required to verify the following flow of payments from the UIF:

- to employees;
- to employers and from employers to employees;
- to Bargaining Council and from bargaining council to employer; and
- to Bargaining Council and from bargaining council to employees.

The focus areas for the verification team will be as follows:

- 
- Verify that the application information that was provided to the UIF by the employer for employees when applying for COVID 19ters benefit is legitimate;
  - Follow the TERS benefits payments from UIF to employees, confirming that correct amount reached the right recipient at the right time.

## **Support Services**

The scope of work for the **support services** will be as follows but not limited to:

- Through work performed by the verification team, perform a control gap analysis on the COVID-19TERS process and generate a report on findings including recommendations to enhance the application process (Application process weaknesses);
- Support the debt collection process where needed;
  - Assist in raising debt for the UIF and debt collection process with the Special Investigating Unit (SIU).
- Support the SIU fraud investigation process where needed;
  - All potential cases are referred to SIU with supporting evidence and reports (where applicable)
- Analyse allocated data for completeness purpose through the Data Analyst;
- Track and trace closed down and non-responsive employers;
- Compile finance and performance report for all verified funds.

**Volume of work:** The remaining unverified employers are approximately 120 000 companies.

The verification services methodology to be used by the **verification team** will be as follows but not limited to:

- Confirm whether the correct employer with the UIF reference number applied for COVID19 TERS and whether the correct employer received the funds from UIF;
- Confirm whether the funds were transferred to the correct company and were duly received;
- Confirm employment status of the employees that employers stated in their claim for COVID19;
  - Obtain evidence of employment.
- Confirm salaries that were used for COVID19TERS are accurate and have not been inflated
  - Obtain and review historical payroll information from the employer
- Confirm lockdown period of the company
  - Obtain evidence confirming lockdown period and verifying this with employees

- Confirm that employees applied for were in lockdown and not working
  - Obtain evidence confirming that employees were not working.
- Confirm whether employees received their benefits
  - Obtain evidence confirming proof of transfer from employer and verifying with some employees whether the amounts was received
- Confirm whether the funds paid to Bargaining Council / Association by the UIF
  - Verify whether TERS payments were received by the Bargaining Council.
- Confirm Bargaining Council / Association paid over to employers / employees;
- Confirm employers paying to employees;
- Obtain evidence confirming proof of transfer to employer.

The table below indicates the provincial spread of the claims processed for payment.

Province	Employers	Employees	Amount in Rands
Eastern Cape	51 481	789 779	3 301 262 855.54
Free State	40 050	489 207	2 454 859 234.16
Gauteng	310 040	6 650 794	30 342 876 158.30
Kwa Zulu Natal	117 286	2 400 230	10 024 731 262.16
Limpopo	27 352	394 972	1 573 532 344.90
Mpumalanga	42 987	783 604	3 206 189 920.50
Northern Cape	11 624	135 897	595 835 453.27
North West	25 563	372 989	1 661 958 934.41
Western Cape	150 524	2 647 932	11 145 442 430.74
<b>Total</b>	<b>776 906</b>	<b>14 855 525</b>	<b>R 65 054 356 736.35</b>

For allocation purpose, bidders are required to complete and submit **Annexure H** to indicate which provinces they are able to render the required services

## RESOURCE REQUIREMENTS

Bidders' teams are to comprise of at least the following resources:

### Verification Team:

The verification team are expected to perform the verification procedures, compile relevant working papers and portfolio of evidence and the finalisation of a report per employer. An average verification team will comprise of at least:

**TABLE 7**

Resource	Required Number	Roles and Responsibilities	Qualification and Experience
Manager	1	<ul style="list-style-type: none"> <li>• Engaging with employers and bargaining councils</li> <li>• Managing timelines and outputs</li> <li>• Ensuring working papers are adequate and aligned to report inputs</li> <li>• Performing a quality review of reports</li> </ul>	Relevant Post-graduate Qualification with minimum 4 years' experience (CA, CFE or CIA added advantage) -
Supervisor	1	<ul style="list-style-type: none"> <li>• Managing team logistics</li> <li>• Drafting of reports in conjunction with audit team</li> <li>• Thorough review of working papers</li> </ul>	Degree/B Tech in accounting or auditing with 3 years relevant experience.
Verifiers/Auditors	3	<p><i>Auditors:</i></p> <p>Perform audit work aligned to agreed-upon procedures</p> <p>All team members are responsible for:</p>	BCom degree or Diploma in accounting and/or auditing with 2 years' experience for each Verifier/Auditor.



		<ul style="list-style-type: none"> <li>• Compilation of adequate relevant working papers</li> <li>• Compiling a portfolio of evidence</li> <li>• Assist in preparation of the draft audit report.</li> </ul>	
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In order to demonstrate their capacity, bidders are to indicate how many fieldwork teams they can mobilise for the duration of the engagement.

### Support Team:

Bidders must include the following resources that will perform an oversight, coordination and/or support function to their fieldwork team(s):

**TABLE 8**

Resource	Required Number	Roles and Responsibilities	Qualification and Experience
Partner/Director	1	<ul style="list-style-type: none"> <li>• Responsible for all outputs of work performed by firm.</li> </ul>	CA, CFE or CIA with at least 5 years relevant experience
Project Manager	1	<ul style="list-style-type: none"> <li>• Overall responsible for management of teams during execution of projects.</li> <li>• Submit reports as and when requested by the UIF;</li> <li>• Attend and report at project steering committee meetings.</li> </ul>	Three year tertiary qualification with at least 5 years relevant experience in project management.
Data Analyst/Data Administrator	1	<ul style="list-style-type: none"> <li>• Responsible for data integrity and security within firm environment</li> <li>• Receipt of all electronic file handovers</li> </ul>	3 year tertiary qualification in Informatics, financial information system or IT network qualification with at least 3 years relevant experience.

		<ul style="list-style-type: none"> <li>• Distribution of work to teams within company</li> <li>• Uploading of information into the project management tool in the required file format</li> </ul>	
Support Administrative Staff	2	<ul style="list-style-type: none"> <li>• Update weekly report register;</li> <li>• Sort the signed and unsigned AOD's;</li> <li>• Obtain and update the Refunds, Acknowledgement Of Debt and Investigation registers.</li> </ul>	Minimum 1 year work experience
Tracker & Tracer / Forensic Investigator	4	<ul style="list-style-type: none"> <li>• Tracking and tracing of companies, directors and/or employees when so required e.g. unable to get hold of company from information shared by the UIF.</li> </ul>	Minimum 5 years relevant experience

Bidders' are encouraged to strategically collaborate, in the form of sub-contracting and/or joint ventures, to ensure that they include all categories of resources competencies in their submissions.

As is required in terms of **Annexure J**, bidders are to provide CV's of all proposed resources, clearly reflecting their skills set and the years of relevant experience performing such functions. ~~Furthermore, bidders must include proof of qualifications for~~ proposed team members. Proposed team members are to remain on the team for the duration of the project. Any changes in this regard must first be approved in writing by the Fund.

## AREAS OF RESPONSIBILITIES

- Study the COVIDTERS's Memorandum of Agreement (MOA);

- Develop appropriate audit procedures to implement scope of work;
- Assess every piece of information received from the employer;
- Conduct data analytics on application information received from UIF;
- Produce verification report after completion of each audit;
- Produce close-out reports as outlined under support services;
- Provide weekly progress report accompanied by evidence
- Attend weekly forums meetings and provide progress update;
- Perform project management duties;
- Provide additional information as and when requested by UIF.

#### **1.2.1. Code of Professional Ethics:**

- Professionalism and Diligence:** Company/professionals shall, at all times, demonstrate a commitment to professionalism and diligence in the performance of their duties;
- Legal and Ethical:** Company/professionals shall not engage in any illegal or unethical conduct, or any activity which would constitute a conflict of interest;
- Integrity:** Company/professionals shall, at all times, exhibit the highest level of integrity in the performance of all professional assignments and will accept only assignments for which there is reasonable expectation that the assignment will be completed with professional competence;
- Objectivity:** Company/professionals will comply with lawful orders of the courts and will testify to matters truthfully and without bias or prejudice.

#### **TOOLS OF THE TRADE**

Bidders are required to provide details confirming that their resources are adequately equipped with the appropriate tools required to perform their tasks to successfully undertake this assignment. This would include:

- laptops;
- data analytical tools;
- telephony system;
- office infrastructure;
- remote working capabilities (including at least 3G connectivity, internet access and e-mails); and
- server capacity to manage large data volumes.

## NETWORK SECURITY

Bidders must provide detail of how they will ensure the safekeeping, confidentiality and security of all data and material for the duration of the assignment. This narrative must clearly demonstrate both processes and tools that would be utilised to maintain data security and integrity. All the three elements of network security must be maintained by the bidders; **Confidentiality, Integrity and Availability** in relation to the data obtained from the UIF as well as data obtained and analysed from the UIF clients. **Annexure I**

### AUDIT STEP BY STEP PROCESS:

- **STEP 1: Planning stage**
  - Obtain allocated work (data) from the project management team;
  - Conduct data analytics on the data received for completeness purpose.  
Example: validity of the ID number, banking details and existence of the company;
  - Notify the employer of the audit and request information;
  - Utilise tracing services where needed.
- **STEP 2: Execution stage**
  - Obtain data from the employer and conduct data analytics;
  - Analyse information and issue informal queries;
  - Obtain evidence and supporting documents;
  - Issue findings and discuss with management;
- **STEP 3: Reporting stage**
  - Compile draft report and communicate to the employer;
  - Review the findings and reports;
  - Submit the final report to the project management system;

## ALLOCATION

All bidders will be allocated work equally using the employer categories based on risk assessment conducted by management. Bidders will receive equal employers; however number of employees will differ and this does not guarantee bidders to receive equal numbers.

## AGSA Audit Findings Follow up work

UIF will select one bidder to follow up on all audit findings related to COVID19TERS in line with the above scope of work.

## 2. CODE OF PROFESSIONAL ETHICS

**2.1** The Fund will conduct a due diligence exercise on all recommended bidders before award to determine whether the bidder applied for the COVID19TERS benefit and the funds were used as intended. Any bidder found not to uphold the above principles on the utilisation of COVID19TERS funds will be **immediately disqualified**.

Furthermore, the successful bidder is expected to apply and uphold the following guiding principles:

**2.1.1 Legal and Ethical:** Company/professionals shall not engage in any illegal or unethical conduct, or any activity which would constitute a conflict of interest;

**2.1.2 Professionalism and Diligence:** Company/professionals shall, at all times, demonstrate a commitment to professionalism and diligence in the performance of their duties;

**2.1.3 Integrity:** Company/professionals shall, at all times, exhibit the highest level of integrity in the performance of all professional assignments and will accept only assignments for which there is reasonable expectation that the assignment will be completed with professional competence;

**2.1.4 Objectivity:** Company/professionals will comply with lawful orders of the courts and will testify to matters truthfully and without bias or prejudice;

**2.1.5** Act honestly, fairly and with due skill, care and diligence, in the interest of the Unemployment Insurance Fund;

**2.1.6** Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;

## ANNEXURE A – EVALUATION CRITERIA ON FUNCTIONALITY

The following criteria will be applicable:

CRITERIA	DESCRIPTION	WEIGHT
1.	<b>Project implementation plan</b> - The bidder must provide a detailed project implementation plan that is aligned to their project management approach, methodology and detailed audit procedures (as required in criteria 2 below), clearly outlining the <b>key activities, milestones, deliverables</b> and <b>target dates</b> to be used an instance where <b>1 000 employees</b> to be verified were handed over to the bidder.	10
2.	<p><b>Methodology and Approach</b> - Bidders must provide a detailed approach, methodology and detailed audit procedures to execute this magnitude project within the required timelines, how the risks associated with the project will be mitigated and how the security and infrastructure needs will be addressed. The following must be addressed:</p> <ol style="list-style-type: none"> <li>1. Bidders must provide a detailed approach, methodology and detailed audit procedures to be used to address the following aspects of the required scope of services: <ol style="list-style-type: none"> <li>(a) Verify that the application information that was provided to the UIF by the employer for employees when applying for COVID 19ters benefit is legitimate. <ul style="list-style-type: none"> <li>o Confirm whether the correct employer with the UIF reference number applied for COVID19 TERS and whether the correct employer received the funds from UIF</li> <li>o Confirm salaries that were used for COVID19 are accurate and have not been inflated</li> <li>o Confirm lockdown period of the company</li> </ul> </li> <li>o Confirm that employees applied for were in lockdown and not working</li> </ol> </li> <li>(b) Follow the TERS benefits payments from UIF to employees, confirming that correct amount reached the right recipient at the right time.</li> </ol>	35



CRITERIA	DESCRIPTION	WEIGHT
	<ul style="list-style-type: none"> <li>○ Confirm whether employees received their benefits</li> <li>○ Confirm Bargaining Council / Association paid over to employers / employers and / or employers paying to employees</li> </ul> <p>(c) Support the debt collection process where needed</p> <ul style="list-style-type: none"> <li>○ Assist in raising debt for the UIF and debt collection process with the Special Investigating Unit (SIU).</li> </ul> <p>(d) Support the SIU fraud investigation process where needed;</p> <ul style="list-style-type: none"> <li>○ All potential cases are referred to SIU with supporting evidence and reports (where applicable)</li> </ul> <p>(e) Track and trace closed down and non-responsive employers.</p> <p>2. The bidder must identify possible risks they envisage during the execution of the engagement and must demonstrate the mitigation strategies they intend to adopt to address these.</p> <p>3. The bidder should provide details confirming that infrastructure resources are adequate to successfully undertake this assignment. This should include but is not limited to security of all data, data analytical tools, and remote working capabilities. <i>Refer to the Tools of Trade and Security paragraphs under the scope of services.</i></p>	
3.	<p><b>Relevant Experience</b> - The bidder must demonstrate at least 3 years of specialized experience in each of the following areas (service offerings):</p> <ul style="list-style-type: none"> <li>• Audit; and</li> <li>• Accounting.</li> </ul>	
	<p>The bidder must provide reference letters of assignments successfully completed on the client's letterhead with contact details of a representative of the client, clearly reflecting the successful completion of each of the service offerings. <b>(In a case where the bidder rendered all services at the same client one letter reflecting per client will suffice)</b></p>	25

CRITERIA	DESCRIPTION	WEIGHT
4.	<p><b>Resources Capabilities –</b></p> <p><b>(a) Support Team</b></p> <p>The bidder to provide CV's reflecting relevant experience and Qualifications of resources who will perform the support function to the verification team(s). This team must comprise of the following resources:</p> <ul style="list-style-type: none"> <li>• Partner/Director;</li> <li>• Project Manager;</li> <li>• Data Analyst / Data Administrator;</li> <li>• Support Admin Staff;</li> <li>• Tracker &amp; Tracer / Forensic Investigator.</li> </ul> <p><b>(b) Verification Team (Fieldworkers Teams)</b></p> <p>The bidder to provide brief CV's reflecting relevant experience and Qualifications of resources who will perform the verification. This team must comprise of at least the following resources:</p> <ul style="list-style-type: none"> <li>• Manager;</li> <li>• Supervisor;</li> <li>• 3 Verifiers/auditors.</li> </ul> <p>The Team Composition table (<b>Annexure J</b>) must be completed, indicating all proposed resources. In cases where more than 1 fieldworkers team is proposed. Information to be included for each additional team.</p> <p><b><i>In instances where a CV and/or proof of qualification is not provided for one or more of the proposed team members, a team will not be counted as being complete</i></b></p>	30
<b>TOTAL</b>		<b>100</b>

## ANNEXURE B – SCORING GUIDELINE FOR FUNCTIONALITY

The Bidder's information will be scored according to the following points system:

### Project Implementation Plan

10 Points

1	The bidder must provide a detailed project implementation plan that is aligned to their project management approach, methodology and detailed audit procedures (as required in Criteria 2 below), clearly outlining the <b>key activities, milestones, deliverables</b> and <b>target dates</b> to be used an instance where <b>1 000 employees</b> to be verified were handed over to the bidder.
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#### Points Allocation:

Points	Measurement Criteria
0	The bidder fails to provide a project implementation plan that is aligned to the project approach and methodology; or provided a project implementation plan that is only partially aligned; and/or the project implementation provided lacks all the key elements outlined above or only provided 1 element outlined above.
3	The bidder provided a project implementation plan that is aligned to the project methodology however, lacks any 2 of the key elements outlined above.
7	The bidder provided a project implementation plan that is aligned to the project methodology however, lacks any 1 of the key elements outlined above.
10	The bidder provided a project implementation plan that is aligned to the project methodology and included all 4 of the key elements outlined above.

### Approach, Methodology and Detailed Audit Procedures

35 Points

2	<p>Bidders must provide a detailed approach, methodology and detailed audit procedures to execute this magnitude project within the required timelines, how the risks associated with the project will be mitigated and how the security and infrastructure needs will be addressed. The following must be addressed :</p> <ol style="list-style-type: none"> <li>Bidders must provide a detailed approach, methodology and detailed audit procedures to be used to address the following aspects of the required scope of services. (15 points - each of the sub paragraphs below counts 3 points): <ol style="list-style-type: none"> <li>Verify that the application information that was provided to the UIF by the employer for employees when applying for COVID 19ters benefit is legitimate. (3 points) <ul style="list-style-type: none"> <li>Confirm whether the correct employer with the UIF reference number applied for COVID19 TERS and whether the correct employer received the funds from UIF</li> </ul> </li> </ol> </li> </ol>
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	<ul style="list-style-type: none"> <li>○ Confirm salaries that were used for COVID19 are accurate and have not been inflated</li> <li>○ Confirm lockdown period of the company</li> <li>○ Confirm that employees applied for were in lockdown and not working</li> </ul> <p>(b) Follow the TERS benefits payments from UIF to employees, confirming that correct amount reached the right recipient at the right time. (3 points)</p> <ul style="list-style-type: none"> <li>○ Confirm whether employees received their benefits</li> <li>○ Confirm Bargaining Council / Association paid over to employers / employers and / or employers paying to employees</li> </ul> <p>(c) Support the debt collection process where needed (3 points)</p> <ul style="list-style-type: none"> <li>○ Assist in raising debt for the UIF and debt collection process with the Special Investigating Unit (SIU).</li> </ul> <p>(d) Support the SIU fraud investigation process where needed; (3 points)</p> <ul style="list-style-type: none"> <li>○ All potential cases are referred to SIU with supporting evidence and reports (where applicable)</li> </ul> <p>(e) Track and trace closed down and non-responsive employers. (3 points)</p> <p>2. The bidder must identify possible risks they envisage during the execution of the engagement and must demonstrate the mitigation strategies they intend to adopt to address these. (6 points- 2 per risk and 2 per mitigation)</p> <p>3. The bidder should provide details confirming that infrastructure resources are adequate to successfully undertake this assignment. This should include but is not limited to security of all data, data analytical tools, and remote working capabilities. Refer to the Tools of Trade and Security paragraphs under the scope of services. (14 points - each item covered counts 2 points)</p>
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*Points Allocation:*

Points	Measurement Criteria
0	The bidder fails to provide an approach, methodology and detailed audit procedures to address the requirements of the UIF, despite the fact that the risks with mitigating circumstances and the infrastructure resource requirements of the Fund might have been addressed in the bid proposal
15	The bidder only provided an approach, methodology and detailed audit procedures that will be utilized to address the required scope of services but fails to provide for the possible risks with mitigation strategies and fails to address the infrastructure resource requirements of the Fund.
21	The bidder provided an approach, methodology and detailed audit procedures that will be utilized to address the required scope of services and addressed possible risks with mitigation strategies but fails to address the infrastructure resource requirements of the Fund.

29	The bidder provided an approach, methodology and detailed audit procedures that will be utilized to address the required scope of services and addressed the infrastructure resource requirements of the Fund but fails to address possible risks with mitigation strategies.
35	The bidder provided an approach, methodology and detailed procedures that will be utilized to address the required scope of services, addressed possible risks with mitigation strategies, and addressed infrastructure resources requirements of the Fund.

**Relevant Experience****25 Points**

3	<p>The bidder must demonstrate at least 3 years of specialized experience in each of the following areas (service offerings):</p> <ul style="list-style-type: none"> <li>• Audit, and</li> <li>• Accounting.</li> </ul> <p>The bidder must provide reference letters of assignments successfully completed on the client's letterhead with contact details of a representative of the client, clearly reflecting the successful completion of each of the service offerings. <b>(In a case where the bidder rendered all services at the same client one letter reflecting per client will suffice)</b></p>
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*Points Allocation:*

Points	Measurement Criteria
0	The bidder fails to provide reference letters on their client's letterhead with contactable references clearly reflecting the successful completion of each of the service offerings.
9	The bidder provides reference letters on their client's letterhead with contactable references clearly reflecting the successful completion of only one of the service offerings. The letter proves that the bidder has three or more years of experience.
18	The bidder provides reference letters on their client's letterhead with contactable references clearly reflecting the successful completion of two of the service offerings but the letter proves that the bidder has only three years of experience.
25	The bidder provides reference letters on their client's letterhead with contactable references clearly reflecting the successful completion of all of the service offerings. The letter proves that the bidder has three to five years of experience.

**Resource Capabilities****30 Points**

4	<p><b>(a) Support Team</b></p> <p>The bidder to provide CV's reflecting relevant experience and Qualifications of resources who will perform the support function to the verification team(s). This team must comprise of the following resources:</p>
	<ul style="list-style-type: none"> <li>• Partner/Director;</li> <li>• Project Manager;</li> <li>• Data Analyst / Data Administrator;</li> <li>• Support Admin Staff;</li> <li>• Tracker &amp; Tracer / Forensic Investigator.</li> </ul>



**(b) Verification Team (Fieldworkers Teams)**

The bidder to provide brief CV's reflecting relevant experience and Qualifications of resources who will perform the verification. This team must comprise of at least the following resources:

- Manager;
- Supervisor;
- 3 Verifiers/auditors.

The Team Composition table (**Annexure J**) must be completed, indicating all proposed resources. In cases where more than 1 fieldworkers team is proposed. Information to be included for each additional team.

***In instances where a CV and/or proof of qualification is not provided for one or more of the proposed team members, a team will not be counted as being complete.***

**Points Allocation:**

Points	Measurement Criteria
0	The bidder fails to provide CV's and qualifications of all proposed resources or fails to provide the team composition table.
10	The bidder has provided all CV's and qualifications of the required resources and the bidder has completed all fields of the Team Composition Table. The bidder proposed one fieldworkers' team and one support team.
20	The bidder provided all CV's and qualifications of the required resources and the bidder has completed the Team Composition Table. The bidder proposed two to five fieldworkers' team and one support team.
25	The bidder provided all CV's and qualifications of the required resources and the bidder has completed the Team Composition Table. The bidder has proposed six to nine fieldworkers' teams and two support team.
30	The bidder provided all CV's and qualifications of the required resources and the bidder has completed the Team Composition Table. The bidder has also proposed 10 and above fieldworkers' team and two support team.

**TOTAL FOR FUNCTIONALITY: 100**

## **LIST OF ANNEXURES ATTACHED TO BID**

### **PART B**

- Annexure A: Evaluation criteria on functionality**
- Annexure B: Scoring guideline for functionality**

### **PART C**

- Annexure C: SBD 1 - Invitation to Bid**
- Annexure D: SBD 3.1 – Pricing Schedule for Firm Prices including detailed pricing schedule OR 3.3 – Pricing Scheme for Professional Services including detailed pricing schedule**
- Annexure E: SBD 4 – Bidder's disclosure**
- Annexure F: SBD 6.1 – Preferential points**
- Annexure G: General Conditions of contract**
- Annexure H: Provincial Selection**
- Annexure I: Indemnity Form**
- Annexure J: Team Composition**

PART A  
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:		CLOSING DATE:		CLOSING TIME:	
DESCRIPTION					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON			CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS			E-MAIL ADDRESS		
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

<b>1.1.1.1</b>  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]	<b>1.1.1.2</b>  RE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>			
<div> <div>IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?</div> <div><input type="checkbox"/> YES <input type="checkbox"/> NO</div> </div> <div> <div>DOES THE ENTITY HAVE A BRANCH IN THE RSA?</div> <div><input type="checkbox"/> YES <input type="checkbox"/> NO</div> </div> <div> <div>DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?</div> <div><input type="checkbox"/> YES <input type="checkbox"/> NO</div> </div> <div> <div>DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?</div> <div><input type="checkbox"/> YES <input type="checkbox"/> NO</div> </div> <div> <div>IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?</div> <div><input type="checkbox"/> YES <input type="checkbox"/> NO</div> </div> <div> <div>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.</div> </div>			

PART B  
TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	<b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
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.	<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
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: .....

SW

**PRICING SCHEDULE**  
(Professional Services)

NAME OF BIDDER: .....	BID NO.:
CLOSING TIME 11:00	CLOSING DATE:

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
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Support Staff	Maximum Billable Hours	Rate (AGSA approved rates)	VAT	Total Bid Price (including VAT)
Partner/Director (1) Minimum	2 150	R	R	R
Project Manager (1) Minimum	3 500	R	R	R
Database Administrator (1) Minimum	2 000	R	R	R
Trace and Tracker (4) Minimum	2 500 each	R	R	R
Support Admin Staff (2) Minimum	3 000 each	R	R	R
Actual Disbursements Including VAT	Based on actual expenses	R	R	R
TOTAL BID PRICE PER DELIVERABLE INCLUDING THE TOTAL APPLICABLE TAXES		R	R	R
TOTAL BID PRICE INCLUDING *ALL APPLICABLE TAXES FOR A PERIOD OF TWELVE (12) MONTHS				R

NB: The AGSA approved rates must be used as a guide for price quotation.  
The quoted rates might change subject to the negotiation process which will take place during contracting phase.



### **Verification Services- Rates**

#### **Price for the verification Services (Fieldworkers)**

UIF has decided that the price for the verification team will be charged per each unique employee verified against the steps on the scope of work per lockdown period paid. The standard flat rates to be used by all successful bidders as follows:

- ❑ R253.00 per unique ID number and payment iteration completed (This rate includes VAT)

The standard flat rates will be applied per employee per iteration.

#### **Important notes:**

- *Total Bid Price (Including VAT) will be used in the evaluation process for bid price scoring in terms of PPPFA.*
- *The cost of all air travel, all out-of-pocket expenses, related accommodation, car rental cost and parking, that is incurred by the service provider's personnel in providing the required service to the Unemployment Insurance Fund should be billed under disbursements item on the fee structure.*
- *\* - "All applicable taxes" refers to value-added tax for each deliverable.*

## 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 interest<sup>1</sup> 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

<sup>1</sup> 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.

2.2 Do you, or any person connected with the bidder, have a relationship 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 consortium<sup>2</sup> 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.

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<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring 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); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

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

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) 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	10
SPECIFIC GOALS	90
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

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 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20

or

90/10

$$Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right) \text{ or } Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

#### 3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

##### 3.2.1. POINTS AWARDED FOR PRICE

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

80/20

or

90/10

$$Ps = 80 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } Ps = 90 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest 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 or 90/10 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 organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)*

*(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 (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)

**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)

SWN



**THE NATIONAL TREASURY**

**Republic of South Africa**



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**GOVERNMENT PROCUREMENT: GENERAL  
CONDITIONS OF CONTRACT**

**July 2010**

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**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

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

## 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 anything 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.

## **2. Application**

- 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.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

- 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.
- 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](http://www.treasury.gov.za)

## **4. Standards**

- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

## **5. Use of contract documents and information; inspection.**

- 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.
- 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.
- 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.
- 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.

## **6. Patent rights**

- 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.

**7. Performance security**

- 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.
- 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**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 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.
- 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.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

**17. Prices**

- 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.

**18. Contract amendments**

- 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.

**19. Assignment**

- 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.

**20. Subcontracts**

- 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.

**21. Delays in the supplier's performance**

- 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.
- 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.
- 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.
- 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.

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 (NIP) Programme**

- 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.

**34 Prohibition of Restrictive practices**

- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, ~~firms, or a decision by an association of firms, is prohibited if it is~~ between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)

## ANNEXURE H: PROVINCIAL SELECTION

Bidders must indicate which provinces they are able to render the required services:

**Name of Bidder:** \_\_\_\_\_

No	Province	Indicate Selection with a tick (✓)
1.	Eastern Cape	
2.	Free State	
3.	Gauteng	
4.	KwaZulu Natal	
5.	Limpopo	
6.	Mpumalanga	
7.	Northern Cape	
8.	North West	
9.	Western Cape	



## ANNEXURE I: INDEMNITY FORM

### INFORMATION SECURITY INDEMNITY FORM

- This form **MUST** be fully completed by the duly authorised representative of the company bidding for services at the UIF. Failure to complete this form is an immediate disqualification.

I \_\_\_\_\_ (full name and surname of the official),  
ID \_\_\_\_\_ on behalf of (company name)

Declares and confirm that should my company be appointed to render services by the UIF, I/We pledge that the data, and or information collected from the UIF, or from the UIF clients will remain the assets of the UIF and shall be kept in line with the information security as well as the POPI Act of South Africa throughout the term of the assignment. And I/we will access and/or process the confidential data or information obtained from the UIF or from the UIF clients using only authorized hardware, software or other authorized equipment. I/we further will make available the company's POPI Act policies and procedures to the UIF at the time of contracting should we be considered for appointment.

Should any of the above be breached in terms of basic information security services, i.e., confidentiality, integrity and availability, I/We will be held responsible and shall account to any leak, loss or damage whatsoever.

Over and above, I/we will ensure that the resources to be deployed throughout the assignment have been vetted to meet the legislations stated above, and should any of the resources deployed found to have breached the legislations above, I/we will be held responsible for the leak, loss or damage whatsoever.

I/we understand and agree to abide by the conditions outlined in this pledge, and they will remain in force throughout the period of the assignment.

\_\_\_\_\_  
**NAME OF COMPANY REPRESENTATIVE**

\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**SIGNATURE**

## Annexure J – Team Composition

### Support Team

No.	Resource Role	Name of Resource	No. of Years of Relevant Experience	Qualifications
1	Partner/Director			
2	Project Manager			
3	Database / Analyst Administrator			
4	Administration Staff			
5	Tracker & Tracer / Forensic Investigator			

### Verification Team 1

Team composition (This table format must be duplicated for each additional team proposed):

No.	Resource Role	Name of Resource	No. of Years of Relevant Experience for proposed position within Team	Qualifications
1	Manager			
2	Supervisor1			
4	Auditor 1			
5	Auditor 2			
6	Auditor 3			

Summarised CV's as well as qualifications of all team members must be included in the proposal and also be submitted with the fully completed Annexure J. Please ensure that CV's demonstrate the resources experience in the discipline for which you have proposed them e.g. Forensic Analyst to have performed forensic investigations previously and Data Analyst to have performed data analytics using relevant audit and statistical software packages.