KWAZULU-NATAL PROVINCE
TREASURY
REPUBLIC OF SOUTH AFRICA

P.O BOX 3613, Pietermaritzburg, 3200
145 Chief Albert Luthuli Road, Pietermaritzburg, 3200
Tel: 033 897 4440
Name: Ms Thandeka Makhathini
Email address:
Website: www.kzntreasury.gov.za

TERMS OF REFERENCE/ SPECIFICATION

REQUEST FOR SERVICE PROVIDER TO UNDERTAKE THE B-BBEE VERIFICATION PROCESS TO THE KWAZULU- NATAL PROVINCIAL TREASURY FOR THE PERIOD OF THREE (3) FINANCIAL YEARS (2024/25, 2025/26 & 2026/27).

ACRONYMS

KZNPT	KwaZulu- Natal Provincial Treasury
B-BBEE	Broad- Based Black Economic Empowerment
SANAS	South African National Accreditation System

1. BACKGROUND

The KwaZulu-Natal Provincial Treasury (KZNPT) acknowledges the historical disparities of the previously disadvantaged communities and commit to promote the rights of all people of South Africa and affirm the democratic values of human dignity, equality and freedom. The KZNPT focuses on seven over-arching priorities which are: Economic Transformation and Job Creation; Education, Skills and Health; Consolidating the Social Wage Through Reliable and Quality Basic Services; Spatial Integration and Human Settlements; Social Cohesion and Safe Communities; A Capable, ethical and Developmental State; and A better Africa and World, on its quest to achieve the National Development Plan (NDP) objectives. The KZNPT is committed to the achievement of the government transformation agenda to redress the socio-economic imbalances of the past, through the maximization of participation of the Black people in procurement opportunities that are available in the Department.

2. OBJECTIVE

In line with the B-BBEE Codes of Good Practice the KZNPT seeks to appoint a competent and SANAS Accredited Verification Agency to conduct a B-BBEE verification process in line with the prescribed five B-BBEE elements in the Public Sector Adjusted Scorecard which are: Management Control & Equity; Skills Development; Preferential Procurement which includes Enterprise and Supplier Development, and Socio-Economic Development. The successful Accredited Verification Agency shall conduct a B-BBEE verification process and produce a Verification Certificate stipulating the B-BBEE status level of the KZNPT.

KWAZULU-NATAL PROVINCIAL TREASURY
2025 -10- 15
CHIEF FINANCIAL OFFICER
PAID

3. DELIVERABLES

3.1 The successful SANAS Accredited Verification Agency shall:

3.1.1 Verify the KZNPT B-BBEE compliance to the applicable B-BBEE legislation utilizing the prescribed B-BBEE Verification Methodology and Approach.

3.1.2 Produce a verified certificate that indicates a B-BBEE status level for the KZNPT.

3.1.3 In cognizance of the findings of the B-BBEE verification process, make recommendations for the strategic approach that may be followed by the KZNPT in the implementation of B-BBEE.

3.1.4 Ensure transfer of skills to the relevant KZNPT officials involved in the implementation of B-BBEE in the KZNPT.

4. SCOPE OF WORK

The below mentioned outputs have been identified as the scope of work. These are considered imperative in compliance with the applicable B-BBEE legislation but are not intended to be exhaustive as the B-BBEE legislation may include other aspects. In line with the applicable legislation bidders are invited to demonstrate their capabilities to undertake a B-BBEE verification process that would yield the required deliverables that are outlined in paragraph 3 above.

4.1 Producing of B-BBEE Verification Certificate

The verification process will determine how the KZNPT performed in the implementation of the elements as detailed in the B-BBEE public sector adjusted scorecard. The output of the verification process will be to produce a B-BBEE Verification Certificate for KZNPT clearly indicating the B-BBEE status level. One hard copy and one electronic version (CD) of the Verification Certificate must be submitted to KZNPT.

4.2 Reports Required

4.2.1 Inception Report

(a) Upon appointment the Accredited Verification Agency is required to commence by drafting an inception report that will detail the overall verification approach, methodology and expected timeframe in which each phase of the project activities will be completed.

(b) The inception report will serve as a discussion document and will be the basis on which the detailed approach to the project is agreed.

(c) The inception report is an interim deliverable that is expected to be completed within one week from the commencement of contract.

KwaZulu Natal Provincial Treasury
CHIEF FINANCIAL OFFICER

4.2.2 Progress Report

(a) The progress reports must be discussed with the B-BBEE champion and relevant management.

(b) The progress reports will be followed by a close out report, which outline the entire verification process, conducted incorporating the comments of the B-BBEE champions and other relevant management.

(c) Guide the KZNPT in the identification and functioning of the Project Steering Committee

(d) Securing permission to access to information.

(e) Review the KZNPT B-BBEE Preferential Procurement Policy

4.2.3 Close-out Report

The close out report will be presented to the KZNPT senior management and Accounting Officer. One hard copy of the close out report and one electronic version (CD) must be submitted to KZNPT.

5. COMMUNICATION AND REPORTING

(a) The Verification Agency shall report directly to the KZNPT B-BBEE champion.

(b) The KZNPT B-BBEE champions (Human Resource Management and Supply Chain Management) will be kept abreast on challenges, mitigations and achievements.

(c) The KZNPT B-BBEE champions shall sign-off deliverable for their respective Units.

6. TIME FRAMES

The awarded service provider will be required to conduct three verification processes in the below listed financial years:

- Financial year 2024/2025;
- Financial year 2025/2026;
- Financial year 2026/2027.

7. PAYMENT

(a) No payment shall be made if the deliverables as outlined in the agreed project plan are not achieved due to poor performance by the Verification Agency.

(b) The Chief Financial Officer shall arbitrate in cases of disputes.

8. EVALUATION CRITERIA

The Evaluation Criteria will consist of the following 4 stages:

8.1 Stage 1 - Supply Chain Administrative Compliance

(i) The standard bidding documents must be duly completed and be submitted with the tender at the time of closing of the bid.

Failure to comply with the Supply Chain Administrative Compliance shall result in the offer considered non-responsive and shall be rejected.

8.2 Stage 2: Mandatory Document Required

The following mandatory document must be submitted with the bid at time of closing of the bid:

MINIMUM REQUIREMENTS	TICK TO INDICATE SUBMISSION
Company's valid copy of verification certificate issued by SANAS.	

Failure to comply with the mandatory requirement shall result in the offer considered non-responsive and shall be rejected.

8.3 Stage 3: Functionality Criteria

8.3.1 Company Experience

The Verification Agency must have 3 projects in the B-BBEE Verification process.

a) It is compulsory for bidders to substantiate their experience by requesting their clients to complete and stamp Annexure A issued with the bid.

Failure to submit a duly completed Annexure A no points will be allocated for company experience.

Only completed projects shall be considered in the scoring of points.

8.3.2 Project Team

The appointment of SANAS Accredited Verification Agency will be based on the strength of the Project Team. The team should comprise of a team leader, senior verification analyst and junior verification analyst. It is imperative for the Verification Agency to ensure that the Project Team comprises of individuals that will contribute to the successful execution of the contract within the set timeframes.

8.3.2.1 **Project team profile**

The experience for the B-BBEE verification must be detailed in the individual CVs submitted.

(a) **Team leader**

- At least 3 years of experience in the B-BBEE Verification process.

(b) **Senior Verification Analyst**

- At least 2 years of experience in the B-BBEE Verification process

(c) **Junior Verification Analyst**

- At least 1 year experience in the B-BBEE Verification process

8.3.3 **Methodology and Project Management**

- The bidder must submit a detailed project plan -Gantt chart outlining the activities to be conducted at the various stages of the project and projected delivery dates.
- The activities, deliverables and timelines in the Gantt Chart must demonstrate understanding of the legislation and the intricacies involve in the B-BBEE verification process and issuing of certificate.

