
SCOPE OF WORK

APPOINTMENT OF THE SERVICE PROVIDER TO PROVIDE ETHICS AND CORPORATE GOVERNANCE TRAINING AND OTHER SERVICES.

1. ABOUT CEF

CEF SOC Ltd is a Schedule 2 State Owned national energy utility entity with a focus on oil, gas, coal and renewable and clean energy options reporting to the Department of Mineral and Petrol Resources (DMPR) as its primary shareholder. The company derives its mandate from the Central Energy Fund Act No. 38 of 1977.

The Act mandates CEF SOC Ltd to contribute to the national security of energy supply through commercial operations and projects, as well as investing in developmental projects, all the while operating in a highly competitive and capital-intensive environment with the need to be a profitable entity through its subsidiaries and associates. The dual mandate of Commercial and Developmental obligations requires a tight balancing act between the two imperatives given the strategic nature of the national assets that The Group holds, and its obligations as defined in the National Development Plan (NDP).

2. BACKGROUND

Ethics in corporate governance is the system of moral principles and values that guide the behaviour of an organization and its decision-making processes to promote not only lawful but also right and just actions in the interest of organization, Board, Management, Employees and third parties. Ethical behaviour is crucial for building trust, fostering accountability, and promoting long-term sustainability and responsible business practices. Furthermore, Ethics provides as a foundation for CEF SOC organisational values of Batho Pele, Respect, Integrity, Continuous Improvement, and Stewardship. The scope will outline the services that are expected from the service provider in respect of providing Ethics and Corporate governance training and other related services.

3. PURPOSE OF THE PROJECT

The purpose is to acquire a service provider to provide a well-structured training workshop on Ethics and Corporate governance to all CEF SOC employees at management as well as employee level within all CEF SOC operational departments with the aim of driving Ethical, just and lawful practices within the organization. Furthermore, the service will be required to provide other additional services as set out in the scope of work.

4. SPECIFICATION

4.1 SCOPE OF WORK

The scope of work will include:

- Facilitate a well-structured business ethics in consideration with the legal and contractual obligations that come with being an employee in an entity that is government owned.
- Emphasizing the law and outlining acceptable behaviours within government control entity and relations to listed stock exchange entities.
- Facilitate the ethical behaviour awareness sessions in the organisation using a well-structured presentation, questionnaire and case law.
- Outline the importance of ethics in organisational culture and reputation.
- Educate employees about the structure, role and rules of ethics committee and its mandate in the organisation.
- Consequential effects of unethical behaviour for the organisation.
- Impact on ethics and investment growth of organisation.
- The service provider will be required to travel to the entities covered by this scope to provide training and other additional services.

4.2 Deliverables

The service provider shall provide the following services

- Assist management and CEF, SANPC, iGas and AEMFC Employees where applicable to fully understand the Ethics, Ethics committee role and structure.

- Conduct training and awareness sessions to the Board, Executive, Management and employees of the entities covered under this scope. It is estimated that there will be between 30-40 sessions divided across the entities.
- Conduct an impact analysis of negative ethics outcome and management process flow.
- Acceptable international standards, exchange control assessment on ethics, ethic impact assessment consideration for capital investment drive.
- General management and ethical awareness to CEF, SANPC, iGas and AEMFC employees and stakeholders where applicable.
- Compliances monitoring and ethics reflection.
- Third party ethics awareness and impact on investment and business.
- The ability to apply ethical principles in decision-making.
- Conduct Ethics and corporate governance impact assessment
- Closing report on areas of improvement and recommendations on mitigations plans.

4.3 Expected Outcomes

- Define and apply concepts of ethics and third party relation management
- Identify the roles and responsibilities within an organization to implement Ethics and reporting structure of ethics.
- Understand the Ethics management operating procedures.
- Link ethics in a workplace and third party relations
- Ethics and SCM process including exclusions
- Compliance Framework application and relevance in ethics and stakeholder management
- Collaboration with governance and social stakeholder ("ESG").
- Learn how to implement the effective ethics and third-party management processes
- Use practical questionnaire to evaluate ethics, know your client activities in a workplace and investment drive.
- Understand how to draft Ethic report, third party relation feedback process and evaluation.

Task Description	Facilitation	Outcome documents	Required activities	Output timelines
Ethics/third party				
Outlining acceptable behaviours of legal corporate, employees and stakeholder.	Workshops awareness sessions.	- Demonstrate ethical awareness. - Elaborate on corporate governance - Third party relations and ethics. - Explain and elaborate on what constitute third party concepts and standards. - The ability to do ethical reflection. - The ability to apply ethical principles in decision-making.	- Awareness material - Facilitation of workshop and awareness sessions. - Feedback assessment studies on workshop on improvements. - Investment, ethics and impact - Acceptable international ethics rules in corporates for investment awareness. - KYC formulation, review and assessment. - Third party relationship `assessment and awareness. - Ethics and Corporate governance impact assessment - Closing report on areas of improvement and recommendations on mitigations plans.	Facilitate a well-structured business workshop. ADDITIONAL SERVICES - Allocate man-hours for the setting, review and finalization of code of ethic with applicable best practice as well as binding legislation on duties, conduct and responsibilities of public officer bearers. - Third party relationship framework and related process. - Review of ethic policy and Draft lifestyle audit plan and protocol as well as fraud plan. - Assist with Compliance Framework review and Assurance Structure Model and plan.
KYC Formulate and review	Standards classification	Review process and make recommendations	process and procedures awareness	Develop and conduct awareness.

4.4 Contract Term

The contract will be effective for a period of duration of 12 Months where the service provider will provide ongoing advisory services and deliverables outlined in the scope above.

5. EVALUATION CRITERIA

The bids shall be evaluated in three (3) phases, Mandatory requirements, Technical /Functionality evaluation and commercial (Price and Specific Goals) evaluation.

5.1 PHASE 1

Mandatory Requirements

At this phase, the bidder's responses are reviewed against the below Mandatory Requirements. **Failure to comply with any of the Mandatory Requirements will lead to the bidder being disqualified and cannot be considered for further evaluation on Technical Requirements.**

No.	Mandatory requirements	Comply	Not Comply
1.	<u>Proof of qualification</u> The bidder must provide proof of qualification in fields relating to Law or BCOM that is a bachelor's Degree equivalent or above.		
2.	<u>Proof of accreditation</u> The bidder's lead must be an Accredited professional of a relevant Accreditation authority in the Republic of South Africa from a professional institute. The bidder must provide proof of valid Accreditation certification at date of bid submission.		

5.2 PHASE 2

TECHNICAL EVALUATION

Bidders will be evaluated according to the below technical evaluation criteria. Minimum Technical Threshold is **60%**. It must be noted that if the Bidder does not meet the **60%** minimum threshold, the bidder will be disqualified.

Evaluation Criteria	Document as Evidence	Score	Weighting %
1. EXPERIENCE OF THE TEAM LEAD The bidder must submit a CV that demonstrates that the Lead team member has experience in corporate governance, third party relations and assessments, investments conduct assessments and ethics training.			
Lead team member has 10 years or more experience in corporate governance, investments and business ethics which experience must also be demonstrated in contract drafting, projects, corporate interests, Third party relations and investments. .	CV of the team Lead	5	30%
Lead team member has 8 to 9 years' experience in corporate governance, investments and business ethics which experience must also be demonstrated in contract drafting, projects, corporate interests, Third party relations and investments. .		3	
Lead team member has 6 to 7 years' experience in corporate governance, investments and business ethics which experience must also be demonstrated in contract drafting, projects, corporate		1	

interests, Third party relations and investments. .		
Lead team members have less than 6 years' experience in governance, investments and business ethics, which experience must also be demonstrated in contract drafting, projects, corporate interests, Third party relations and investments. .		0

Evaluation Criteria	Document as Evidence	Score	Weighting %
1. EXPERIENCE OF THE TEAM Members. The bidder must submit CV OF team member with specific highlight of keys areas of focus to demonstrate that the team members have experience in either of corporate governance, third party relations and assessments, investments conduct assessments and ethics training.			
Team members combined aggregate experience has 10 years or more experience in corporate governance, investments and business ethics which experience must also include and demonstrated expertise third party contract and assessments and investments conduct assessments advisory and also in contract drafting, projects assessments derisking, and corporate interests.	CV'S of team members	5	10%
Team members combined aggregate experience has 8 to 9 years' experience in corporate governance, investments and business ethics which expertise third party contract and assessments and investments conduct assessments advisory and also in		3	

contract drafting, projects assessments derisking, and corporate interests. .		
Team member combined aggregate experience has 6 to 7 years' experience in corporate governance, investments and business ethics which experience expertise third party contract and assessments and investments conduct assessments advisory and also in contract drafting, projects assessments derisking, and corporate interests...	1	
Team members combined aggregate experience has less than 6 years' experience in governance, investments and business ethics, which experience expertise third party contract and assessments and investments conduct assessments advisory and also in contract drafting, projects assessments derisking, and corporate interests.	0	
The bidder must submit three (3) reference letters reflecting work undertaken in ethics training or awareness sessions that also demonstrate expertise third party management and investments conduct assessments advisory and also in contract drafting, projects assessments derisking, and corporate interests. Letters must be signed and in the client's letter head.		
3 Letters	5	10%
2 Letters	3	
1 Letter	1	
No Letters	0	

Evaluation Criteria	Document as Evidence	Score	Weighting %
2. Reporting Structure Bidder must provide a reporting structure and list of CVs of the team members who will support execution of the work. The elements of the skill set are as follows: • Business Ethics • Compliance understanding and drafting skill • Third party relation • Investments • corporate governance • Projects • Corporate interests			
Bidder must provide detailed reporting structure and CVs with all elements in the skills set	Reporting structure	5	50%
Bidder must provide detailed reporting structure and CVs with business ethics and 4 other elements in the skills set		4	
Bidder must provide detailed reporting structure and CVs with business ethics and 3 other elements in the skills set		3	
Bidder must provide detailed reporting structure and CVs with business ethics and 2 other elements in the skills set		2	
Bidder must provide detailed reporting structure and CVs with business ethics and 1 other element in the skills set		1	
Bidder provided a reporting structure and CVs without business ethics		0	

5.3 PHASE 3: COMMERCIAL EVALUATION

CEF (SOC) Ltd will utilise the following formula in its evaluation of Price offers:

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

a) [Weighted score 80 points]

Where:

Ps = Score for the Tender under consideration

Pt = Price of Tender under consideration

Pmin = Price of lowest acceptable Tender

b) Preference points/specific goals criteria

c) [Weighted score 20 points]

d) Specific goals / Preference Points Claim

Evaluation Criteria	Final Weighted Scores
Price	80
Specific goals	20
TOTAL SCORE:	100

A maximum of 20 points will be awarded to a tenderer for specific goals specified for the tender/RFQ as follows:

Specific goals	Points
Historically disadvantaged individual (HDI)	
Enterprises with ownership of 51% or more by person/s who are black	10
Enterprises with ownership of 51% or more by person/s who are women	5
Enterprises with ownership of 51% or more by person/s who are youth	3
Enterprise with ownership of 10% or more by person/s with disability	2
Total	20

- Tenders must submit their B_BBEE certificate issued by an authorized body or person or a B_BBEE sworn affidavit to claim preference points.
- The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- The contract must be awarded to the tenderer scoring the highest points.
- If two or more tenders score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals, and if two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

6. CONTRACT OBLIGATIONS

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

7. DISCLAIMER

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

8. FEES AND DISBURSEMENTS

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

9. ASSUMPTIONS

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

- The scope of work must be performed in full by the service provider unless otherwise directed by CEF.
- Hourly rate of all team member must be stated to cover the duration of 12 Months services. It is assumed that the team will consist of Team lead and the Team lead must be specified and must have expertise as expected in the outline of the scope of work that of ETHIC management. Hours for any work to be completed must be set out of the scope and detailed.