



## INKOMATI-USUTHU CATCHMENT MANAGEMENT AGENCY

### **IUCMA/021/INTERNALAUDIT/2021 PROVISION OF INTERNAL AUDIT SERVICES TO THE INKOMATI-USUTHU CATCHMENT MANAGEMENT AGENCY FOR A PERIOD OF THIRTY-SIX (36) MONTHS**

**BID SUBMITTED by:**

Supplier's Name: \_\_\_\_\_

Type of Entity (Public Company/Private Company/Closed Corporation/  
Partnership/Trust/Sole Owner Name: \_\_\_\_\_

Registered name: \_\_\_\_\_

Registration Number (if applicable) \_\_\_\_\_

Physical Address: \_\_\_\_\_

Postal Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone No. \_\_\_\_\_

Fax No. \_\_\_\_\_

**BID CLOSING DATE: 09 December 2021 at 11h00am**

**Enquiries:** For technical enquiries contact Ms. P Chuene on Tel: 013 753 9050/ 060 981 1617 [chuene@iucma.co.za](mailto:chuene@iucma.co.za) and for SCM enquiries contact Mr. N Hlatshwayo on Tel: 013 753 9039/071 300 6411 or e-mail [hlatshwayo@iucma.co.za](mailto:hlatshwayo@iucma.co.za)

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**PART T1  
BIDDING PROCEDURES**

**T1.1 Bid Notice and Invitation to Bid**

## **BID NOTICE AND INVITATION TO BID**

The Inkomati-Usuthu Catchment Management Agency (IUCMA) is a body corporate established in terms of section 78 (1) of the National Water Act 36 of 1998, as amended (the Act). The IUCMA is listed in Schedule 3A of the Public Finance Management Act 1 of 1999 (PFMA) as a National Public Entity and is as such required to manage its resources in compliance with the PFMA as amended.

Bids are hereby invited from qualified, competent, and capable bidders to render the following services:

### **IUCMA/021/INTERNALAUDIT/2021 PROVISION OF INTERNAL AUDIT SERVICES TO THE INKO-MATI-USUTHU CATCHMENT MANAGEMENT AGENCY FOR A PERIOD OF THIRTY-SIX (36) MONTHS**

Bid documents can be downloaded from the date of advertisement at the Inkomati-Usuthu Catchment Management Agency website [www.iucma.co.za](http://www.iucma.co.za) and e-tender portal website no cost.

#### **Evaluation method:**

80/20 Preference Point Scoring system in terms of the PPPFA of 2000, Preferential Procurement Regulations of 2017 as amended will be used. Submissions will be prequalified using functionality and by verification of compliance with the bid requirements.

Duly completed bid documents with supporting documents must be sealed in an envelope clearly marked the bid number with the name of the bid and deposited in the bid box at IUCMA offices during office hours from 7h30-16h15, Suite 801, MAXSA Building, Streak Street, Mbombela on or before the closing date and time.

**Closing date: 09 December 2021 at 11h00 am, where bids will be opened.**

No briefing session

Please note that late, faxed and/or e-mailed bids will not be accepted and considered.

For technical enquiries contact Ms. P Chuene on Tel: 013 753 9050/ 060 981 1617 [chuenep@iucma.co.za](mailto:chuenep@iucma.co.za) and for SCM enquiries contact Mr. N Hlatshwayo on Tel: 013 753 9039/071 300 6411 or e-mail [hlatshwayon@iucma.co.za](mailto:hlatshwayon@iucma.co.za)

**Registration of bidders on the National Treasury Central Supplier Database (CSD) with compliant tax status is compulsory.**

**Dr JB Molwantwa  
Acting Chief Executive Officer  
Inkomati-Usuthu Catchment Management Agency  
Private Bag X11214  
Mbombela  
1200**

## INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE INKOMATI-USUTHU CATCHMENT MANAGEMENT AGENCY</b>					
BID NUMBER:	<b>IUCMA/021/INTERNALAUDIT/2021</b>	CLOSING DATE:	<b>09 December 2021</b>	CLOSING TIME:	<b>11h00am</b>
DESCRIPTION	<b>PROVISION OF INTERNAL AUDIT SERVICES TO THE INKOMATI-USUTHU CATCHMENT MANAGEMENT AGENCY FOR A PERIOD OF THIRTY-SIX (36) MONTHS</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>IUCMA</b>					
<b>MAXSA BUILDING, 8<sup>TH</sup> FLOOR</b>					
<b>13 STREAK STREET</b>					
<b>MBOMBELA</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	<b>MR. NTOKOZO HLATSHWAYO</b>	CONTACT PERSON	<b>MS. PORTIA CHUENE</b>		
TELEPHONE NUMBER	<b>013 753 9039/071 300 6411</b>	TELEPHONE NUMBER	<b>013 753 9050/ 060 981 1617</b>		
FACSIMILE NUMBER	<b>013 753 2786</b>	FACSIMILE NUMBER	<b>013 753 2786</b>		
E-MAIL ADDRESS	<a href="mailto:hlatshwayon@iucma.co.za">hlatshwayon@iucma.co.za</a>	E-MAIL ADDRESS	<a href="mailto:chuenep@iucma.co.za">chuenep@iucma.co.za</a>		
<b>SUPPLIER INFORMATION</b>					
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:		<b>OR</b>	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

ARE YOU THE AC-CREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR <b>THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------	---------------------------------------------------------------------------------	----------------------------------------------------------------------------------------

**QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  
 YES  NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?  
 YES  NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  
 YES  NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  
 YES  NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  
 YES  NO

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.**

## TERMS AND CONDITIONS FOR BIDDING

### 1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

### 2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS 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: .....

**PART T1  
BIDDING PROCEDURES**

**T1.2 Bid Information**



## **BID INFORMATION**

<b>Addition or Variation to Conditions of Bid</b>	
The Employer is <b>Inkomati-Usuthu Catchment Management Agency</b>	
The tender documents issued by the employer comprise:	
<b>Part T1</b>	<b>Bidding Procedures</b>
	T 1.1 Invitation to Bid
	T 1.2 Bid Information
<b>Part T2</b>	<b>Agreement and Contract Data</b>
	T 2.1 General Conditions of Contract
	T 2.2 Terms of Reference
	T 2.3 Schedule of Rates
<b>Part T3:</b>	<b>Returnable Schedules</b>
	T 3.1 List of Returnable Documents
	T 3.2 Returnable schedules
<b>Contract Period</b>	
<b>Period of thirty-six (36) months</b>	
The Employer's Agent's details are as follows:	
<b>Name</b>	: Ms. P Chuene
<b>Address</b>	: Suite 801, 8 <sup>th</sup> Floor The Maxsa Building 13 Streak Street Mbombela 1200
	: Private Bag x11214 Mbombela 1200
<b>Tel. No.</b>	: 013 753 9050/ 060 981 1617
<b>E-Mail</b>	: <a href="mailto:chuenep@iucma.co.za">chuenep@iucma.co.za</a>

## **Eligibility/Mandatory requirements**

The following requirements must be met:

### **Phase 1: Compliance/ Mandatory Requirements**

All bids will be examined to determine compliance with bidding requirements and conditions. The proposals will be verified against all administrative requirements of the bid which include the completeness of the Standard Bidding Documents. Bidder who do not fulfil all the requirements or do not submit the required documents will be disqualified and not be evaluated further on compulsory requirements. The compliance requirements include the following:

- Registration on the National Treasury Central Supplier Database (CSD).
- Standard bidding documents must be fully completed and signed, where the answer is not applicable, it must be indicated with N/A, failure to complete will result in disqualification.
- Standard bidding Documents 1, 4, 6.1, 8 and 9.
- Bid documents must be fully completed, where the answer is not applicable, it must be indicated with N/A, failure to complete will result in disqualification.
- The BID document must NOT be altered, only hand-written BIDS will be accepted.

### **Phase 2: Compulsory Requirements**

- Provide certified copy of director(s) registration with South African Institute of Chartered Accountants (SAICA)
- Provide certified copy of director(s) registration with Institute of Internal Auditors (IIA)
- Provide certified copy of company/director(s) registration with Independent Regulatory Board of Auditors (IRBA)

NB: These certified copies should not be older than six (6) months

**NB: Failure to comply with the mandatory requirements and to complete the bid document in full shall result in the bid being regarded as non-responsive.**

**Bid Document must be completed in full and signed, where the answer is not applicable, it must be indicated with N/A, failure to complete will result in disqualification**

All work produced, including records, documents pertaining to this bid shall remain the property of the IUCMA and no part thereof may be altered or changed by the bidder.

The service provider may not assign this Contract, not subcontract any part of this Contract or any of its obligations hereunder without the prior written consent of the client. Service provider's obligations to the client hereunder shall remain unchanged and the service provider shall be solely responsible to the client for the performance of this obligation.

All the data and information generated under this project shall become the property of the IUCMA and shall not be given to third parties without a written approval from the IUCMA.

Accept that **failure to request clarification** on bid documents, in at least 5 working days prior to the closing time stated in the bid data, it shall be deemed that all matters in the bid documents are clearly understood. Accept that the Employer shall not be obligated to respond to any requests for clarification of bid documents submitted in less than 5 working days prior to the closing date.

**No alternative bid offers will be accepted, and bids must be completed on the bid document provided by the IUCMA.**

**No copies** of bid offer are required

The **employer's address** for delivery of bid offers and identification details to be shown on each bid offer package are as follows:

**Location of Bid Box** : Suite 801, 8<sup>th</sup> Floor

**Physical Address** : Maxsa Building  
13 Streak Street  
Mbombela 1200

**Identification Details**

**IUCMA/021/INTERNALAUDIT/2021**

**PROVISION OF INTERNAL AUDIT SERVICES TO THE INKOMATI-USUTHU CATCHMENT MANAGEMENT AGENCY FOR A PERIOD OF THIRTY-SIX (36) MONTHS**

A two-envelope procedure will **NOT** be followed.

Add the following to the clause:

Accept that these bids will be evaluated on functionality first and if the minimum score is attained by a bidder, then the bid shall be evaluated further on price and preference points.

Accept that failure to score the minimum points set out for functionality as stipulated in this Bid shall warrant disqualification from further evaluation process.

**Clarification meeting / Briefing session**

No briefing

The closing date and time for submission of bid offers is **09 December 2021** at **11h00am**.

Telephonic, telegraphic, telex, facsimile or e-mailed and late bid offers will not be accepted.

The bid offer validity period is 120 (one hundred and twenty) days from the tender closing date.

If the bid validity expires on a weekend or public holiday, the bid validity period shall remain open until the closure of business on the next working day.

**Joint ventures** are eligible to submit bids provided that:

1. A joint venture agreement, signed by all partners in a joint venture is in place.
2. At least one member of the joint venture is an SMME
3. Roles, responsibilities and percentage split of the joint venture partners should be clearly defined in the joint venture agreement.

Open bid system will be implemented.

Submissions must be placed in the IUCMA bid box situated at Suite 801, 8<sup>th</sup> Floor, Maxsa Building, 13 Streak Street, Mbombela on or before **09 December 2021** at **11h00am**.

Submission must be in an envelope that is clearly marked and address Inkomati-Usuthu CMA–Supply Chain Management and addressed to Inkomati-Usuthu CMA–Supply Chain Management.

## **CRITERIA FOR EVALUATION**

### **1. EVALUATION PROCESS**

The bid will be evaluated and adjudicated on four (4) different levels as follows:

- i. Phase 1 – Compliance/Mandatory requirements
- ii. Phase 2 – Compulsory requirements
- iii. Phase 3 – Functional requirements
- iv. Phase 4 – Price and BBBEE evaluation

#### **Phase 1: Compliance/ Mandatory Requirements**

All bids will be examined to determine compliance with bidding requirements and conditions. The proposals will be verified against all administrative requirements of the bid which include the completeness of the Standard Bidding Documents. Bidder who do not fulfil all the requirements or do not submit the required documents will be disqualified and not be evaluated further on compulsory requirements. The compliance requirements include the following:

- Registration on the National Treasury Central Supplier Database (CSD).
- Standard bidding documents must be fully completed and signed, where the answer is not applicable, it must be indicated with N/A, failure to complete will result in disqualification.
- Standard bidding Documents 1, 4, 6.1, 8 and 9.
- Bid documents must be fully completed, where the answer is not applicable, it must be indicated with N/A, failure to complete will result in disqualification.
- The BID document must NOT be altered, only hand-written BIDS will be accepted.

#### **Phase 2: Compulsory Requirements**

- Provide certified copy of director(s) registration with South African Institute of Chartered Accountants (SAICA)
- Provide certified copy of director(s) registration with Institute of Internal Auditors (IIA)
- Provide certified copy of company/director(s) registration with Independent Regulatory Board of Auditors (IRBA)

**NB:** *These certified copies should not be older than six (6) months*

#### **Phase 3: Functionality Requirements**

The assessment of functionality will be done in terms of the evaluation criteria as indicated in Table 1. Only Bids that meet the minimum threshold of **70 out of 100 points** for functionality will proceed to the next stage.

The evaluation of functionality will be evaluated in accordance with the functionality criteria below and applicable values.

Table 1: Functionality Evaluation Criteria

**Table 1.1: Approach and understanding (Legislative adherence) of the tasks to be performed**

Item	Attach proposal (max 15 pages)	Points
	Internal audit approach/methodology in line with the internal audit standards. <ul style="list-style-type: none"> <li>• Planning phase of the Audit (8 points)</li> <li>• Execution of the Audit (8 points)</li> <li>• Reporting phase (8 points)</li> <li>• Audit follow up (6 points)</li> <li>• Supervision of work (5 points)</li> </ul>	35
	<b>Sub total</b>	<b>35</b>

**Table 1.2: Academic and Professional Qualifications of key personnel (excluding directors compulsory requirements)**

Item	Attach CVs and certified copies of academic and professional qualifications (Certificates)	Points																				
	Professional qualifications such as CIA, CA, CISA, CRMP, CFE <table border="1" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th>Qualification</th> <th>Points Allocation</th> </tr> </thead> <tbody> <tr> <td>Certified Internal Auditor (CIA)</td> <td>2 points</td> </tr> <tr> <td>Chartered Accountant (CA)</td> <td>2 points</td> </tr> <tr> <td>Certified Information Systems Auditor (CISA)</td> <td>2 points</td> </tr> <tr> <td>Certified Risk Management Professional (CRMP)</td> <td>2 points</td> </tr> <tr> <td>Certified Fraud Examiner (CFE)</td> <td>2 points</td> </tr> </tbody> </table>	Qualification	Points Allocation	Certified Internal Auditor (CIA)	2 points	Chartered Accountant (CA)	2 points	Certified Information Systems Auditor (CISA)	2 points	Certified Risk Management Professional (CRMP)	2 points	Certified Fraud Examiner (CFE)	2 points	10								
Qualification	Points Allocation																					
Certified Internal Auditor (CIA)	2 points																					
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	<table border="1" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th>Qualification</th> <th>Minimum Qty</th> <th>Minimum Experience</th> <th>Points</th> </tr> </thead> <tbody> <tr> <td>Internal Audit</td> <td>5</td> <td>5 years</td> <td>4 points</td> </tr> <tr> <td>Accounting</td> <td>2</td> <td>5 years</td> <td>2 points</td> </tr> <tr> <td>Forensic Audit</td> <td>1</td> <td>5 years</td> <td>2 points</td> </tr> <tr> <td>IT audit</td> <td>1</td> <td>5 years</td> <td>2 points</td> </tr> </tbody> </table>	Qualification	Minimum Qty	Minimum Experience	Points	Internal Audit	5	5 years	4 points	Accounting	2	5 years	2 points	Forensic Audit	1	5 years	2 points	IT audit	1	5 years	2 points	10
Qualification	Minimum Qty	Minimum Experience	Points																			
Internal Audit	5	5 years	4 points																			
Accounting	2	5 years	2 points																			
Forensic Audit	1	5 years	2 points																			
IT audit	1	5 years	2 points																			
	<b>Sub total</b>	<b>20</b>																				

**Table 1.3: Skills and competencies of the Project Manager**

Item	Experience of bidder's Project manager that will be assigned to the contract.	Points
	Points will be awarded as follows: <ul style="list-style-type: none"> <li>• CA /CIA with 10 or more years' experience (5 points)</li> <li>• CA/CIA with 4 to 9 years' experience (3 points)</li> <li>• Honours/B-Tech with greater than 4 years' experience (1 point)</li> <li>• Less than 4 years' experience (no points)</li> </ul> Attach CV and certified copies of qualification/s. Certified copies should not be older than six (6) months.	5
	<b>Sub total</b>	<b>5</b>

**Table 1.4: Company experience**

Item	Experience of the company: Attach proof of recommendation/reference letters and appointment letters proving that such projects were executed in the past. Letters on the client letterhead with contactable references.	Points
	Points will be awarded as follows:  Five (5) points for each successful reference	25
	<b>Sub total</b>	<b>25</b>

**Table 1.5: Quality Assurance**

Item	Quality Assurance: Attach reference letters for quality assurance assessment outcomes showing that the internal audit activity generally conforms to the Standards and Code of Ethics.	Points
	The company must provide quality assurance assessment outcomes not older than 3 years from clients that have audited.  <ul style="list-style-type: none"> <li>• Three (3) or more reference letters (15 points)</li> <li>• Two (2) reference letters (10 points)</li> <li>• One (1) reference letter (5 points)</li> <li>• Non submission (no points)</li> </ul>	15
	<b>Sub total</b>	<b>15</b>
	<b>Total</b>	<b>100 Points</b>

Bids that fail to achieve a minimum of **70** points out of **100** points for functionality will be disqualified. This means that such bids will not be evaluated further on price and preference points.

**PHASE 4: Price and BBBEE**

Thereafter, only those qualifying bids will be evaluated in terms of the 80/20 preferential points systems, wherein the 80 points will be used for price and the 20 points for B-BBEE status level of contribution as indicated in the table below

<b>Functionality evaluation</b>	
<b>Preferential point system</b>	<b>Points</b>
Price	80
B-BBEE status level of contribution	20
<b>Total</b>	<b>100</b>

NB: Bidders must submit valid certified B-BBEE Certificate or certified affidavit BBBEE in the case of Exempted Micro-Enterprises (EME).

<b>B-BBEE Status level of Contributor</b>	<b>Number of Points (80/20 system)</b>
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non –compliant contributor	0

**PART T2**  
**AGREEMENT AND CONTRACT DATA**

**T2.1 General Conditions of Contract**



# THE NATIONAL TREASURY

Republic of South Africa



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## GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

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## **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 vendor, 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 Vendor 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 vendor bearing all risks and charges involved until the goods 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 vendor 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 vendor 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 goods covered by the bid will be manufactured.m
- 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 Institution purchasing the goods/works and/or service.
- 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 vendor 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 vendors, 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 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

#### **4. Standards**

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

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

- 5.1 The vendor 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 vendor 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 vendor 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 vendor shall permit the purchaser to inspect the vendor's records relating to the performance of the vendor and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 5.5 The vendor 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.

#### **6. Patent Rights**

- 6.1 The vendor 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 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the vendor's failure to complete his obligations under the contract.
- 7.2 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.
- 7.3 The performance security will be discharged by the purchaser and returned to the vendor not later than thirty (30) days following the date of completion of the vendor'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 Institution or an organization acting on behalf of the Institution.
- 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 vendor.
- 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 analysed 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 vendor 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 vendor's cost and risk. Should the vendor fail to provide the substitute supplies forthwith, the purchaser may, without giving the vendor further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the vendor.
- 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 vendor 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 vendor in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the vendor are specified in SCC.

10.2 Documents to be submitted by the vendor 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 vendor 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 vendor of any warranty obligations under this contract;
- e) training of the purchaser's personnel, at the vendor's plant and/or
- f) on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the vendor 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 vendor for similar services.

### **14. Spare parts**

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

- a) such spare parts as the purchaser may elect to purchase from the vendor, provided that this election shall not relieve the vendor 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 vendor 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 vendor 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 vendor, 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 vendor in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the vendor 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 vendor, 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 vendor's risk and expense and without prejudice to any other rights which the purchaser may have against the vendor under the contract.

## **16. Payment**

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

## **17. Prices**

- 17.1 Prices charged by the vendor for goods/works delivered and/or services performed under the contract shall not vary from the prices quoted by the vendor in this bid, with the exception of any price adjustments authorized in SCC or purchaser's request for bid validity extension, as the case may be.

## **18. Amendment of contracts**

- 18.1 No variation in or modification of the terms of the contract shall be amendments made except by written amendment signed by the parties concerned.

## **19. Assignment**



- 19.1 The vendor shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

## **20. Subcontractors**

- 20.1 The vendor shall notify the purchaser in writing of all subcontractors awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the vendor from any liability or obligation under the contract.

## **21. Delays in the vendor's performance**

- 21.1 Delivery of the goods/works and/or performance of services shall be made by the vendor 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 vendor or its subcontractor(s) should encounter conditions impeding timely delivery of the goods/works and/or performance of services, the vendor 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 vendor's notice, the purchaser shall evaluate the situation and may at his discretion extend the vendor'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 essential services executed if an emergency arises, the vendor's point of supply is not situated at or near the place the supplies are required or the vendor's supplies or goods are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the vendor in the performance of its delivery obligations shall render the vendor 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 cancelling 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 vendor'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 vendor.

## **22. Penalties**

- 22.1 Subject to GCC Clause 25, if the vendor 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/works and/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 vendor, may terminate this contract in whole or in part:
- a. if the vendor 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 vendor fails to perform any other obligation(s) under the contract; or
  - c. if the vendor, in the judgement 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 and/or services similar to those undelivered, and the vendor shall be liable to the purchaser for any excess costs for such similar goods/works and/or services. However, the vendor 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 vendor by prohibiting such vendor 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 vendor or any person associated with the vendor, the vendor 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 vendor 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 vendor.
- 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 vendor 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 vendors 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. Antidumping and countervailing duties and rights**

- 24.1 When, after the date of bid, provisional payments are required, or antidumping 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 vendor 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 as a result of an event of Force Majeure.
- 25.2 If a force majeure situation arises, the Vendor shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Vendor 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 on insolvency**

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the vendor if the vendor becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the vendor, 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 vendor 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 vendor 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 vendor any monies due the vendor.

## **28. Limitation of Liability**

- 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the vendor 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 vendor to pay penalties and/or damages to the purchaser; and
  - (b) the aggregate liability of the vendor 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 vendor 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 vendor 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 vendor 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 purchaser must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

## **33. National Industrial Participation Programme (NIPP)**

- 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.

**PART T2**  
**AGREEMENT AND CONTRACT DATA**

**T2.2 Terms of Reference**

# TERMS OF REFERENCE

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## TERMS OF REFERENCE FOR PROVISION OF INTERNAL AUDIT SERVICES TO THE INKOMATI-USUTHU CATCHMENT MANAGEMENT AGENCY FOR A PERIOD OF THIRTY-SIX (36) MONTHS

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### 1. PURPOSE

The purpose of this request is to appoint a suitable service provider for the provision of Internal Audit services on a co-sourcing basis for a period of thirty-six (36) months. The Internal Audit will be set up under sections 51 (1) (a) (ii) and 76(4) (b) and (e) of the Public Finance and Management Act (PFMA) and Paragraph 27.2.2 of the Treasury Regulations.

### 2. BACKGROUND

The Inkomati-Usuthu Catchment Management Agency (IUCMA) is a corporate body established in terms of the section 78(1) of the National Water Act No. 36 of 1998, amended (the act). The IUCMA is a schedule 3A public entity and is required as such to manage its resources in a manner and that complies with the public finance Management Act, 1999 and the National Treasury Regulation, 2005 (NTR) as amended.

### 3. AIMS AND OBJECTIVES

The aim is to seek the services of a PSP to augment the capacity of internal Audit team to respond to challenges facing the IUCMA, to take initiatives and implement programmes which will give effect to those responses, and to undertake specific tasks, either as part of strategies to be developed, or as ad hoc responses to challenges which may arise.

The primary responsibility of the Internal Audit will be to audit and review the IUCMA financial, ITC, operational, performance and corporate governance activities and to make recommendations in terms of best practice for the IUCMA.

The Internal Audit objective is to ensure that the internal audit is conducted in accordance with the standards set by the Institute of Internal Auditors and fulfils all requirements as prescribed by the Public Finance Management Act, any other relevant Legislation and Treasury Regulations.

In all cases, it is important that staff of the Internal Audit unit is empowered in the process of carrying out the assignment. Staff must develop appropriate skills and experience in their interaction with the relevant service provider which will decrease the necessity in the need for future assignments of this nature. A detailed skill transfer plan will have to be submitted with the proposal.

### 4. SCOPE OF WORK/ DELIVERABLES

Below is the scope of work to be co-sourced and it is compulsory for all bidders' proposals to cater for all the areas as indicated.

The duties of the service provider are listed, but not limited to the following (ad hoc projects will be delegated should the need arise):

**a. Audit of performance information**

- Evaluation of the policies, systems processes and procedures for managing of and reporting on performance against predetermined objectives and submissions of a detailed report on the findings and recommendations within specified timeframes
- Compliance with relevant laws and regulations
- Validity, accuracy, and completeness of information

**b. Review of interim and annual financial statements**

- Audit of the interim and annual financial statements prior to submission to the External Auditors
- Reviewal of the adequacy and effectiveness of critical financial reporting controls
- High level review of the AFS and GRAP compliance checklist

**c. Supply chain management**

- Irregular, fruitless, and wasteful expenditure
- Poor contracted service providers
- Value for money
- Safeguarding of original contract documents
- Fraud and theft
- Supplier database
- Compliance with relevant laws and regulations
- Financial delegations
- Procurement reporting
- Policies, processes, and procedures

**d. Financial Governance**

- Accounts management
- Cash flow management
- Revenue management
- Grants
- Tariff policy
- Budgeting
- Payment procedures

**e. IT Audit**

- General controls
- Application controls
- Business continuity management/engagement (IT)
- Data recovery
- Safeguarding of information

**f. Risk Management Review**

- Fraud and prevention plan and awareness programs



- Review the adequacy and effectiveness of Enterprise Risk Management (ERM) processes

**g. Corporate Governance Review**

- Internal Control Environment
- Governance model
- Management model
- Intergovernmental Relations
- Delegation of Authority
- Strategic planning

**h. Compliance Audit**

- Compliance with laws and regulations
- Compliance with board resolutions
- Occupational Health and Safety Act

**i. Operational Audits**

- Reviewal of the adequacy and effectiveness of operational controls

**j. Follow up audits**

- Audit the progress by management on the implementation plan to address audit findings raised by the external auditors and internal audit unit for the previous reporting period;

**k. Skills transfer**

- To develop and implement a training and capacity building programme for the internal audit unit;

**l. Perform ad-hoc audits as and when required**

- High risk areas as identified in the risk assessment
- Management request as and when required

**m. General**

- Report the results and recommendations of audits to management and the audit committee of the IUCMA
- Prepare reports to the Audit Committee detailing performance against the plan, allowing for effective monitoring and intervention where necessary
- Have a quality assurance and improvement program in accordance with the Institute of Internal Auditors (IIA) standards
- Prepare and submit all audit files
- Attend the audit and risk management committee meetings and governing board as when required.
- Provide support to the external audit processes

## **5. PROJECT PERIOD**

The project will be executed over a period of thirty-six (36) months commencing on **01 April 2022** and terminating on **30 March 2025**.

## **6. OWNERSHIP AND INTELLECTUAL PROPERTY**

- All products resulting from this contract will remain the property of the IUCMA. The contents of the material will not be altered without the prior permission from the IUCMA.
- The service provider may also not use IUCMA material for any advertisements and personal use without the prior permission from the IUCMA.
- This contract will be under a direct supervision of IUCMA Internal Audit unit.

## **7. VALIDITY PERIOD OF PROPOSAL**

The tender proposal must remain valid in all respects for at least 120 days after the tender closing date.

## **8. SERVICE LEVEL AGREEMENT**

The acceptance of any proposal is only valid upon the conclusion of a written SLA between the IUCMA and the successful Service Provider, in terms of which the rights and duties of the parties are recorded, which agreement shall regulate the relationship between the IUCMA and the successful Service provider.

Until such time that an appropriate SLA has been concluded between the IUCMA and the successful Service Provider, no rights shall be conferred, nor shall any legitimate expectations be conferred to the successful service provider to carry out the works or services provided for in this document.

This document is not to be edited or altered as it forms part of the contract. Any contract amendments are to be raised with the IUCMA for legal consideration.

## **9. SPECIAL OF CONDITIONS**

- Awarding of the bid will be subject to the service provider's express acceptance of the general conditions of contract.
- The successful service provider agrees to keep confidential all records and information and not to disclose such records or information to any third party without the prior written consent of IUCMA.
- The IUCMA reserves the right to terminate the contract if there is clear evidence of non-performance and/or inability to deliver.
- IUCMA reserves the right not to make any appointment.
- The successful service provider must at all times abide to the POPI Act.

## 10. SUBMISSION OF PROPOSALS

Bid documents must be hand-delivered or couriered and deposited in the tender box at the following address clearly marked for attention Supply Chain Management on or before the closing date and time.

If a courier service company is being used for delivery of the bid document, the bidder description must be endorsed on the delivery note/courier packaging and the courier must ensure that documents are placed / deposited into the bid box. The IUCMA will not be held responsible for any bid document which is not timeously delivered, mislaid or incorrectly delivered due to the negligence of the courier company or any other party involved in the delivery of the bid document.

### **Physical Address:**

Inkomati-Usuthu Catchment Management Agency  
Suite 801, MAXSA Building, 8<sup>th</sup> Floor, 13 Streak Street, Mbombela, 1200

### **Contact Persons**

Technical Enquiries	SCM Enquiries
Project Manager Ms. P Chuene Tel. 013 753 9050 / 060 981 1617 Email: <a href="mailto:chuenep@iucma.co.za">chuenep@iucma.co.za</a>	Supply Chain Management Mr N Hlatshwayo Tel: 013 753 9039/071 300 6411 E-mail : <a href="mailto:hlatshwayon@iucma.co.za">hlatshwayon@iucma.co.za</a>

**PART T2**  
**AGREEMENT AND CONTRACT DATA**

**T2.3 Schedule of Rates**

### SCHEDULE OF RATES

Resource Description	Required qualification	Required experience	Rate per hour Excl VAT	Rate per hour Excl VAT	Rate per hour Excl VAT
			Year 1	Year 2	Year 3
Project manager	CIA/CA	5 years of experience in managing similar projects			
Senior Internal Auditors	Post graduate qualification in Auditing/ Accounting /CIA	5 years of experience in Internal Auditing			
Senior Forensic Auditor	Post graduate qualification in Auditing/ Accounting/ Law /CFE	5 years of experience in Forensic Auditing			
Senior IT auditor	Post graduate qualification in Auditing/ Computer Science/ Accounting /CISA	5 years of experience in Information Systems Auditing			
Senior Performance Auditor	Postgraduate in Auditing/ Accounting /CIA	5 years of experience in Internal and or Performance Auditing			
Internal Auditor	Degree/BTech in Auditing or Accounting	3 years' experience in Internal Auditing			
Forensic Auditor	Degree/BTech in Auditing or Law	3 years' experience in Forensic Auditing			

Performance Auditor	Degree/BTech in Auditing/ Performance management/ Accounting	3 years' experience in Performance Auditing			
Junior Internal Auditor	Undergraduate Diploma in Auditing	1 year experience in Internal Auditing			
Junior Forensic Auditor	Undergraduate diploma in Auditing or Forensic Auditing	1 year experience in Forensic Auditing			
Junior Performance Auditor	Diploma in Auditing	1 year experience in Performance Auditing			
<b>A: TOTAL HOURLY RATES EXCL VAT</b>					
<b>B: 15% OF VAT</b>					
<b>C: TOTAL HOURLY RATES INCL VAT (A + B)</b>					
<b>D: TOTAL HOURLY RATES INCL VAT (YEAR 1 + YEAR 2 + YEAR 3)</b>					

NB: This contract will be a rates-based contract on an ad-hoc basis. The total hourly rates will not be regarded as the total value of the contract.

## **PART T3**

### **RETURNABLE SCHEDULES**

#### **T3.1 List of Returnable Documents**

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative: .....

2.2 Identity Number:.....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member):  
.....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:  
.....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....

Name of state institution at which you or the person connected to the bidder is employed : .....

Position occupied in the state institution: .....

--	--

PSP

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Witness 1

--	--

Witness 2

--	--

Employer

--	--

Witness 1

--	--

Witness 2



Any other particulars:

.....  
.....  
.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....  
.....  
.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:

.....  
.....  
.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.

.....  
.....  
.....

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1 If so, furnish particulars.

.....  
.....  
.....

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:

.....  
.....


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

.....

### 3 Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Persal Number

### 4 DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.  
 I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE  
 TO BE FALSE.

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of bidder


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

- 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

- a) The value of this bid is estimated to **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

**2. DEFINITIONS**

- (a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **"functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **"prices"** includes all applicable taxes less all unconditional discounts;
- (h) **"proof of B-BBEE status level of contributor"** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- 
- (j) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

**3. POINTS AWARDED FOR PRICE**

**3.1 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**

$$P_s = 80 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where

- P<sub>s</sub> = Points scored for price of bid under consideration
- P<sub>t</sub> = Price of bid under consideration
- P<sub>min</sub> = Price of lowest acceptable bid


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

**4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR**

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

**5. BID DECLARATION**

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

**6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)  
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?

(***Tick applicable box***)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(***Tick applicable box***)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of

<input type="checkbox"/>
<input type="checkbox"/>

PSP

<input type="checkbox"/>
<input type="checkbox"/>

Witness 1

<input type="checkbox"/>
<input type="checkbox"/>

Witness 2

<input type="checkbox"/>
<input type="checkbox"/>

Employer

<input type="checkbox"/>
<input type="checkbox"/>

Witness 1

<input type="checkbox"/>
<input type="checkbox"/>

Witness 2

Preferential Procurement Regulations,2017:

<b>Designated Group: An EME or QSE which is at least 51% owned by:</b>	<b>EME √</b>	<b>QSE √</b>
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
  - One person business/sole propriety
  - Close corporation
  - Company
  - (Pty) Limited
- [TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....  
 .....  
 .....

**8.6 COMPANY CLASSIFICATION**

- Manufacturer
  - Supplier
  - Professional service provider
  - Other service providers, e.g. transporter, etc.
- [ TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

**DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution’s supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Ite	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? <b>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</b>  The Database of Restricted Suppliers now resides on the National Treasury’s website( <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> ) and can be accessed by clicking on its link	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Tender Defaulters can be accessed on the National Treasury’s website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2



4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME)**

..... **CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....  
**Signature**

.....  
**Date**

.....  
**Name of Bidder**

.....  
**Position**

Js365


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
  
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
  
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution’s supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
  
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
  
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_  
(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_  
(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_  
that: (Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

6. 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>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. 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.

<sup>3</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


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

10. 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.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

# RESOLUTION OF BOARD OF DIRECTORS

**RESOLUTION** of a meeting of the Board of \*Directors / Members / Partners of:

\_\_\_\_\_

*(legally correct full name and registration number, if applicable, of the Enterprise)*

Held at \_\_\_\_\_ *(place)*

on \_\_\_\_\_ *(date)*

**RESOLVED that:**

- 1 The Enterprise submits a Bid to Inkomati-Usuthu Catchment Management Agency in respect of the following project:

\_\_\_\_\_

*(project description as per Bid Document)*

Bid Number: \_\_\_\_\_ *( Bid Number as per Bid Document)*

- 2 \*Mr./Mrs./Ms.: \_\_\_\_\_

in \*his/her Capacity as: \_\_\_\_\_ *(Position in the Enterprise)*

and who will sign as follows: \_\_\_\_\_

be, and is hereby, authorized to sign the Bid, and any and all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any Contract, and any and all documentation, resulting from the award of the Tender to the Enterprise mentioned above.

	<b>Name</b>	<b>Capacity</b>	<b>Signature</b>
1			
2			
3			
4			
5			
6			


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

# RESOLUTION OF BOARD OF DIRECTORS TO ENTER INTO CONSORTIA OR JOINT VENTURES

*(Legally correct full name and registration number, if applicable, of the Enterprise)*

held at \_\_\_\_\_ *(place)*

on \_\_\_\_\_ *(date)*

**RESOLVED that:**

- 1 The Enterprise submits a Bid, in consortium/joint venture with the following Enterprises:

\_\_\_\_\_

*(List all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the consortium/joint venture)*

to the Inkomati-Usuthu Catchment Management Agency in respect of the following Bid:

\_\_\_\_\_

\_\_\_\_\_

*(Project description as per Bid Document)*

Bid Number: \_\_\_\_\_ *(Bid Number as per Bid Document)*

- 2 \*Mr./Mrs./Ms.: \_\_\_\_\_

in \*his/her Capacity as: \_\_\_\_\_ *(Position in the Enterprise)*

and who will sign as follows: \_\_\_\_\_

be, and is hereby, authorized to sign a consortium/joint venture agreement with the parties listed under item 1 above, and any and all other documents and/or correspondence in connection with and relating to the consortium/joint venture, in respect of the project described under item 1 above.

- 3 The Enterprise accept joint and several liability with the parties listed under item 1 above for the due fulfilment of the obligations of the joint venture deriving from, and in any way connected with, the Contract to be entered into with the Agency in respect of the project described under item 1 above.

- 4 The Enterprise choose as its *domicilium citandi et executandi* for all purposes arising from this joint venture agreement and the Contract with the Agency in respect of the project under item 1 above:

Physical address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

Postal Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_ (code)

Telephone number: \_\_\_\_\_ (code)

Fax number: \_\_\_\_\_ (code)

	<b>Name</b>	<b>Capacity</b>	<b>Signature</b>
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

**Note:**

1. \* Delete which is not applicable.
2. **NB.** This resolution must be signed by all the Directors / Members / Partners of the Tendering Enterprise.
3. Should the number of Directors / Members / Partners exceed the space available above, additional names, capacity and signatures must be supplied on a separate page

**ENTERPRISE STAMP**


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2



# SPECIAL RESOLUTION OF CONSORTIA OR JOINT VENTURES

**RESOLUTION** of a meeting of the duly authorized representatives of the following legal entities who have entered into a consortium/joint venture to jointly bid for the project mentioned below: *(legally correct full names and registration numbers, if applicable, of the Enterprises forming a consortium/joint venture)*

1 \_\_\_\_\_  
\_\_\_\_\_  
2 \_\_\_\_\_  
\_\_\_\_\_  
3 \_\_\_\_\_  
\_\_\_\_\_  
4 \_\_\_\_\_  
\_\_\_\_\_  
5 \_\_\_\_\_  
\_\_\_\_\_  
6 \_\_\_\_\_  
\_\_\_\_\_  
7 \_\_\_\_\_  
\_\_\_\_\_  
8 \_\_\_\_\_  
\_\_\_\_\_

Held at \_\_\_\_\_ *(place)*

on \_\_\_\_\_ *(date)*

**RESOLVED that:**

- A. The above-mentioned Enterprises submit a bid in consortium/joint venture to the Inkomati-Usuthu Catchment Management Agency in respect of the following project:

\_\_\_\_\_  
\_\_\_\_\_

*(Project description as per Bid Document)*

Bid Number: \_\_\_\_\_ *(Bid Number as per Bid Document)*


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

B. Mr./Mrs./Ms.: \_\_\_\_\_

in \*his/her Capacity as: \_\_\_\_\_ (Position in the Enterprise)

and who will sign as follows: \_\_\_\_\_

be, and is hereby, authorized to sign the tender, and any and all other documents and/or correspondence in connection with and relating to the bid, as well as to sign any Contract, and any and all documentation, resulting from the award of the bid to the Enterprises in consortium/joint venture mentioned above.

- C. The Enterprises constituting the consortium/joint venture, notwithstanding its composition, shall conduct all business under the name and style of:
- D. The Enterprises to the consortium/joint venture accept joint and several liability for the due fulfilment of the obligations of the consortium/joint venture deriving from, and in any way connected with, the Contract entered into with the Agency in respect of the project described under item A above.
- E. Any of the Enterprises to the consortium/joint venture intending to terminate the consortium/joint venture agreement, for whatever reason, shall give the Agency 30 days written notice of such intention. Notwithstanding such decision to terminate, the Enterprises shall remain jointly and severally liable to the Agency for the due fulfilment of the obligations of the consortium/joint venture as mentioned under item D above.
- F. No Enterprise to the consortium/joint venture shall, without the prior written consent of the other Enterprises to the consortium/joint venture and of the Agency, cede any of its rights or assign any of its obligations under the consortium/joint venture agreement in relation to the Contract with the Agency referred to herein.
- G. The Enterprises choose as the *domicilium citandi et executandi* of the consortium/joint venture for all purposes arising from the consortium/joint venture agreement and the Contract with the Agency in respect of the project under item A above:

Physical address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (code)

Postal Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (code)

Telephone number: \_\_\_\_\_ (code)

Fax number: \_\_\_\_\_ (code)


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

	<b>Name</b>	<b>Capacity</b>	<b>Signature</b>
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

**Note:**

1. \* Delete which is not applicable.
2. **NB:** This resolution must be signed by all the Duly Authorized Representatives of the Legal Entities to the consortium/joint venture submitting this bid.
3. Should the number of Duly Authorized Representatives of the Legal Entities joining forces in this bid exceed the space available above, additional names, capacity and signatures must be supplied on a separate page.
4. Resolutions, duly completed and signed, from the separate Enterprises who participate in this consortium/joint venture must be attached to the Special Resolution.


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

# **PART T3 RETURNABLE SCHEDULES**

## **T3.2 Returnable Schedules**


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

## ADDENDA / NOTICE(S) ISSUED TO BIDDERS

I/We confirm that the following communication / Information / Notice(s), issued to Bidders, was received from the Employer before the submission of this tender offer and has been taken into consideration in this tender:

(NB: Addendum/Addenda shall only be made available to Bidders who attended the Clarification Meeting.)

Addendum / Notice Reference Number	Date of Issue	Subject Matter of Addendum / Notice

**NB:** Evidence of such addenda must be attached to this Schedule.

Specify number of sheets appended to this schedule \_\_\_\_\_ (if none, enter NONE)

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

**DATE:** \_\_\_\_\_  
(On behalf of the Bidder)


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

## AMENDMENTS, QUALIFICATIONS AND ALTERNATIVES

*(This is not an invitation for amendments, deviations or alternatives, but should the Bidder desire to make any departures from the Provisions of this Contract he shall set out his proposals clearly hereunder. The Employer will not consider any amendment, unless form (a), has been completed to the satisfaction of the Employer).*

I / We herewith propose the amendments, as set out in the table below:

### (a) AMENDMENTS

PAGE, CLAUSE OR ITEM NO	PROPOSED AMENDMENT

- Notes:**
- (1) Amendments to the General and Special Conditions of Contract are not acceptable;
  - (2) The Bidder must give full details of all the financial implications of the amendments and qualifications in a covering letter attached to his Tender.


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

## SCHEDULE OF THE BIDDER'S EXPERIENCE

The following is a Statement of Work of similar nature recently successfully executed by myself / ourselves:

Employer: Name and Address	Project Manager: Contact Person and Telephone Number	Nature of Work	Value of Work (inclusive of VAT)	Date Completed or Expected to be Completed

SIGNATURE: .....  
*(of person authorised to sign on behalf of the Bidder)*

DATE: .....


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

**KEY PERSONNEL**

The Bidder shall list below the personnel which he intends to utilize on the Project.

Name	Position	Tasks	Qualifications	Registration and No.

SIGNATURE: .....  
*(of person authorised to sign on behalf of the Bidder)*

DATE: .....


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2



# SCHEDULE OF PROPOSED SUB-CONSULTANTS

We notify you that it is our intention to employ the following Sub-consultants for Work in this Contract.

If we are awarded a Contract we agree that this notification does not change the requirement for us to submit the names of proposed Sub-consultants in accordance with requirements in the Contract for such appointments. If there are no such requirements in the Contract, then your written acceptance of this list shall be binding between us.

	<b>Name and address of proposed Sub-consultant</b>	<b>Nature and extent of Work</b>	<b>Previous experience with Sub-consultant.</b>
<b>1.</b>			
<b>2.</b>			
<b>3.</b>			
<b>4.</b>			
<b>5.</b>			

Signed

Date

Name

Position

Bidder


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

## COMPANY PROFILE, INCLUDING TRACK RECORD

*[Abbreviated company profile, giving history, status, activities, staff and track record of the bidding entity, to be inserted here. In case of a Joint Venture, a separate profile for each partner must be submitted]*


PSP


Witness 1


Witness 2


Employer


Witness 1


Witness 2

