



## water & sanitation

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

WP11334

### REQUEST FOR BID

**BID NUMBER WP11334**

**APPOINTMENT OF A PANEL OF EXPERTS IN THE FIELD OF FORENSIC AUDIT AND INVESTIGATIONS TO BE APPOINTED TO ASSIST THE DEPARTMENT OF WATER AND SANITATION WITH INVESTIGATION OF PROJECTS AS AND WHEN NECESSARY FOR A PERIOD OF THREE(3) YEARS.**

**ISSUE DATE:**

**25 SEPTEMBER 2020**

**CLOSING DATE AND TIME**

**29 OCTOBER 2020 at 11H00**

**SUBMIT TENDER DOCUMENT**

**POSTAL ADDRESS:**  
DIRECTOR-GENERAL: WATER AND  
SANITATION  
PRIVATE BAG X 313 PRETORIA, 0002

OR

**TO BE DEPOSITED IN:**  
THE TENDER BOX AT THE  
ENTRANCE OF ZWAMADAKA  
BUILDING 157 FRANCIS BAARD STREET  
(FORMERLY SCHOEMAN STREET)  
PRETORIA  
0002

**Compulsory briefing session**

**N/A**

**TENDERER:** (Company address and stamp)

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	WP11334	CLOSING DATE:	29 OCTOBER 2020	CLOSING TIME:	11H00
DESCRIPTION	<b>APPOINTMENT OF A PANEL OF EXPERTS IN THE FIELD OF FORENSIC AUDIT AND INVESTIGATIONS TO BE APPOINTED TO ASSIST THE DEPARTMENT OF WATER AND SANITATION WITH INVESTIGATION OF PROJECTS AS AND WHEN NECESSARY FOR A PERIOD OF THREE(3) YEARS.</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
TENDER BOX AT ZWAMADAKA BUILDING 157 FRANCIS BAARD STREET (FORMERLY SCHOEMAN STREET)					
PRETORIA, 0002					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Winnie Dolamo		CONTACT PERSON	Mr M Motsatsi	
TELEPHONE NUMBER	012 336 8974		TELEPHONE NUMBER	012 336 7905	
FACSIMILE NUMBER	0864890777		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	dolamow@dws.gov.za		E-MAIL ADDRESS	motsatsim@dws.gov.za	
<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:		OR	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
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED 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 THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

## PART B TERMS AND CONDITIONS FOR BIDDING

### **1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 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](http://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:

.....

PRICING SCHEDULE

**APPOINTMENT OF A PANEL OF EXPERTS IN THE FIELD OF FORENSIC AUDIT AND INVESTIGATIONS TO BE APPOINTED TO ASSIST THE DEPARTMENT OF WATER AND SANITATION WITH INVESTIGATION OF PROJECTS AS AND WHEN NECESSARY FOR A PERIOD OF THREE(3) YEARS.**

NAME OF BIDDER: .....PROJECT NO: **WP11334**

CLOSING TIME: **11:00**

CLOSING DATE: **29 OCTOBER 2020**

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

ITEM DESCRIPTION BID PRICE IN RSA CURRENCYNO (ALL APPLICABLE TAXES INCLUDED)

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total Estimated time for completion of all phases and including all Expenses inclusive of all applicable taxes for the project.

R.....

3. Period required for commencement with project after Acceptance of bid

.....

4. Estimated                      man-days                      for                      completion                      of                      project

.....

5. Are the rates quoted firm for the full period of contract? \*YES/NO

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

.....

.....

.....

.....

\*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the

Department: Department of Water and Sanitation

Contact Person: Winnie Dolamo

Tel: 012 336 8974

E-mail address: [dolamow@dws.gov.za](mailto:dolamow@dws.gov.za)

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Mr M Motsatsi

Tel: 012 336 7905

E-mail address: [mlotsatsim@dws.gov.za](mailto:mlotsatsim@dws.gov.za)

## 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.

"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.

"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 YES / NO  
presently employed by the state?

- 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: .....

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? If so, furnish particulars. **YES/NO**

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

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:

.....

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

<b>Full Name</b>	<b>Identity Number</b>	<b>Personal Income Tax Reference Number</b>	<b>Employee Number / Persal Number</b>

**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

## 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 ~~exceed/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:

	POINTS
<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.

### 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:

<b>80/20</b>	<b>or</b>	<b>90/10</b>
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$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

- $P_s$  = Points scored for price of bid under consideration
- $P_t$  = Price of bid under consideration
- $P_{\min}$  = Price of lowest acceptable bid

### 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-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
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:

- What percentage of the contract will be subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- 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 Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
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		
OR		
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 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 *audialterampartem* (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 .....

.....  
.....

## 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.

Item	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 at the bottom of the home page.	+	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:		
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?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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**

.....  
**Position**

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

## 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.

## 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
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.

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

# **GOVERNMENT PROCUREMENT GENERAL CONDITIONS OF CONTRACT**

## **NOTES**

**The purpose of this document is to:**

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

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

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

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## **General Conditions of Contract**

- 1. Definitions** 1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 "Day" means calendar day.
  - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
  - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
  - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
  - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
  - 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
  - 1.14 "GCC" means the General Conditions of Contract.
  - 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
  - 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the

supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

## **2. Application.**

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

## **4. Standards**

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

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

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

**6. Patent rights.**

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

**7. Performance security**

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

**8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or organization acting on behalf of the Department.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection

by a representative of the Department or an organization acting on behalf of the Department

- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

## **9. Packing**

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

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) Performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) Furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - (d) Performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
  - (e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

## **14. Spare parts**

- 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- (a) Such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
  - (b) In the event of termination of production of the spare parts:
    - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
    - (ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

## **15. Warranty**

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.
- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without 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 supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

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

## **23. Termination for default**

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) If the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
  - (b) If the Supplier fails to perform any other obligation(s) under the contract; or
  - (c) If the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.
- 23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which

enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

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

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

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

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

## **24. Anti-dumping and countervailing duties and rights**

24.1 When, after the date of bid, provisional payments are required, or 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 supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

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

## **26. Termination for insolvency**

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

## **27. Settlement of Disputes**

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

## **28. Limitation of liability**

- 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) The supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
  - (b) The aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that exchanged by the parties shall also be written in English.

## **30. Applicable law**

- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

## **31. Notices**

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

## **32. Taxes and duties**

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

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

- 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation

### **34. Prohibition of Restrictive practices**

- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js GCC (revised July 2010)

### **35. SPECIAL CONDITIONS OF CONTRACT**

- 35.1 The State reserves the right to verify and authenticate all the information supplied in this document by the bidder.
- 35.2 The Bid must be strictly in accordance with the conditions and specifications contained herein.
- 35.3 If it is found that any information has been tampered with during the evaluation process and/or after the Bid/Contract has been awarded that any false information has been provided, the State reserves the right to take the necessary action as it deems fit, including but not limited to the institution of criminal proceedings.
- 35.4 Failure to sign all relevant places shall invalidate your bid (**SBD1, SBD 3.1, SBD 4, and SBD 6.1 or 6.2, SBD 8, SBD 9 and SCC**)
- 35.5 All queries should be sent to the relevant person via email state above. No query will be responded to if sent 3 days before the closing date.

- 35.6 If you are not a registered supplier with the Department of Water and Sanitation, please complete the supplier registration forms and banking details, supplier registration forms are available at Departmental website, [www.dws.gov.za](http://www.dws.gov.za)
- 35.7 Bidders/ Individuals that are directors or members in more than one company bidding for this tender and do not openly declare their interests will be disqualified
- 35.8 **Failure to submit original and valid Tax Clearance Certificate shall invalidate your bid.**
- 35.9 The DWS reserves the right to not make an award on any of the responses to this Bid.
- 35.10 The DWS reserves the right to award only parts of this bid and re-bid for other parts.
- 35.11 All bid documents should be hand delivered and deposited in to the Tender Box, if sent via post,  
Envelope or package, the envelope must be clearly marked to avoid your submission been mixed with normal letters sent to the Department.
- 35.12 Only signed, original documents will be accepted.

### **36. ACCEPTANCE OF TERMS AND SPECIAL CONDITIONS**

**The above terms of the bid and all Annexure have been read, understood and accepted.**

**For and on behalf of the Bidder:**

.....

\_\_\_\_\_  
**Signature of Bidder:**

\_\_\_\_\_  
**Date:**

\_\_\_\_\_  
**Bidder's Name & Surname:**

\_\_\_\_\_  
**Designation**

\_\_\_\_\_  
**Witness Name & Surname:**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Signature:**

\_\_\_\_\_  
**Address (Physical):**



## water & sanitation

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

**APPOINTMENT OF A PANEL OF EXPERTS IN THE FIELD OF FORENSIC AUDIT AND INVESTIGATIONS TO BE APPOINTED TO ASSIST THE DEPARTMENT OF WATER AND SANITATION WITH INVESTIGATION OF PROJECTS AS AND WHEN NECESSARY FOR A PERIOD OF THREE(3) YEARS.**

**WP11334**

TRADING NAME: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

CONTACT NUMBER: \_\_\_\_\_

CLOSING DATE: \_\_\_\_\_

**This template must be completed by the bidder**

TENDER NUMBER		
SERVICE /PROJECT DESCRIPTION		
NAME OF BIDDER		
TENDER AMOUNT		
BBBEE LEVEL		
<b>COMPANY'S COMPOSITION OF EXISTANCE</b>		
	% OWNERSHIP	TOTAL NUMBER
WOMEN		
PEOPLE WITH DISABILITIES		
BLACK MALES		
YOUTH		
<b>PARTICIPATION IN PROJECT IMPLEMENTATION</b>		
	TOTAL NUMBER	LEVEL OF PARTICIPATION (eg Project Management, Technical, Administrative)
WOMEN		
PEOPLE WITH DISABILITIES		
BLACK MALES		
YOUTH		

*Please note that this information is for reporting purposes only, and will not prejudice the company in anyway nor will it be considered as an evaluation tool.*

Name:.....

Position:.....

Signature:.....Date:.....



water & sanitation

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA



ENTITY MAINTENANCE

## ENTITY MAINTENANCE (continuation page)

### Section D: Supplier Account Details (TO BE VERIFIED BY BANK)

Account Name	<input type="text"/>	
Account Number	<input type="text"/>	Account Type
Bank Name	<input type="text"/>	<input type="checkbox"/> Cheque Account
Branch Name	<input type="text"/>	<input type="checkbox"/> Savings Account
Branch Number	<input type="text"/>	<input type="checkbox"/> Transmission Account
*ID Number	<input type="text"/>	* Compulsory for individuals
Passport Number	<input type="text"/>	
**Company Registration Number	<input type="text"/>	**Compulsory for companies
***CC Registration	<input type="text"/>	***Compulsory where applicable
****Please include CC/CK where applicable	<input type="text"/>	
Practise Number	<input type="text"/>	
****Trust Number	<input type="text"/>	

IT IS HERBY CONFIRMED THAT THESE DETAILS HAVE BEEN VERIFIED AND IS EXACTLY THE SAME AS ON ONE OF THE FOLLOWING APPLICABLE SCREENS:

**ABSA:** CIF Screen  
**FNB:** Hogans System on the CIS4  
**STD:** Bank - Look - Up - Screen  
**Nedbank:** Banking Platform under the Client Details Tab

Contact Number

BANK STAMP

Signature of Bank Official

Print Name

Date (dd/mm/yyyy)

### Section E: Contract Details of Supplier

Telephone	<input type="text"/>
Fax	<input type="text"/>
Mobile (Cell no.)	<input type="text"/>
E-mail Address	<input type="text"/>
Contact Person	<input type="text"/>

Signature of Supplier

Print Name

Date (dd/mm/yyyy)

### Section F: Contract Details of DWA Office (For official use only - officials with signing authority only)

Office	<input type="text"/>
Telephone	<input type="text"/>
Fax	<input type="text"/>
E-mail Address	<input type="text"/>

Signature of DWA Official

Print Name

Date (dd/mm/yyyy)

OFFICIAL STAMP



## ENTITY MAINTENANCE

HEAD OFFICE USE ONLY

Reference no.

Entity name

  
  

Entity number

Remarks

  
  

Registered

Date registered:

Verified on SafetyWeb

Date verified:

Captured

Date captured:

Authorised

Date authorised:

### IMPORTANT INFORMATION TO SUPPLIER

I/We hereby request and authorise you to pay any amounts, which may accrue to me/us to the credit of my/our account with the mentioned bank. I/We understand that the credit transfers hereby authorised will be processed by computer through a system known as "ACB- Electronic Fund Transfer Service", and I/We understand that no additional advice of payment will be provided by my/our bank, but that the details of each payment will be printed on my/our bank statement or any accompanying voucher. (This does not apply where it is not customary for banks to furnish bank statements).

I/We understand that the Department will supply a payment advice in the normal way, and that it will indicate the date on which the funds will be made available in my/our account.

This authority may be cancelled by me/us by giving thirty days notice by prepaid registered post. Please ensure information is validated as per required bank screens.

I/We understand that bank details provided should be exactly as per the records held by the bank.

I/We understand that the Department will not assume responsibility for any delayed payments, as a result of incorrect information supplied.

### SUPPORTING DOCUMENTATION MUST ACCOMPANY THIS FORM

ALL RELEVANT FIELDS MUST BE COMPLETED

THE ACCOUNT MUST BE IN THE NAME OF THE SUPPLIER AND NO 3<sup>RD</sup> PARTY PAYMENTS WILL BE ALLOWED

### Section A: Type of Supplier (For official use only)

☐ New Supplier Information

☐ Update Supplier Information

Supplier Type:

☐ Individual

☐ Govt. Department

☐ Partnership

☐ Company

☐ Trust

☐ CC

☐ Other (Specify)

### Section B: Company/Personal Details

Registered Name

  

Trading Name

  

\*VAT Number

\*Compulsory where applicable

PERSAL Number

Title

Initials

First Name

Surname

### Section C: Address Detail

Payment Address

  
  
  

Postal code



## **water & sanitation**

Department:  
Water and Sanitation  
**REPUBLIC OF SOUTH AFRICA**

### **TERMS OF REFERENCE**

#### **APPOINTMENT OF THE PANEL OF EXPERTS IN THE FIELD OF FORENSIC AUDIT AND INVESTIGATIONS, TO ASSIST THE DEPARTMENT WITH THE INVESTIGATION OF PROJECTS ON AN AS AND WHEN NEEDED BASIS FOR A PERIOD OF THREE YEARS**

##### **1. BACKGROUND**

- 1.1 The Department of Water and Sanitation is a National Department which aims to ensure the availability of water resources and sanitation services, facilitate equitable and sustainable socio-economic development, and ensure the universal access to water services. The Department is also bound by the Public Finance Management Act, whose purpose is to regulate financial management in the national government; to ensure that all revenue, expenditure, assets and liabilities of that government are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in that government; and to provide for matters connected therewith.
- 1.2 The Public Service Commission ("PSC") has established a National Anti-Corruption Hotline (NACH), where all cases of fraud, corruption or any unethical conduct within the public service are reported. The cases are then sorted and referred to the relevant Department by the PSC for investigation.
- 1.3 The Department has over the years received cases from the NACH, and some of these cases were investigated by Chief Directorate: Internal Audit through the Directorate: Forensic Investigations and Quality Assurance and reports issued appropriately.
- 1.4 In addition to the cases referred by the PSC to the Department, there are also ad-hoc cases that are forwarded to Internal Audit by the both the internal staff

and/or service providers. These are either cases of whistle blowing or anonymous tip offs on irregularities that have been committed against the Department.

- 1.5 Chief Directorate: Internal Audit regularly receives a number of these cases to an extent that it has not been able to attend to all the cases received. This then prompt that the Department must source the services of outside service providers to assist in addressing the complaints.
- 1.6 The policy of PSC is that such complaints or allegations must be investigated and finalised within a period of forty (40) days of referral. These always pose a challenge because the Department does not have enough resources to finalise the investigations within the prescribed timeframe.

## **2. OBJECTIVES**

The objectives for the appointment of a panel of forensic investigation service providers are:

- 2.1 In an attempt to comply with the PSC requirements, the Department would like to appoint a panel of experts professional services providers to assist in conducting such investigations as and when is required. The nature of service required will cover forensic investigations/ special audits and cyber forensics.
- 2.2 To secure technical and investigative support to the Department, in conducting pro-active and re-active forensic investigation into alleged or suspected fraud and corruption.
- 2.3 For the successful professional panel of service providers to be appointed on a three year contract.
- 2.4 For the successful professional panel of service providers to be responsible to conduct the aforementioned forensic investigative work on an “as required” basis during the specified period. Specific request will be dealt with on a case by case

basis. Service providers must acknowledge that their resources/expertise available comply with the expected abilities.

- 2.5 To ensure timely investigation and resolution of cases referred to the Department, provision of regular progress report to the complainants/ referral institutions and eradication of case backlog.
- 2.6 To assist the Department in instituting progressive corrective measures, in line with the public service framework against employees of the Department, including testifying during disciplinary proceedings (this includes period beyond term of their contract).
- 2.7 Referring criminal allegations of fraud and corruption to the relevant law enforcement agency or other appropriate agencies/bodies.
- 2.8 Initiating and supporting criminal proceedings and giving expert testimony against employees of the Department, Service Providers and other parties involved in fraud and corruption incidents (the expert testimony in criminal proceedings will include periods beyond the contract agreement).
- 2.9 To assist with the recovery of losses incurred by the Department through civil recovery process, as a result of fraud and corruption.
- 2.10 For the Department is intending to appoint a panel of service providers/ companies and the panel will include both the Exempted Micro Enterprise (EME) and Qualifying Small Enterprise (QSE) in terms of a code of good practice on black economic empowerment. The EME and QSE bidders should provide proof of B-BBEE certificate and annual turnover certificate/ letter. The department reserves the right to appoint or not to appoint the EME or QSE as part of the panel.

### **3. SCOPE OF THE INVESTIGATION**

3.1. It is not possible to predict the type of investigation that may be required so predetermination of the scope is difficult. The actual scope of the investigation will be determined on a case to case basis and will be determined by the allegation to be investigated. It is however a requirement for the Professional Panel of Service Providers to clearly indicate that they have the necessary skills and capacity to conduct detailed and conclusive investigations in any or all of the following:

- i. Allegations of fraud, including fraud in the computer environment.
- ii. Allegations of corruption.
- iii. Allegations of financial misconduct such as unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure.
- iv. Allegations of mismanagement of resources.
- v. Allegations of non-compliance with policies and procedures that may result in irregular expenditure.
- vi. Allegations of procurement process irregularities.
- vii. Allegations of non-compliance with corporate governance standards such as conflicts of interest, fiduciary duties and responsibilities etc.
- viii. Review of major construction projects such as construction of dams, pipeline, canals, houses, roads. The services of various types of Engineers may be required for this purpose.

3.2. The scope of work may for example include the following (but not limited to):

- i. Assessment of the situation leading to the conceptualisation of the project. What was the concept behind the sanctioning of the projects?
- ii. Determine how much was budgeted for the projects and how did the Department arrive at the said amount. That will entail a breakdown of cost against the project plan.
- iii. Determine who the project managers were and what the terms of reference were.

- iv. Determine who, why and how the invoice from the service provider was certified for payment.
- v. Determine who was responsible for product quality control and how has this aspect been handled.
- vi. Quantify any loss or damages that the Department may have suffered as a result of these transactions.
- vii. Determine what the deliverables were in terms of the contracts.
- viii. Determine whether the projects were managed in accordance with the departmental prescripts and/or agreement between parties.
- ix. Determine how much benefit did the department derive with regard to these projects, as opposed to the costs incurred?
- x. General assessment of the appropriateness of the approach underpinning the projects, including the following:
  - Mandate of the Department,
  - Contract amount,
  - Project management, and
  - Quality control.
- xi. Determine the control measures that were in place during payment process by the Department to implementing agent.
- xii. Determine how much was paid to service provider, and what is the outstanding amount?
- xiii. Determine if the performance of the service provider was in line with the project plan.
- xiv. Identify the impediments which may have affected the projects and the extent of the impact.
- xv. Review the subcontracting relationship in the projects as well as the effectiveness thereof.
- xvi. Verification of the existence of assets.
- xvii. mismanagement of resources.
- xviii. Valuation of infrastructure assets and construction equipment.

3.3. The appointed panel of service providers will undertake the following as and when case(s) are allocated to them for investigation:

- i. Review the cases reported via the National Anti-Corruption Hotline/ management or whistle-blower(s);
- ii. Conduct assessments on the merit of the complaints;
- iii. Evaluate allegations reported and allocated to them for investigation; including drafting of notice of investigation. The matters should amongst others be categorised as fraud, corruption, irregularities, non-compliance with prescripts etc;
- iv. Gather necessary supporting documents for each case,
- v. Conduct a detailed investigation on each case allocated to the service provider;
- vi. Identify all relevant non-compliance risks during the investigation;
- vii. Use of forensic tools and or data analytics to assist in identifying possible fraud trends in the department;
- viii. Submit a detailed forensic final investigation report with findings, and recommendations based on conclusions reached and all necessary supporting documents to the Department, after the completion of the investigation;
- ix. Ensure that all records are kept and managed properly, including documents, evidence etc.
- x. Maintain case files in a proper manner, bearing in mind that criminal processes could be initiated in respect of cases.
- xi. Provide the Department with electronic copies of all draft and final investigation reports including a hard copy per specific matter investigated; and
- xii. Submit the final electronic version and hard copy of the Project Close-out report encompassing all matters investigated after the completion of the project.

#### **4. SKILLS TRANSFER**

- 4.1. The service providers shall transfer skills to the staff of the Department who will be involved in the investigations conducted. Furthermore, provide guidance and knowledge to the Department's staff within the field of investigation. The service providers will submit a consolidated report to the Department providing feedback

on the skills transferred to the Department staff over the duration of the contract period.

## **5. COMPOSITION OF THE KEY STAFF, QUALIFICATIONS, EXPERIENCE AND EXPERTISE**

5.1. The key staff should be composed of a lead partner, one senior manager, one manager and two investigators.

5.2. Key staff for this project should comply with the following requirements:

5.2.1. The key staff should be in possession of the following qualifications:

- a. One (1) Lead partner: either Admitted Advocate or Attorney, or Masters in Auditing/ law/ Forensics or a Chartered Accountant.
- b. One (1) Senior Manager and One (1) Manager must at least hold a minimum of Post Graduate Degree in Business Management/ Law/ Forensic Audit/ Forensic Accounting/ Economic Science/ Accounting.
- c. Two (2) investigators should at least hold a Degree in Auditing/ Law/ Forensics.

5.2.2. The key staff should have 10 years' experience in the following combination of fields: Forensic audits / Investigations.

- a. Lead Partner must have 10-12 years' experience in reviewing similar investigations of this nature in the Public and Private sector
- b. The one (1) senior manager must have at least 8-10 years' experience in conducting similar investigations of this nature in the Public and Private sector.
- c. The one (1) manager must have at least 5 - 8 years' experience in conducting similar investigations both in public and private sector.
- d. The two (2) investigators must have at least 3 - 5 years' experience in conducting similar investigations both in public and private sector.

**NB: It is the bidders' responsibility to clearly indicate in their proposal who is the lead partner, senior staff, and project key staff. Bid Evaluation Committee members can only evaluate and score according to what is shown or reflected in a proposal.**

5.3. The key staff should have extensive knowledge of forensic audit investigations in the public and private sector.

5.4. Bidders must submit comprehensive CV's of all key staff in the following format:

- 5.4.1. 1<sup>st</sup> column: name and id number of key staff member;
- 5.4.2. 2<sup>nd</sup> column: relevant qualification(s) and courses successfully completed;
- 5.4.3. 3<sup>rd</sup> column: number of years' relevant experience indicated in numerical format; and
- 5.4.4. 4<sup>th</sup> column: case studies to prove relevant experience and knowledge in field of expertise (as indicated in below table).

**Definition of case studies: Investigation assignments that have been previously undertaken in the past three years.**

Name and ID number of key staff member (indicate whether a person is the lead partner/ senior manager/ manager/ investigator)	Relevant qualification(s) and courses successfully completed	Number of years' relevant experience in <u>numerical</u> format (Only indicate the number of years performing this specific work / services).	Only relevant case studies or relevant other proof and relevant references to prove relevant experience and knowledge in field of expertise.
---	--	---	--

**NB: If key staff is not composed of a lead partner / senior manager/ manager/ investigator then it must specifically be mentioned in order to ensure that proposals are not evaluated based on incorrect information.**

5.5. The bidding company must be in existence for at least 3 years' with 3 years' relevant experience in delivering the required forensic audit services.

- 5.5.1. Proof of the number of years' in existence should be provided by submission of evidence which prove that the company has been actively in business) or any other relevant registration document. (CIPC certificate does not prove

number of years in existence).

5.5.2. Proof of relevant experience by the firm should be provided by means of case studies detailing the type of projects, the period of the projects, the magnitude of the projects and the result of the projects in the past three (3) years. Reference letters from former clients must be attached. The case studies must include the following information:

- type and nature of investigation conducted;
- actual hours or days spent in concluding the investigation;
- value adding recommendations made during the investigation;
- outcome of the investigation;
- any successful criminal prosecutions or convictions; and
- Provide a list of (3) three references of the previous investigation work done in the past 3 years. The list should contain the client's name, the contact person and the contact details.

**NB: the Department of Water & Sanitation** reserves the right to vet all documentation and information provided by bidders to prove their relevant experience and ability to perform the service.

## **6. TIME FRAME PER PROJECT**

6.1. The timeframe for the project will be determined by the nature of the project as well as other factors like size, complexity and they will differ from one project to the other.

## **7. CONFIDENTIALITY**

7.1. It will be expected from the service providers to sign the oath of secrecy, as the service providers will be entrusted with confidential information.

7.2. The service providers undertake, at all times during the existence of the contract or any renewal thereof or after termination of thereof, not to reveal any

confidential or sensitive information or knowledge concerning the Department of Water and Sanitation (DWS) or its clients.

## **8. SPECIFIC PROVISION OF THE SERVICES**

- 8.1. The service provider shall adhere to administrative procedures, methods of communication and transfer of data, format and timing of report backs as agreed between the parties from time to time.
- 8.2. The service provider shall act in Good Faith within the law and in accordance with acceptable collection industry code of practice and shall do its utmost to avoid bringing the name of the Department into disrepute.
- 8.3. The service provider shall treat all information received by it from the Department as confidential and shall not use such information for any purpose other than which has been agreed upon by both parties.

## **9. REPORTING REQUIREMENTS**

- 9.1. It is expected as a minimum requirement for the service provider to furnish the Department monthly or at periods determined between the parties with the following:
  - A schedule showing task performed for the month or at periods determined between the parties and cost associated with the task.
  - A schedule of all outstanding tasks and budget.
  - Attend meetings when required to do so.

## **10. PRICING**

As it may not be possible to predict what type of investigations may be require and how many investigations must be done, in terms of the complexity of each investigation, the appointment on the panel will be on a draw down basis and managed through the specific ToR and budget available for each investigation.

For comparative pricing pricings, the PSPs are required to complete the below format and submit with their proposal.

**Hourly tariffs:**

<b>Proposed Key Staff:</b>	<b>Hourly Rate</b>
Lead Partner	R / hour
Senior Manager	R / hour
Manager (1)	R / hour
Manager (1)	R / hour
Investigator 1	R / hour
Investigator 2	R / hour

All costs must be VAT inclusive

## **11. EVALUATION SYSTEM**

Department of Water and Sanitation will evaluate all proposals in terms of the Preferential Procurement Regulations 2017. A copy of the Preferential Procurement Regulations 2017 can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). In accordance with the Preferential Procurement Regulations 2017, submissions will be adjudicated on 80/20 points system and the evaluation criteria. A five phase evaluation criteria will be considered in evaluating the bid.

**Phase 1: Pre-Qualification Criteria**

**Phase 2: Administrative Compliance**

**Phase 3: Mandatory Compliance** (if not complied with bid will be disqualified)

**Phase 4: Functional / Technical Evaluation**

**Phase 5: Points awarded for Price and B-BBEE Status Level of Contribution**  
(80/20 Preferential System)

### **PHASE 1:**

#### **PRE QUALIFICATION CRITERIA**

The following prequalification criteria will be applied:

- Bidders will be prequalified on the basis of attaining B-BBEE Status Level 1 or 2 to be eligible for further evaluation.
- Bidders who are EME or QSE will be considered for this bid.

NB: Bidders who do not qualify with the prequalification criteria will be disqualified and not considered for phase 2.

## **PHASE 2:**

### **ADMINISTRATIVE COMPLIANCE**

Bidders are required to comply with the following listed below:

No	Criteria	Yes	No
1	Companies must be registered with National Treasury's Central Supplier Database. Provide proof of print out from CSD.		
2	Tax compliant with SARS (to be verified through CSD and SARS).		
3	Complete, sign, submit SBD 1, SBD 3.3, SBD 4, SBD 6.1, SBD 8, SBD 9		

## **PHASE 3**

### **MANDATORY COMPLIANCE:**

Please note that all bidders must comply with the following mandatory requirements- Failure to submit any of the documents listed below will render your bid non-responsive and will be disqualified.

No	Criteria	Yes	No
1	Certificates proving Professional membership/ Affiliation of members of the team		

## **PHASE 4:**

### **FUNCTIONAL/TECHNICAL CRITERIA**

The bidder is expected to achieve a minimum required score of **65%** for functionality in order to qualify for further shortlisting on the panel. Bids that do not meet the minimum required score will be disqualified. The Functional/Technical criteria are:

**Values: 1 Very Poor..... 2 Poor.....3 Average.....4 Good.... 5 Excellent**

No.	Criteria	Weighting	Rate (0-5)	Total Score																				
1.	<b>Qualifications and experience of key staff.</b>	40																						
1.1	<b>Qualifications of key staff</b> Relevant qualifications of the key staff. Qualifications must be elaborated upon in CV's. (See paragraph 5.2.1 of the ToR]	20																						
	<table border="1"> <tr> <td>One Lead partner</td><td> <ul style="list-style-type: none"> <li>Diploma or Degree in Auditing/ Law/ Forensics- <b>1 (Very Poor)</b>.</li> <li>Post Graduate Diploma or Honors in Auditing/ Law/ Forensics- <b>2 (Poor)</b></li> <li>Admitted Advocate or Attorney, or Masters in Auditing/ law/ Forensics or a Chartered Accountant- <b>3 (Average)</b>.</li> <li>Additional Qualifications over and above admitted Advocate or Attorney, or Masters in Auditing/law/Forensics or a Chartered Accountant- <b>4 (Good)</b></li> <li>Doctorate in Auditing/law/Forensics- <b>5 (Excellent)</b>.</li> </ul> </td><td>7</td><td></td><td></td></tr> <tr> <td>Senior Manager</td><td> <ul style="list-style-type: none"> <li>Diploma in Auditing/ Law/ Forensics <b>1 (Very Poor)</b>.</li> <li>Degree in Auditing/ Law/ Forensics- <b>2 (Poor)</b>.</li> <li>Post Graduate Diploma or Honors in Business Management/ Auditing/ Law/ Forensics/ Economic Sciences/ Accounting- <b>3 (Average)</b>.</li> <li>Admitted Advocate or Attorney, or Masters in Business Management/ Auditing/ Law/ Forensics/ Economic Sciences/ Accounting or a Chartered Accountant- <b>4 (Good)</b></li> <li>Additional Qualifications over and above admitted Advocate or Attorney, or Masters in Auditing/law/Forensics or a Chartered Accountant- <b>5 (Excellent)</b>-</li> </ul> </td><td>5</td><td></td><td></td></tr> <tr> <td>Manager</td><td> <ul style="list-style-type: none"> <li>Diploma in Auditing/ Law/ Forensics <b>1 (Very Poor)</b>.</li> <li>Degree in Auditing/ Law/ Forensics- <b>2 (Poor)</b>.</li> <li>Post Graduate Diploma or Honors in Business Management/ Auditing/ Law/ Forensics/ Economic Sciences/ Accounting - <b>3 (Average)</b>.</li> <li>Admitted Advocate or Attorney, or Masters in Business Management/ Auditing/ Law/ Forensics/ Economic Sciences/ Accounting- <b>4 (Good)</b></li> <li>Additional Qualifications over and above admitted Advocate or Attorney, or Masters in Business Management/ Auditing/ Law/ Forensics/ Economic Sciences/ Accounting or a Chartered Accountant- <b>5 (Excellent)</b>-</li> </ul> </td><td>4</td><td></td><td></td></tr> <tr> <td>Investigator or 1</td><td> <ul style="list-style-type: none"> <li>Grade 12- <b>1 (Very Poor)</b></li> <li>Diploma in Auditing/ Law/ Forensics. <b>2 (Poor)</b>.</li> </ul> </td><td>2</td><td></td><td></td></tr> </table>	One Lead partner	<ul style="list-style-type: none"> <li>Diploma or Degree in Auditing/ Law/ Forensics- <b>1 (Very Poor)</b>.</li> <li>Post Graduate Diploma or Honors in Auditing/ Law/ Forensics- <b>2 (Poor)</b></li> <li>Admitted Advocate or Attorney, or Masters in Auditing/ law/ Forensics or a Chartered Accountant- <b>3 (Average)</b>.</li> <li>Additional Qualifications over and above admitted Advocate or Attorney, or Masters in Auditing/law/Forensics or a Chartered Accountant- <b>4 (Good)</b></li> <li>Doctorate in Auditing/law/Forensics- <b>5 (Excellent)</b>.</li> </ul>	7			Senior Manager	<ul style="list-style-type: none"> <li>Diploma in Auditing/ Law/ Forensics <b>1 (Very Poor)</b>.</li> <li>Degree in Auditing/ Law/ Forensics- <b>2 (Poor)</b>.</li> <li>Post Graduate Diploma or Honors in Business Management/ Auditing/ Law/ Forensics/ Economic Sciences/ Accounting- <b>3 (Average)</b>.</li> <li>Admitted Advocate or Attorney, or Masters in Business Management/ Auditing/ Law/ Forensics/ Economic Sciences/ Accounting or a Chartered Accountant- <b>4 (Good)</b></li> <li>Additional Qualifications over and above admitted Advocate or Attorney, or Masters in Auditing/law/Forensics or a Chartered Accountant- <b>5 (Excellent)</b>-</li> </ul>	5			Manager	<ul style="list-style-type: none"> <li>Diploma in Auditing/ Law/ Forensics <b>1 (Very Poor)</b>.</li> <li>Degree in Auditing/ Law/ Forensics- <b>2 (Poor)</b>.</li> <li>Post Graduate Diploma or Honors in Business Management/ Auditing/ Law/ Forensics/ Economic Sciences/ Accounting - <b>3 (Average)</b>.</li> <li>Admitted Advocate or Attorney, or Masters in Business Management/ Auditing/ Law/ Forensics/ Economic Sciences/ Accounting- <b>4 (Good)</b></li> <li>Additional Qualifications over and above admitted Advocate or Attorney, or Masters in Business Management/ Auditing/ Law/ Forensics/ Economic Sciences/ Accounting or a Chartered Accountant- <b>5 (Excellent)</b>-</li> </ul>	4			Investigator or 1	<ul style="list-style-type: none"> <li>Grade 12- <b>1 (Very Poor)</b></li> <li>Diploma in Auditing/ Law/ Forensics. <b>2 (Poor)</b>.</li> </ul>	2					
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No.	Criteria	Weighting	Rate (0-5)	Total Score
	<ul style="list-style-type: none"> <li>Degree in Auditing/ Law/ Forensics- <b>3 (Average)</b>.</li> <li>Post Graduate Diploma or Honors in Auditing/ Law/ Forensics- <b>4 (Good)</b>.</li> <li>Admitted Advocate or Attorney, or Masters in Auditing/ law/ Forensics or a Chartered Accountant- <b>5 (Excellent)</b></li> </ul>			
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<b>1.2</b>	<b>Experience of key staff [See paragraph 5.2.2 of the ToR]</b>	<b>20</b>		
	One Lead partner <ul style="list-style-type: none"> <li><u>7-8</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>1 (Very Poor)</b>.</li> <li><u>8-10</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>2 (Poor)</b></li> <li><u>10-12</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>3 (Average)</b>.</li> <li><u>12-15</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>4 (Good)</b></li> <li><u>15-20</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>5 (Excellent)</b></li> </ul>	7		
	Senior Manager <ul style="list-style-type: none"> <li><u>6-7</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>1 (Very Poor)</b>.</li> <li><u>7-8</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>2 (Poor)</b>.</li> <li><u>8-10</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>3 (Average)</b>.</li> <li><u>10-12</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>4 (Good)</b>.</li> <li><u>12-15</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>5 (Excellent)</b></li> </ul>	5		
	Manager <ul style="list-style-type: none"> <li><u>3-4</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>1 (Very Poor)</b>.</li> <li><u>4-5</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>2 (Poor)</b>.</li> <li><u>5-8</u> years' experience in reviewing similar</li> </ul>	4		

No.	Criteria	Weighting	Rate (0-5)	Total Score
	<p>investigations of this nature in the Public and Private sector- <b>3 (Average)</b>.</p> <ul style="list-style-type: none"> <li>• <u>8-10</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>4 (Good)</b>.</li> <li>• <u>10-12</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>5 (Excellent)</b></li> </ul>			
	<p>Investigat or 1</p> <ul style="list-style-type: none"> <li>• <u>1-2</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>1 (Very Poor)</b>.</li> <li>• <u>2-3</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>2 (Poor)</b>.</li> <li>• <u>3-5</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>3 (Average)</b>.</li> <li>• <u>5-8</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>4 (Good)</b>.</li> <li>• <u>8-10</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>5 (Excellent)</b></li> </ul>	2		
	<p>Investigat or 1</p> <ul style="list-style-type: none"> <li>• <u>1-2</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>1 (Very Poor)</b>.</li> <li>• <u>2-3</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>2 (Poor)</b>.</li> <li>• <u>3-5</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>3 (Average)</b>.</li> <li>• <u>5-8</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>4 (Good)</b>.</li> <li>• <u>8-10</u> years' experience in reviewing similar investigations of this nature in the Public and Private sector- <b>5 (Excellent)</b></li> </ul>	2		
<b>2.</b>	<b>Bidders experience. [See paragraph 5.5 of the ToR]</b>	<b>30</b>		
2.1	<p>The bidding company must have (3) years' relevant experience in delivering a similar service.</p> <p>1 Year Experience- <b>1 (Very Poor)</b>.  2 Years' Experience- <b>2 (Poor)</b>.  3 Years' Experience- <b>3 (Average)</b>.  4 Years' Experience- <b>4 (Good)</b>.  5 Years' Experience- <b>5 (Excellent)</b></p>	<b>10</b>		

No.	Criteria	Weighting	Rate (0-5)	Total Score
2.2	<p>Proof of relevant experience should be provided by means of cases studies. Submit at least three (3) case studies where similar investigations were conducted in the past 3 years. The case studies must include the following information:</p> <ul style="list-style-type: none"> <li>▪ type and nature of investigation conducted;</li> <li>▪ actual hours or days spent in concluding the investigation;</li> <li>▪ value adding recommendations made during the investigation;</li> <li>▪ outcome of the investigation; and</li> <li>▪ any successful criminal prosecutions or convictions.</li> <li>▪ Provide a list of (3) three references of the previous investigation work done in the past 3 years. The list should contain the client's name, the contact person and the contact details.</li> </ul> <ul style="list-style-type: none"> <li>• 1 Relevant Reference Letter Attached- 1 (<b>Very Poor</b>).</li> <li>• 2 Relevant Reference Letters Attached- 2 (<b>Poor</b>).</li> <li>• 3 Relevant Reference Letters Attached- 3 (<b>Average</b>).</li> <li>• 4 Relevant Reference Letters Attached- 4 (<b>Good</b>).</li> <li>• 5 Relevant Reference Letters Attached- 5 (<b>Excellent</b>).</li> </ul>	20		
<b>3.</b>	<b>Methodology</b>	<b>30</b>		
3.1	The Service Provider is expected to clearly outline and explain the methodology that will be used to conduct forensic investigations at the Department	25		

No.	Criteria	Weighting	Rate (0-5)	Total Score
	<p>(no textbook explanation) stipulate the approach and provide a step-by-step explanation of the proposed process to reach the end result of this requirement.</p> <p>It will be imperative for the Service Provider to outline and explain the methodology that will be used to conduct investigations on behalf of the Department.</p> <ul style="list-style-type: none"> <li>Methodology not documented- <b>1 (Very Poor)</b>.</li> <li>Methodology documented but the step-by-step explanation of the proposed process is not clear or not detailed- <b>2 (Poor)</b>.</li> <li>Methodology documented and clearly indicates step-by-step explanation of the proposed process- <b>3 (Average)</b>.</li> <li>Methodology documented and clearly indicates step-by-step explanation of the proposed process with diagrams- <b>4 (Good)</b>.</li> <li>Methodology documented and clearly indicates step-by-step explanation of the proposed process with diagrams, along with research, benchmarking and innovative products - <b>5 (Excellent)</b>.</li> </ul>			
	<b>Skills Transfer</b>			
3.2.	<p>The skills to be transferred in terms of the TOR requirements:</p> <ul style="list-style-type: none"> <li>Transfer of skills not demonstrated- <b>1 (Very Poor)</b>.</li> <li>High level Skills Transfer Plan- <b>2 (Poor)</b>.</li> <li>Detailed Skills Transfer Plan- <b>3 (Average)</b>.</li> </ul>	<b>5</b>		

No.	Criteria	Weighting	Rate (0-5)	Total Score
	<ul style="list-style-type: none"> <li>Detailed Skills Transfer Plan with examples- <b>4 (Good).</b></li> <li>Detailed Skills Transfer Plan with innovative skills transfer techniques- <b>5 (Excellent).</b></li> </ul>			
	<b>MAXIMUM POINTS</b>	<b>100</b>		

On the receipt of the proposals, the criteria shown above will be used for the selection of the most suitable bidders to be listed on the panel. A bidder is expected to achieve a minimum threshold/required score for functionality of **65%**, in order to qualify for enlisting.

**PHASE 5 – Points awarded for B-BBEE Status Level of Contribution**

in terms of Regulation 5 (2) and 6 (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-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

**Other Conditions:**

- Bidders are required to submit originally certified and valid B-BBEE Status Level Verification Certificates thereof together with their bids, to substantiate their B-BBEE rating claims.
- A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-

BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

- Bidders are requested to provide a clear agreement regarding joint venture/consortia. The percentage involvement of each company in the joint venture agreement should be indicated on the agreement. A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.
- Fraudulent practices shall result in immediate disqualification.

## **12. SPECIAL CONDITIONS**

- 12.1. Service providers will be subjected to security screening before award.
- 12.2. Appointed Service Providers shall not be part of the External Audits (such as AGSA)
- 12.3. Prime contractor will need to sign a contract with the sub-contractor.
- 12.4. If the project overlaps the contract duration contract, the service provider will be given a three months to complete the project.

## **13. PROJECT DURATION**

The professional panel of forensic expert service providers shall be engaged on an as and when required basis over a period of three (3) years.

## **14. COMPOSITION OF THE PANEL AND NATURE OF SERVICE**

More than one service provider will be appointed to provide the required service to the department on an as and when needed basis.

## **15. ENGAGEMENT MODEL**

- 15.1. A list of all contracted service providers shall be maintained by the SCM office at Head Office.

- 15.2. As and when a need arises for a forensic investigation, the SCM Office shall apply a model of rotation in the form of the highest bidder as per the award to be selected as the first identified contractor on the panel. Such rotation system shall be followed through for the following work on the next in line service provider.
- 15.3. Three (3) service providers shall be approached to provide a proposal at a time, on a rotational basis, as indicated above.
- 15.4. The received proposals would then be evaluated and one (1) service provider would then emerge as a successful bidder after the bid evaluation process has been finalised.
- 15.5. The rotation must be utilised until it reaches its full cycle and restart again from the beginning. This will depend on the needs as they may arise.

## **16. FORMAL BRIEFING SESSION**

- 16.1 Due to the COVID-19 restrictions on gatherings and to allow for maximum participation of the prospective service providers, the department will not be holding any formal briefing session.
- 16.2 In order to attend to any specific questions to this Terms of References, service providers are required to submit their formal enquiries directly to the Project Manager(s) and the SCM office.
- 16.3. Service Providers will have two weeks after advertisement to submit their questions and the department will respond to such questions and also upload all questions and answers on the departmental website [www.dwa.gov.za](http://www.dwa.gov.za)
- 16.4 The contacts listed under paragraph 17 below will be attending to all questions.

## **17. ENQUIRIES**

For enquiries kindly contact:

### **Technical Enquiries:**

Mr Michael Motsatsi

Tel: 012 336 7905

Email: [motsatsim@dws.gov.za](mailto:motsatsim@dws.gov.za)

**OR**

Ms Emilize Nezar

Tel: 012 336 8228

Email: [Nezare@dws.gov.za](mailto:Nezare@dws.gov.za)

**Administrative/ SCM Enquiries:**

Patrick Mabasa

Supply Chain Management

Tel: (012) 336 7518

Email: [mabasap@dws.gov.za](mailto:mabasap@dws.gov.za)