



**DEPARTMENT OF WATER AND SANITATION  
REPUBLIC OF SOUTH AFRICA**

**REQUEST FOR BID**

**BID NUMBER: WP11487**

**APPOINTMENT OF A PANEL OF PROFESSIONAL SERVICE PROVIDERS (PSP) IN THE  
FIELD OF FORENSIC INVESTIGATIONS/ FORENSIC AUDITING THROUGH OPEN TENDER  
FOR A PERIOD OF THREE (03) YEARS**

**ISSUE DATE:**

**25 OCTOBER 2024**

**CLOSING DATE:**

**26 NOVEMBER 2024**

**AT 11:00am**

**SUBMIT TENDER DOCUMENT**

**TO**

**OR**

**POSTAL ADDRESS:  
DIRECTOR-GENERAL: WATER AND  
SANITATION  
PRIVATE BAG X 313  
PRETORIA,0001**

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

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

**COMPILED BY: NOKUBONGA MKHIZE  
DEPARTMENT OF WATER AND SANITATION**



## DIRECTIVE TO BIDDERS ON COMPLETION OF SBD FORMS AND PACKAGING OF BID PROPOSAL

The purpose of this document is to guide bidders on the completion of SBD forms and packaging of a Bid

Proposals with each document being placed under the correct Annexure. The last column of the table below (this column must be ticked as an indication that each document and its requirements have been complied with by the bidder)

The dates on this all-SBD forms must be a date which is within the bid advert period.

### TABLE OF CONTENTS FOR BID PROPSALS

DOCUMENT	ANNEXURE	DIRECTIVE	COMPLIED/NOT COMPLIED
SDB 1	A	Bidders are required to complete this document in full and be signed off. The date on this form must be a date which is within the bid advert period	
SBD 3.1/3.3	B	Bidders are required to complete the applicable form in full and ensure that the amounts in the document are properly calculated. The total amount (inclusive of VAT) as reflected herein will be regarded as the Total Bid Price. <b>Bidders who are not VAT Vendors are not allowed to charge VAT</b> Bidders are required to constantly verify their TAX Status on CSD to ensure that their task matters are in order	
SBD 4	C	This document must be completed in full. <b>Bidders attention is drawn particularly to paragraph 2.3 which requires the bidder to disclose if the company or any of its directors have interest in other companies whether they have bided or not. Bidders are required to provide all information. Should a bidder have more companies to declare, such information can be provided on a separate sheet in the format prescribed in the form and be attached to the SBD 4. Information captured must be inline with what is captured in the CSD report</b>	
SBD 6.1	D	This document must be completed in full. Bidders are advised to ensure that information captured in this this form is aligned to information contained in the CSD Reports.	
BBBEE Certificate/S worn affidavit	E	Bidders are required to submit a valid BBBEE Certificate or sworn affidavit.	
CSD Report	F	Bidders are requested to provide copies of reg CSD Report.	
Certificate of authority for signatory	G	3 Different forms are attached. Bidders are required to only complete one form which is relevant to their situation	
Copy of an identity document of the authorized individual	H	The ID copy to be attached should be that of a person authorized to represent the service provider as per the completed corticate of authority for signatory form	
Copy of company's CIPC Certificate	I	Bidders are required to attach copies of the CIPC Certificate	
Bid Proposal	J	A detailed bid proposal inline with the Specifications must be attached	

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	<b>WP11487</b>	CLOSING DATE:	<b>26 NOVEMBER 2024</b>	CLOSING TIME:	<b>11:00AM</b>
DESCRIPTION	<b>APPOINTMENT OF A PANEL OF PROFESSIONAL SERVICE PROVIDERS (PSP) IN THE FIELD OF FORENSIC INVESTIGATIONS/ FORENSIC AUDITING THROUGH OPEN TENDER FOR A PERIOD OF THREE (03) YEARS</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>ZWAMADAKA BUILDING ENTRANCE</b>					
<b>157 SCHOEMAN STREET</b>					
<b>PRETORIA</b>					
<b>0002</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	<b>Nokubonga Mkhize</b>		CONTACT PERSON	<b>Sally Toto</b>	
TELEPHONE NUMBER	<b>012 336 7571</b>		TELEPHONE NUMBER	<b>012 336 8228</b>	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	<a href="mailto:Mkhizen6@dws.gov.za">Mkhizen6@dws.gov.za</a>		E-MAIL ADDRESS	<a href="mailto:totos@dws.gov.za">totos@dws.gov.za</a>	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		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 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: .....

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of his invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....  
 .....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.3.1 If so, furnish particulars:

Name of company related to	CSD Registration number of the company related to

### 3 DECLARATION

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any

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

restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....	.....
Signature	Date
.....	.....
Position	Name of bidder



## RESOLUTION OF BOARD OF DIRECTORS FOR COMPANY /CLOSE CORPORATION/ PARTNERSHIP

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

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

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

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

**RESOLVED that:**

1. The Enterprise submits a Bid / Tender to the Department of Water and Sanitation in respect of the following project:

\_\_\_\_\_  
(project description as per Bid / Tender Document)

Bid / Tender Number: \_\_\_\_\_ (Bid / Tender Number as per Bid / Tender Document)

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

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

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

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

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			





## Resolution of Board of Directors

14			
15			
16			
17			
18			
19			
20			

*The bidding enterprise hereby absolves the Department of Water and Sanitation from any liability whatsoever that may arise as a result of this document being signed.*

**Note:**

1. \* Delete which is not applicable.
2. **NB:** This resolution must, where possible, be signed by all the Directors / Members / Partners of the Bidding Enterprise.
3. In the event that paragraph 2 cannot be complied with, the resolution must be signed by Directors / Members / Partners holding a majority of the shares / ownership of the Bidding Enterprise (attach proof of shareholding / ownership hereto).
4. Directors / Members / Partners of the Bidding Enterprise may alternatively delegate a person to sign this document on behalf of the Bidding Enterprise, which person must be so authorized by way of a duly completed Delegation of Authority letter, signed by the Directors / Members / Partners holding a majority of the shares / ownership of the Bidding Enterprise (proof of shareholding / ownership and Delegation of Authority letter are to be attached hereto).
5. Should the number of Directors / Members / Partners exceed the space available above, additional names and signatures must be supplied on a separate page.

**ENTERPRISE STAMP**

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

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

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

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

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

**RESOLVED that:**

1. The Enterprise submits a Bid /Tender, in consortium/Joint Venture with the following Enterprises:

\_\_\_\_\_  
(List all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the Consortium/Joint Venture)

to the Department of Water and Sanitation in respect of the following project:

\_\_\_\_\_  
(Project description as per Bid /Tender Document)

Bid / Tender Number: \_\_\_\_\_ (Bid / Tender Number as per Bid / Tender Document)

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

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

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

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

3. The Enterprise accepts joint and several liability with the parties listed under item 1 above for the due fulfilment of the obligations of the joint venture deriving from, and in any way connected with, the Contract to be entered into with the Department in respect of the project described under item 1 above.
4. The Enterprise chooses as its *domicilium citandi et executandi* for all purposes arising from this joint venture agreement and the Contract with the Department in respect of the project under item 1 above:

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

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ (code)



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

Telephone number: \_\_\_\_\_

Fax number: \_\_\_\_\_

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			

The bidding enterprise hereby absolves the Department of Water and Sanitation from any liability whatsoever that may arise as a result of this document being signed

**Note:**

1. \* Delete which is not applicable.
2. **NB:** This resolution must, where possible, be signed by all the Directors / Members / Partners of the Bidding Enterprise.
3. In the event that paragraph 2 cannot be complied with, the resolution must be signed by Directors / Members / Partners holding a majority of the shares / ownership of the Bidding Enterprise (attach proof of shareholding / ownership hereto).
4. Directors / Members / Partners of the Bidding Enterprise may alternatively delegate a person to sign this document on behalf of the Bidding Enterprise, which person must be so authorized by way of a duly completed Delegation of Authority letter, signed by the Directors / Members / Partners holding a majority of the shares / ownership of the Bidding Enterprise (proof of shareholding / ownership and Delegation of Authority letter are to be attached hereto).
5. Should the number of Directors / Members / Partners exceed the space available above, additional names and signatures must be supplied on a separate page.

**ENTERPRISE STAMP**

## SPECIAL RESOLUTION OF CONSORTIA OR JOINTVENTURES

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

1. 

---

---
2. 

---

---
3. 

---

---
4. 

---

---
5. 

---

---
6. 

---

---
7. 

---

---
8. 

---



Held at \_\_\_\_\_  
\_\_\_\_\_  
(place)  
on \_\_\_\_\_  
(date)  
e)

**RESOLVED that:**

- A. The above-mentioned Enterprises submit a Bid in Consortium/Joint Venture to the Department of Water and Sanitation in respect of the following project:

\_\_\_\_\_  
\_\_\_\_\_  
(Project description as per Bid /Tender Document)

Bid / Tender Number: \_\_\_\_\_ (Bid / Tender Number as per Bid /Tender Document)

- B. \*Mr/Mrs/Ms: \_\_\_\_\_ in \_\_\_\_\_ \*his/her  
Capacity as: \_\_\_\_\_ (Position in the  
Enterprise) and who will sign as follows: \_\_\_\_\_

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

- C. The Enterprises constituting the Consortium/Joint Venture, notwithstanding its composition, shall conduct all business under the name and style of:

- D. The Enterprises to the Consortium/Joint Venture accept joint and several liability for the due fulfilment of the obligations of the Consortium/Joint Venture deriving from, and in any way connected with, the Contract entered into with the Department in respect of the project described under item A above.

- E. Any of the Enterprises to the Consortium/Joint Venture intending to terminate the consortium/joint venture agreement, for whatever reason, shall give the Department 30 days written notice of such intention. Notwithstanding such decision to terminate, the Enterprises shall remain jointly and severally liable to the Department for the due fulfilment of the obligations of the Consortium/Joint



Venture as mentioned under item D above.

- F. No Enterprise to the Consortium/Joint Venture shall, without the prior written consent of the other Enterprises to the Consortium/Joint Venture and of the Department, cede any of its rights or assign any of its obligations under the consortium/joint venture agreement in relation to the Contract with the Department referred to herein.
- G. The Enterprises choose as the *domicilium citandi et executandi* of the Consortium/Joint Venture for all purposes arising from the consortium/joint venture agreement and the Contract with the Department in respect of the project under item A above:

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

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ (code)

Telephone number: \_\_\_\_\_

Fax number: \_\_\_\_\_

	Name	Capacity	Signature
1			
2			
3			
4			
5			



6			
7			
8			
9			
10			
11			
12			
13			
14			
15			

The bidding enterprise hereby absolves the Department of Water and Sanitation from any liability whatsoever that may arise as a result of this document being signed.

**Note:**

1. \* Delete which is not applicable.
2. **NB:** This resolution must be signed by all the Duly Authorized Representatives of the Legal Entities to the consortium/joint venture submitting this tender, as named in item 2 of **RESOLUTION OF BOARD OF DIRECTORS TO ENTER INTO CONSORTIA OR JOINT VENTURES**
3. Should the number of the Duly Authorized Representatives of the Legal Entities joining forces in this tender exceed the space available above, additional names, capacity and signatures must be supplied on a separate page.
4. **RESOLUTION OF BOARD OF DIRECTORS TO ENTER INTO CONSORTIA OR JOINT VENTURES**, duly completed and signed, from the separate Enterprises who participate in this consortium/joint venture, must be attached to this **SPECIAL RESOLUTION OF CONSORTIA OR JOINT VENTURES**



## LETTER OF AUTHORITY FOR SOLE PROPRIETOR OR SOLE TRADER



## **Annexure A**

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

### **NOTES**

The purpose of this document is to:

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

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

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

## TABLE OF CLAUSES

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

## **General Conditions of Contract**

### **1. Definitions**

1. The following terms shall be interpreted as indicated:
  - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of 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**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,

**security**

the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

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

**8. Inspections,  
tests and  
analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the

cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

## **9. Packing**

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

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties,

- provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

#### **14. Spare parts**

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

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
  - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

#### **15. Warranty**

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser



may have against the supplier under the contract.

**16. Payment**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

**17. Prices**

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

**18. Contract amendments**

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

**19. Assignment**

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

**20. Subcontracts**

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

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

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily

available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

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

## **23. Termination for default**

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the

envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

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

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

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

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

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

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

**25. Force Majeure**

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

		(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
<b>29. Governing language</b>	29.1	The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
<b>30. Applicable law</b>	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
<b>31. Notices</b>	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.
<b>32. Taxes and duties</b>	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.
<b>33. National Industrial Participation Programme (NIP)</b>	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.
<b>34. Prohibition of Restrictive practices</b>	34.1	In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
	34.2	If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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

Js General Conditions of Contract (revised July 2010)

## APPENDIX A



### **water & sanitation**

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

## **TERMS OF REFERENCE**

### **APPOINTMENT OF A PANEL OF PROFESSIONAL SERVICE PROVIDERS (PSP) IN THE FIELD OF FORENSIC INVESTIGATIONS/ FORENSIC AUDITING THROUGH OPEN TENDER FOR A PERIOD OF THREE (03) YEARS**

#### **1. BACKGROUND**

- 1.1 The Department of Water and Sanitation is the custodian of South Africa's water resources. It is primarily responsible for the formulation and implementation of policy governing this sector. While striving to ensure that all South Africans gain access to clean water and dignified sanitation, the Department also promotes effective and efficient water resources management to ensure sustainable economic and social development.
- 1.2 The Department is 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.
- 1.3 The Public Service Commission ("PSC") has established a National Anti-Corruption Hotline (NACH), where 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.

- 1.4 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.
- 1.5 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 both 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.
- 1.6 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 compels the Department to source the services to outside service providers to assist in addressing the complaints.
- 1.7 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 as the Department does not have enough human 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 as follows:

- 2.1 To create a pool of Professional Service Providers in the field of forensic investigation or forensic auditing, accessible to the Department for outsourcing of investigative work as and when the need arises.
- 2.2 For the successful professional panel of service providers to be responsible for conducting forensic investigative work on a need basis during the specified period within the validity of the contract term. The specific requests for investigation will be dealt with on a case-by-case basis and the service providers must acknowledge that they have necessary resources/expertise available to comply with the expected capabilities.
- 2.3 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. The nature of service required will cover forensic investigations and special audits.



- 2.4 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 the case backlog.
- 2.5 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/criminal trials, other judicial processes or forums (this includes period beyond term of their contract).
- 2.6 To assist the Department in 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).
- 2.7 To assist with the recovery of losses incurred by the Department through civil recovery process, as a result of fraud and corruption, by providing support to the Department's Legal Counsel.

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

- 3.1. It is not possible to predict the type of investigations that may be required, as such predetermination of the scope is difficult. The actual scope of the investigation will be determined on a case-by-case basis and will be dependent on the allegation(s) 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 irregularities in procurement processes, which may result in irregular, fruitless and wasteful expenditure.

- 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 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. Determination of 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 by who, why and how invoices from the service providers were certified for payment.
- v. Determine who was responsible for product quality control and how has this aspect been handled.
- vi. Quantifying losses or damages that the Department may have suffered as a result of these transactions.
- vii. Determining what the deliverables were in terms of the contracts.
- viii. Determining whether the projects were managed in accordance with the departmental prescripts and/or agreement between parties.
- ix. Determining the values of the benefit derived by the Department with regard to 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/value,
  - Project management, and
  - Quality control.
- xi. Determining the control measures that were in place during payment process by the Department to Implementing Agents.
- xii. Determining total payments to service provider, and outstanding amounts.
- xiii. Determining whether performance of a service provider was in line with the approved Project Plan.

- xiv. Identifying impediments which may have affected the projects and the extent of the impact.
  - xv. Reviewing 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 cases (forensic investigation works) 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. Categorise/classify matters as fraud, corruption, irregularities, non-compliance with prescripts etc;
  - iv. Evaluate allegations reported and allocated to them for investigation, including drafting of notice of investigation;
  - v. Gather necessary supporting documents for each case;
  - vi. Conduct detailed investigations on each case allocated;
  - vii. Identify all relevant non-compliance risks during the investigation;
  - viii. Use of forensic tools and or data analytics to assist in identifying possible fraud trends in the Department;
  - ix. Submit 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;
  - x. Ensure that all records are kept and managed properly, including documents, evidence etc.
  - xi. Maintain case files in a proper manner, bearing in mind that criminal processes could be initiated in respect of cases.
  - xii. Provide the Department with electronic copies of all draft and final investigation reports including a hard copy per specific matter investigated.
  - xiii. Submit the final electronic version and hard copies of the encompassing all matters investigated after completion of the project.

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

- 4.1 Composition:** Key staff assigned to projects should be composed of a one (1) lead partner, one (1) senior manager, one (1) manager and two (2) investigators.

**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. It is the bidders' responsibility to ensure that where key staff consists of foreign nationals, valid and relevant work permits are attached.

- 4.2 Qualifications** of key staff should comply with the following requirements. Key staff should be in possession of the following qualifications:

- a. One (1) **Lead Partner:** must hold Masters in Business Management /Accounting/Auditing/Law/Forensics/Economic Sciences or either be an Admitted Attorney or a Chartered Accountant.
- b. One (1) **Senior Manager:** must at least hold a Post Graduate Diploma or Honours Degree in Business Management/Accounting/Auditing/Law/Forensics/Economic Sciences.
- c. One (1) **Manager:** must at least hold a Degree Accounting/Auditing/Law/Forensics/ Economic Sciences.
- d. Two (2) **Investigators:** should at least hold a Degree in Auditing/ Accounting/ Law/ Forensic Auditing/ Forensic Accounting/ Economic Science.

**NB:** It is the bidders' responsibility to ensure evaluation of foreign qualifications with South African Qualifications Authority (SAQA). Attached copies of qualifications must be certified. Qualifications must also be elaborated upon in the Cvs. All certification of copies must not be older than six(6) months. Bid Evaluation Committee members can only evaluate and score according to what is shown or reflected in the proposal.

- 4.3 Experience:** 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 or 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 reviewing and conducting similar or investigations of this nature in the Public and Private sector.
- c. The one (1) manager must have at least 5-8 years' experience in reviewing and conducting similar or investigations of this nature in the 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 and clearly indicate the number of years of relevant experience of such staff members. Bid Evaluation Committee members can only evaluate and score according to what is shown or reflected in a proposal. Key staff's experience must be elaborated upon in the CVs.**

**4.4 Knowledge:** The key staff should have sufficient knowledge of forensic investigations/audit in the public and private sector.

**4.5.** Bidders must submit **comprehensive CV's** of all key staff in the proposal to contain the following information:

4.5.1. Name and identity number of key staff members;

4.5.2. Relevant qualification(s) and courses successfully completed;

4.5.3. Certificates of membership/ accreditation and valid registration with regulatory bodies in the field;

4.5.4. Number of years' relevant experience indicated in numerical format; and

4.5.5. **Case studies** to prove relevant experience and knowledge in the field of expertise.  
(*bidders are advised to use the CV template attached as Appendix A.1 below*)

**NB: Definition of case studies:** Investigation projects/ assignments that have been undertaken by key staff members including in the past three (3) years of the closing date of this bid.

**4.6. Bidder experience in providing forensic investigation/auditing services:**

4.6.1. Bidders must have **at least 3 years in existence**, with at least 3 years' relevant experience in delivering the required forensic audit services and provide evidence/track record of successful and timely performance of similar assignments/forensic investigation works with credible and verifiable references in public and private sector.

4.6.2. Proof of the number of years in existence should be provided by submission of evidence which proves that the company has been actively in business or any other relevant registration document. (CIPC certificate only, will not be acceptable as proof of the number of years in existence).

4.6.3. Proof of relevant experience by bidders should be provided by means of a list case studies detailing the type of projects executed in the past, including the last three (3) years, the magnitude of the projects, the results of the project and the period during which such projects were executed.

4.6.4. 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 at least three (3) reference letters for forensic investigation work done and completed in the in the past three (3) years of the closing date of this bid. Letters provided/attached must be signed, dated, issued on a company letter head and contain the name, contact details of the person issuing the letter as well as the level of satisfaction from the service provide by the bidder.

**NB: Bidders must provide at least three (03) reference letters from three (03) different verifiable/contactable clients issued in the past three (03) years of the date of closing to the bid. If the reference letter does not comply with the above requirements, it will be not considered. The Department of Water and Sanitation reserves the right to vet all documentation and information provided by bidders to prove their relevant experience and ability to provide the required service.**

## **5 METHODOLOGY**

- 5.1. The service provider is expected to outline in detail the methodology that will be used to conduct forensic investigations on behalf of the Department. It is imperative for service providers to outline and explain in detail the approach and methodology that will be used to conduct investigations on behalf of the Department, from planning to resolution. The methodology must demonstrate bidders' ability to conduct various types of investigations and utilisation of various tools.

## **6 TIME FRAMES PER PROJECT**

- 6.1. The timeframes for projects (forensic investigation works) assigned to appointed PSP's will be determined based on the nature of each project as well as other factors like size, complexity, location 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 should, 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 providers to furnish the Department monthly or at intervals agreed 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**

- 10.1. As it may not be possible to predict the type of investigations that may be required and how many investigations may have to be done in terms of the complexity of each investigation, the appointment of the panel will be on a draw down basis and managed through a specific ToR and budget available for each forensic investigation work.

- 10.2. For comparative pricing purposes, the PSPs are required to complete the fee structure in the format below for each level of staff when submitting their proposals. **Hourly tariffs** (All costs/prices must be VAT inclusive):

Proposed Key Staff:	Hourly Rate		
	Yr 1	Yr 2	Yr 3
Lead Partner	R / hour	R / hour	R / hour
Senior Manager	R / hour	R / hour	R / hour
Manager (1)	R / hour	R / hour	R / hour
Investigator 1	R / hour	R / hour	R / hour
Investigator 2	R / hour	R / hour	R / hour

## 11. DUE DILIGENCE

- 11.1. The Department of Water & Sanitation reserves the right to conduct **due diligence** or vet all documentation and information provided by bidders at any stage prior to the award or at any time during the contract period to prove relevant experience and the ability of service providers to provide required services.

## 12. 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).		
3	Complete, sign, submit SBD 1, SBD 4, SBD 6.1,		
4	Active registration with Company Intellectual Property Commission (to be verified through CSD and CIPC) Attach copy of CIPC/CIPRO Certificate		
5	The service provider (and in the case of a consortium or joint venture – at least one member of such consortium or joint venture) should submit a notary agreement between the parties must clearly identify the lead partner (if applicable)		
6	CERTIFICATE OF AUTHORITY FOR SIGNATORY (bidders to complete the relevant form.)		



No	Criteria	Yes	No
7	Copy of an Identity document of the authorised individual to represent the Service provider as per the CERTIFICATE OF AUTHORITY FOR SIGNATORY form		

### 13. EVALUATION SYSTEM

The Department of Water and Sanitation will evaluate the bid in terms of the Preferential Procurement Regulations 2022. A copy of the Preferential Procurement Regulations 2022 can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). In accordance with the Preferential Procurement Regulations 2022, submissions will be adjudicated on following the evaluation criteria for PSP to be enlisted on the panel. The 80/20 evaluation system will be used for appointment within the panel.

Two phase evaluation will be considered in evaluating the bid.

**Phase 1: Mandatory compliance** (if not complied with bid will be disqualified)

**Phase 2: Functional / Technical Evaluation**

#### **PHASE 1: MANDATORY COMPLIANCE:**

Please note that all bidders must comply with the following mandatory requirement(s) in order to qualify for next evaluation phase (functional/technical). **Failure to comply with any criteria listed below will render your bid non-responsive and will be disqualified.**

No	Criteria	Compliant	
		Yes	No
1.	<p>Bidders must submit/attach certified copies of :</p> <p>Bidder's and/or key staff members' proof of <b>VALID</b> registration/affiliation/membership with recognized professional bodies such as:</p> <p>Association of Certified Fraud Examiners (<b>ACFE</b>)/ Institute of Commercial Fraud Practitioners (<b>ICFP</b>)/ South African Institute of Chartered Accountants (<b>SAICA</b>) /South African Institute of Professional Accountants (<b>SAIPA</b>) /Institute of Internal Auditors (<b>IIA</b>) etc.</p>		

**NB: All certified copies must not be older than six(6) months.**

## **PHASE 2: FUNCTIONAL/TECHNICAL CRITERIA**

**Rating scales that will used to evaluate proposals:**

<b>Score</b>	<b>Rating</b>	<b>Definition</b>
<b>5</b>	<b>Excellent</b>	Exceeds the requirement.
<b>4</b>	<b>Good</b>	Above average. Satisfies the requirement with minor additional benefits.
<b>3</b>	<b>Average</b>	Acceptable . Satisfies the requirement.
<b>2</b>	<b>Poor</b>	Satisfies the requirement with minor reservations.
<b>1</b>	<b>Very poor</b>	Satisfies the requirement with major reservations.

Bidders are expected to achieve a minimum required score of **65%** for functionality. Bids that do not meet the minimum required score will be disqualified.

The Functional/Technical evaluation criteria:

<b>No.</b>	<b>Criteria</b>	<b>Weighting</b>	<b>Rate (1-5)</b>	<b>Total Score</b>
<b>1.</b>	<b>Qualifications and experience of key staff</b>	<b>40</b>		
<b>1.1</b>	<b>Qualifications of key staff</b> Relevant qualifications of the key staff must be elaborated in their CV's. Certified copies of relevant qualifications must be also attached [Also see paragraph 4.2 of the ToR for other considerations]	<b>20</b>		
	<div style="display: flex;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); border: 1px solid black; padding: 5px; margin-right: 10px;"><b>One Lead partner</b></div> <div> <ul style="list-style-type: none"> <li>• Diploma or Degree in Accounting /Auditing/ Law/ Forensics/ Economic Sciences - <b>1 (Very Poor)</b>.</li> <li>• Post Graduate Diploma or Honours Degree in Business Management/ Accounting/Auditing/ Law/ Forensics/ Economic Sciences -<b>2 (Poor)</b>.</li> <li>• Masters in Business Management/ Accounting/Auditing/Law/ Forensics/Economic Sciences/Admitted Attorney/Chartered Accountant - <b>3 (Average)</b>.</li> <li>• Masters in Business Management/ Accounting/Auditing/ Law/ Forensics/Economic Sciences or Admitted Advocate/Chartered Accountant and relevant accreditations or certifications in the field (CFE,FP(SA) etc.) - <b>4 (Good)</b>.</li> <li>• Doctorate in Accounting/ Auditing/Law/Forensics - <b>5 (Excellent)</b>.</li> </ul> </div> </div>	<b>7</b>		

No.	Criteria	Weighting	Rate (1-5)	Total Score
	<b>Senior Manager</b> <ul style="list-style-type: none"> <li>Diploma in Accounting/Auditing/ Law/ Forensics - <b>1 (Very Poor)</b>.</li> <li>Degree in Accounting/Auditing/ Law/ Forensics/Economic Sciences - <b>2 (Poor)</b>.</li> <li>Post Graduate Diploma or Honours Degree in Business Management/ Accounting/Auditing/ Law/ Forensics/ Economic Sciences - <b>3 (Average)</b>.</li> <li>Masters in Business Management/ Accounting/Auditing/ Law/ Forensics/ Economic Sciences or Admitted Attorney/ Chartered Accountant - <b>4 (Good)</b>.</li> <li>Masters in Business Management/ Accounting/Auditing/ Law/ Forensics/ Economic Sciences or Admitted Advocate/ Chartered Accountant and relevant accreditations or certifications in the field (CFE,FP(SA)etc.) - <b>5 (Excellent)</b>.</li> </ul>	<b>5</b>		
	<b>Manager</b> <ul style="list-style-type: none"> <li>Grade 12 - <b>1 (Very Poor)</b>.</li> <li>Diploma in Accounting/Auditing/Law/Forensics - <b>2 (Poor)</b>.</li> <li>Degree in Accounting/Auditing/Law/ Forensics/ Economic Sciences - <b>3 (Average)</b>.</li> <li>Post Graduate Diploma or Honours Degree in Business Management/ Accounting/Auditing/ Law/ Forensics/ Economic Sciences and relevant accreditations or designations (CFE/FP(SA) etc.) - <b>4 (Good)</b>.</li> <li>Masters in Business Management/ Accounting/Auditing/ Law/ Forensics/ Economic Sciences/ Admitted Attorney /Chartered Accountant - <b>5 (Excellent)</b>.</li> </ul>	<b>4</b>		
	<b>Investigator 1</b> <ul style="list-style-type: none"> <li>Grade 12- <b>1 (Very Poor)</b>.</li> <li>Diploma in Accounting /Auditing/ Law/ Forensics- <b>2 (Poor)</b>.</li> <li>Degree in Accounting/Auditing/Law/Forensics/Economic Sciences - <b>3 (Average)</b>.</li> <li>Degree in Accounting/Auditing/Law/Forensics/Economic Sciences and relevant accreditations or designations and relevant accreditations or designations (CFE/FP(SA) etc.) - <b>4 (Good)</b>.</li> <li>Post Graduate Diploma or Honours Degree in Business Management/ Accounting/Auditing/ Law/ Forensics/ Economic Sciences - <b>5 (Excellent)</b>.</li> </ul>	<b>2</b>		
	<b>Investigator 2</b> <ul style="list-style-type: none"> <li>Grade 12- <b>1 (Very Poor)</b>.</li> <li>Diploma in Accounting /Auditing/ Law/ Forensics- <b>2 (Poor)</b> .</li> <li>Degree in Accounting/Auditing/Law/Forensics/Economic Sciences - <b>3 (Average)</b>.</li> <li>Post Graduate Diploma or Honours Degree in Business Management/ Accounting/Auditing/ Law/ Forensics/ Economic Sciences/ <b>4 (Good)</b>.</li> <li>Post Graduate Diploma or Honours Degree in Business Management/ Accounting/Auditing/ Law/ Forensics/ Economic Sciences and relevant accreditations or designations (CFE/FP(SA) etc.) - <b>5 (Excellent)</b>.</li> </ul>	<b>2</b>		
<b>1.2</b>	<b>Experience of key staff [Also see paragraph 4.3 of the ToR for other considerations]</b>	<b>20</b>		

No.	Criteria	Weighting	Rate (1-5)	Total Score
	<b>One Lead partner</b> <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>	<b>7</b>		
	<b>Senior Manager</b> <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>	<b>5</b>		
	<b>Manager</b> <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 investigations of this nature in the Public and Private sector- <b>3 (Average)</b></li> <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>	<b>4</b>		
	<b>Investigator 1</b> <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>	<b>2</b>		

No.	Criteria	Weighting	Rate (1-5)	Total Score
	<b>Investigator 2</b> <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>	<b>2</b>		
<b>2.</b>	<b>Bidders experience [Also See paragraph 4.6 of the ToR for other considerations]</b>	<b>30</b>		
2.1	<p>Bidder must have at least (3) years' relevant experience in delivering a similar service. Proof of relevant experience should be provided through submission of a list of case studies of investigations/projects executed in the past, including the last 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>• the period during which the investigation was 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> </ul> <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>		
2.2	<p>The service provider must provide at least (3) three reference letters for investigation work done in the past 3 years. Accompanying reference letters must be signed, dated, on a company letterhead, containing/stating:</p> <p>i) the client's name, address, contact person, email and telephonic contact details;</p> <p>ii) level of satisfaction for work done.</p> <p><b>NB: Reference letters not meeting the above specifications will not be considered. The Department reserves the right to verify information provided.</b></p> <ul style="list-style-type: none"> <li>• 1 Relevant Reference Letter Attached - <b>1 (Very Poor)</b></li> <li>• 2 Relevant Reference Letters Attached- <b>2 (Poor)</b></li> <li>• 3 Relevant Reference Letters Attached- <b>3 (Average)</b></li> <li>• 4 Relevant Reference Letters Attached- <b>4 (Good)</b></li> <li>• 5 Relevant Reference Letters Attached- <b>5 (Excellent)</b></li> </ul>	<b>20</b>		
<b>3.</b>	<b>Methodology [Also See paragraph 5 of the ToR]</b>	<b>30</b>		



No.	Criteria	Weighting	Rate (1-5)	Total Score
3.1	<p>The service provider are expected to demonstrate their knowledge and understanding of the forensic investigation field by outlining in detail their approach to investigations through a detailed methodology that will be used to conduct forensic investigations on behalf of the Department. The methodology must clearly stipulate the approach to investigations from inception to resolution. It is imperative that the methodology provides the process that will be used to conduct investigations on behalf of the Department in detail, narratively and supported with relevant examples and diagrams,. The methodology must clearly indicated/ include all the following:</p> <ol style="list-style-type: none"> <li>1. Various phases investigations will be subjected to.</li> <li>2. Defined and documented purposes of activities that will be conducted at each phase.</li> <li>3. Identified services/ expertise/ analytics and investigation tools and technologies that will/may be employed in the process of an investigation.</li> <li>4. The role of each key staff member in the investigation process for indication of bidders' capability to fulfil assigned projects and for project management, supervision, monitoring and quality assurance purposes.</li> <li>5. Methodology contains a step-by-step explanation of the proposed processes to be followed with examples and diagrams.</li> </ol> <p>Methodology only includes item 1 above - <b>1 (Very Poor)</b>.</p> <p>Methodology only includes item 1 and 2 above - <b>2 (Poor)</b></p> <p>Methodology only includes item 1,2 and 3 above - <b>3 (Average)</b>.</p> <p>Methodology only includes item 1,2,3, and 4 above - <b>4 (Good)</b></p> <p>Methodology includes all 5 items above - <b>5 (Excellent)</b></p>	30		
	<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. Bidders are expected to achieve a minimum threshold/required score of **65%** for functionality in order to qualify for enlisting. Proposal that scores less than the set minimum points for functionality will be regarded as non-responsive and not considered for enlisting.

#### 14. SPECIAL CONDITIONS

- 14.1. Service providers will be subjected to security screening before award.
- 14.2. Appointed Service Providers shall not be part of the External Audits (such as AGSA)
- 14.3. Prime contractor will need to sign a contract with the sub-contractor.
- 14.4. If the project overlaps the contract duration, the service provider will be given three (3) months to complete the project.

**Other Conditions:**

- The department reserves to write to engage with the successful service provider to negotiate the prices as submitted.
- If it is envisaged that negotiations will be conducted only with the successful supplier, the negotiations will be based on a best estimate of the cost of the service.
- 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.

**15. PROJECT DURATION**

Once appointed, the approved panel of Professional Service Providers with expertise in the field of forensic investigation/auditing, shall be engaged on a need basis over a period of three (03) years.

**16. 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 a needed basis or as project/forensic investigation works are issued.

**17. ENGAGEMENT MODEL**

The Department has developed an *Engagement Model* for usage of the panel of forensic investigators. The Engagement Model is intended to provide guidelines on how the panel will be used once it has been set-up/established, the main purpose of which is to ensure rotation and equal opportunity to all service providers forming part of the Panel. Enlisted Professional Service Providers (PSPs) will be engaged or utilised in accordance with the following model:

**17.1. Process for procuring from the Panel:**

- 17.1.1. A rotation system of engagement from the panel shall be applicable for the appointment of PSPs from the panel.
- 17.1.2. This form of engagement shall be informed by the number of PSPs appointed into the panel.
- 17.1.3. The rotation of the PSPs on the panel shall ensure that all enlisted service providers receive equal opportunity for submission of proposals for forensic investigation works issued by the Department.

**17.2. Method of Procurement:**

- 17.2.1. Rotation of suppliers is determined by number of service providers listed in the established panel.
- 17.2.2. The number of service providers to be considered for invitation to provide proposals shall reduce up to the level where all service providers having had an opportunity to bid.

**17.3. Rotation of suppliers determined by work allocations awarded:**

- 17.3.1. A list of all appointed PSPs shall be maintained by SCM office in Head Office.
- 17.3.2. In order to achieve fair and equitable distribution, the rotation shall at best be applied to allow all PSPs on the panel an opportunity to be awarded forensic investigation works to be issued.
- 17.3.3. Once awarded forensic investigation works, the department shall henceforth move the PSP so awarded, to the bottom of the list/table.
- 17.3.4. As and when forensic investigation works are identified for outsourcing to the panel, the DWS Head Office shall apply a model of rotation in the form of remaining listed PSPs on the panel.
- 17.3.5. The remaining PSPs on the list, shall become eligible for consideration (next in line) for the next forensic investigation works to be issued.
- 17.3.6. SCM together with the Project Manager shall undertake the process of negotiating the price with the PSP if there is a need to undertake such negotiations.
- 17.3.7. If upon negotiation, it is still deemed that the proposal received is still not cost effective given the quantum of the forensic investigation works to be undertaken, the Department will reserve the right to cancel the RFQ and re-issue the RFQ afresh.



#### **17.4. APPLICATION OF THE AWARD PROCESS**

- 17.4.1. The established panel of service providers is initiated through enlisting and will be composed of service providers having met the evaluation criteria and achieved the minimum evaluation threshold set, as contained in paragraph 12 of the terms of reference.
- 17.4.2. The proposals or RFQs submitted by PSPs from the established panel for forensic investigation works, will be evaluated on price and specific goals only.

#### **17.5. CONTRACT ADMINISTRATION**

- 17.5.1. Process to be followed in terms of follow up investigations:
- 17.5.1.1. Upon completion of assigned forensic investigation works, it shall be expected of the PSP to submit the final report to the Project Manager.
- 17.5.1.2. As provided for in the original terms of references under paragraph 2 and 3, should a need arise for a previously appointed PSP to provide evidence or appear as witness(es) on a matter they have investigated or undertake continuation of the investigation, such a PSP as initially appointed, will be considered/preferred for re-appointment to continue or complete the project.
- 17.5.1.3. In the event of poor or non-performance by the appointed PSP, the SCM Office will handle such matters in line with provision contained in the Departmental SCM Policy.
- 17.5.1.4. It is expected that such poor or non-performance by the PSPs will be documented by the Project Manager and reported to SCM for action.

#### **ENQUIRIES**

Service providers are required to submit their formal enquiries directly to the Project Manager and the SCM office at least 5 working days before the tender close.

For more enquiries kindly contact:

##### **Technical Enquiries:**

Ms Sally Toto

Tel: 012 336 8228

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

## APPENDIX A.1

**NB: Provided CV's should be in the following prescribed format:**

Proposed role in the project:		
Name		
Date of birth		
Nationality		
Identity or passport number		
Work permit number (if applicable)		
Work permit validity period (if applicable)		
Years with the organisation		
Current Position in the organisation		
Key qualifications relevant to project		
Membership of professional bodies (Add more lines according to your need)		
Accreditations (Add more lines according to your need)		
Education:		
Institution	Qualification obtained	Year obtained
Professional Experience (1):		
Field		
Date: From (MM/YY) - To (MM/YY)		
Number of years		
Organisation		
Location		
Position		
Description of duties (Add more lines according to your need)		
Case studies/Projects (Add more lines according to your need)		

Professional Experience (2):	
<b>Field</b>	
Date: From (MM/YY) - To (MM/YY)	
Number of years	
Organisation	
Location	
Position	
Description of duties	
Case studies/Projects (Add more lines according to your need)	
Professional Experience (3):	
<b>Field</b>	
Date: From (MM/YY) - To (MM/YY)	
Number of years	
Organisation	
Location	
Position	
Description of duties	
Case studies/Projects (Add more lines according to your need)	

References:	Contact number:	Contact email:
Reference 1		
Reference 2		
Reference 3		