



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

REQUEST FOR BID

REQUEST FOR BID NUMBER: WP11495

DESCRIPTION

**APPOINTMENT OF THE PANEL OF EXPERTS TO ASSIST THE DEPARTMENT WITH
SPECIALISED AUDIT SERVICES IN THE FIELD OF INFORMATION AND
COMMUNICATION TECHNOLOGY AUDIT ON AN AS AND WHEN REQUIRED BASIS FOR
A PERIOD OF THREE (3) YEARS**

ISSUE DATE:

6 DECEMBER 2024

CLOSING DATE:

**13 FEBRUARY 2025
TIME: 11:00**

**SUBMIT TENDER DOCUMENT
TO**

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

OR

**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)

Please be aware that the Department representatives at SCM will never call you and demand bribes in exchange for a tender. if this happens, please notify the Department.



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
SBD 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	
	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. Bidders who are not VAT Vendors are not allowed to charge VAT 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. 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 bid 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 in line with what is captured in the CSD report	
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/Sworn 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 authorised individual	H	The ID copy to be attached should be that of a person authorised to represent the Service provider as per the completed certificate of authority for signatory form	
Copy of Company's CIPC Certificate	I	Bidders are required to attach copies of the CIPC Certificates	
Bid Proposal	J	A detailed bid proposal inline with the Specifications must be attached	

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	WP11495	CLOSING DATE:	13 FEBRUARY 2025	CLOSING TIME:	11H00
DESCRIPTION	APPOINTMENT OF THE PANEL OF EXPERTS TO ASSIST THE DEPARTMENT WITH SPECIALISED AUDIT SERVICES IN THE FIELD OF INFORMATION AND COMMUNICATION TECHNOLOGY AUDIT ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF THREE (3) YEARS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
ZWAMADAKA BUILDING ENTRANCE					
157 SCHOEMAN STREET					
PRETORIA					
0002					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr JACOB MABUSELA		CONTACT PERSON	Mr. Pieter Jordaan	
TELEPHONE NUMBER	012 336 7240		TELEPHONE NUMBER	012 336 8854	
CELLPHONE			CELLPHONE		
E-MAIL ADDRESS	mabuselaj@dws.gov.za		E-MAIL ADDRESS	Jordaanp2@dws.gov.za	
SUPPLIER INFORMATION					
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 <input type="checkbox"/> Yes <input type="checkbox"/> No		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE 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]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?

☐ YES ☐

NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?

☐ YES ☐

NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

☐ YES ☐ NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

☐ YES ☐

NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

☐ YES ☐

NO

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

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, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

.....

DATE:

.....

NAME OF BIDDER: BID NO: **WP11495**

CLOSING TIME 11:00 CLOSING DATE: **13 FEBRUARY 2025**

OFFER TO BE VALID FOR 180 DAYS FROM THE CLOSING DATE OF BID.

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 interest¹ 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:

.....

¹ 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 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**

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 consortium² 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

² 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.

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 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

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and

1.2 To be completed by the organ of state

a) The applicable preference point system for this tender is the 80/20 preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in

any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20	or	90/10	
$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) \text{ or } Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$			

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \quad \text{or} \quad Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system: or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Women	5	
People with disability	5	
Youth (35 and below)	5	
Location of enterprise (Province)	2	
B-BBEE status level contributors from level 1 to 2 which are QSE or EME	3	
Total points for SPECIFIC GOALS	20	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One-person business/sole propriety

Close corporation

Public Company

Personal Liability Company

(Pty) Limited

Non-Profit Company

State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that

the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation.
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

STANDARD EVALUATION CRITERIA IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

THE 80/20 POINTS AWARDED FOR PRICE AND SPECIFIC GOALS

The 80/20 Preferential Procurement System will be used in evaluating these bids:

Evaluation element	Weighting (Points)
SPECIFIC GOALS	20
PRICE	80
Total	100

Price

A maximum of 80 points are allocated for price on the following basis:

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

Where:

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

Preference point system

SPECIFIC GOALS	NUMBER OF POINTS TO BE ALLOCATED
Women	5
People with disability	5
Youth (35 and below)	5
Location of enterprise (Province)	2
B-BBEE status level contributors from level 1 to 2 which are QSE or EME	3
Total points for SPECIFIC GOALS	20

Documents Requirement for verification of Points allocation: -

Procurement Requirement

Women
Disability
Youth
Location

Required Proof Documents

Full CSD Report
Full CSD Report
Full CSD Report
Full CSD Report

B-BBEE status level contributors from level 1 to 2 which are QSE or EME	Valid BBBEE certificate/sworn affidavit Consolidated BEE certificate in cases of Joint Venture Full CSD Report
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The definition and measurement of the goals above is as follows:

Women, disability, and youth:

This will be measured by calculating the pro-rata percentage of ownership of the bidding company which meets this criterion. E.g., Company A has five shareholders each of whom own 20% of the company. Three of the five shareholders meet the criterion, i.e. they are women/disability/youth. Therefore, this bidder will obtain 60% of the points allowable for this goal.

Location of enterprise

Local equals province. Where a project cuts across more than one province, the bidder may be located in any of the relevant provinces to obtain the points.

B-BBEE status level contributors from level 1 to 2 which are QSE or EME

Measured in terms of normal BBBEE requirements.

Note: Formula for calculating points for specific goals

Preference points for entities are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula is prescribed:

$$PC = Mpa \times \frac{P\text{-own}}{100}$$

Where

PC= Points awarded for specific goal

Mpa= The maximum number of points awarded for ownership in that specific category

P-own = The percentage of equity ownership by the enterprise or business



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

I,hereby confirm that I am the
sole owner of the business trading as

Signature: Sole owner.....

Date.....

Witnesses:

1. _____

Date :

2. _____

[illegible]

ENTERPRISE STAMP

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
- 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	<p>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.</p> <p>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.</p>
26. Termination for insolvency	<p>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.</p>
27. Settlement of Disputes	<p>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.</p> <p>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.</p> <p>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.</p> <p>27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.</p> <p>27.5 Notwithstanding any reference to mediation and/or court proceedings herein,</p> <p style="padding-left: 40px;">(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and</p> <p style="padding-left: 40px;">(b) the purchaser shall pay the supplier any monies due the supplier.</p>
28. Limitation of liability	<p>28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;</p> <p style="padding-left: 40px;">(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</p>

	(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	<p>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</p> <p>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.</p>
32. Taxes and duties	<p>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.</p> <p>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.</p> <p>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.</p>
33. National Industrial Participation Programme (NIP)	33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34. Prohibition of Restrictive practices	<p>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).</p> <p>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.</p>

- 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)



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

TERMS OF REFERENCE

APPOINTMENT OF THE PANEL OF EXPERTS TO ASSIST THE DEPARTMENT WITH SPECIALISED AUDIT SERVICES IN THE FIELD OF INFORMATION AND COMMUNICATION TECHNOLOGY AUDITS ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF THREE (3) 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 Department has an Internal Audit function established in line with the Public Finance Management Act, 1999 (Act 1 of 1999 as amended) [PFMA section 38 (1) (a) (ii)]; and in terms of Treasury Regulation 3.2.
- 1.4 Treasury Regulation 3.2.4 states that: *"An internal audit function may be partly or wholly contracted to an external organisation with specialist audit expertise, provided that its selection is in accordance with the relevant government's competitive tendering procedures"*.

- 1.5 Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve the Department's operations. It achieves this by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
- 1.6 The main objective of the Department's Chief Directorate: Internal Audit is to provide assurance and consulting services in the Department through the execution of audit and consulting reviews; and disseminating results to the management of the Department, i.e. assurance and or recommendations for implementation of corrective internal controls/ actions for improvements.
- 1.7 The capacity of the Chief Directorate: Internal Audit alone currently, is not adequate to deliver on its mandate and objectives, hence the need for an Internal Audit service provider with specialised Information and Communication Technology Audit (ICT) and related skills to supplement and build capacity and transfer skills to current staff.

2. OBJECTIVES

The objectives for the appointment of a panel of service providers are as follows:

- 2.1 For the successful professional panel of service providers to be responsible for conducting the aforementioned audit work on an "as required" basis during the specified period. The specific request will be dealt with on a case-by-case basis and the service providers must acknowledge that they have resources/ expertise available comply with the expected abilities.
- 2.2 To ensure timely response to the Department's needs for specialised audit services as some of these assignments may be time sensitive.
- 2.3 To assist the Department to build in-house capacity through skills transfer initiatives, which include co-sourcing arrangement.

3. SCOPE OF THE AUDITS

3.1. It is not possible to predict the type of audits that may be required, as such predetermination of the scope is difficult. The actual scope of the audit will be determined from time to time as and when such services are required. 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 audits in any or all of the following but not limited to:

- i. Network Security Audits, including Firewalls, Intrusion Detection, and Network Architecture (estimation of two (2) months to be completed);
- ii. Cyber Security Audits; (estimation of two (2) months to be completed);
- iii. Information and Communication Infrastructure Review. (estimation of two (2) months to be completed);
- iv. Business Continuity and Disaster Recovery Reviews (estimation of two (2) months to be completed);
- v. Application Controls Reviews on selected applications; (estimation of two (2) months to be completed);
- vi. ICT Operations Audits; (estimation of two (2) months to be completed);
- vii. Data Integrity Audits: (estimation of two (2) months to be completed);
- viii. Interface between two systems; (estimation of two (2) months to be completed);
- ix. COBIT Maturity Assessments; (estimation of two (2) months to be completed);
- x. System Development Life Cycle (SDLC); (estimation of two (2) months to be completed);
- xi. Cloud Computing Audits; (estimation of two (2) months to be completed)
- xii. Information Technology (IT) Governance Audits; (estimation of two (2) months to be completed); and
- xiii. IT Change Management Audits; (estimation of two (2) months to be completed).

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

a) Review and appraise systems of internal control and management systems throughout the Department, in the following areas but not limited:

- The information systems environment (including IT Governance, Cyber Security, IT Application Controls);
- The reliability and integrity of financial and operational information;
- The effectiveness of operations;
- Safeguarding of assets;
- Compliance with laws, regulations and controls;
- Achievement of established strategic and operational goals and objectives;
- Reliability, usefulness and integrity of performance information;
- The economical and efficient use of resources – value for money;
- Site visits/Physical Verification of projects on sites for audit projects where the scope includes such; and;
- Furnish the Audit Committee and Management with analyses, appraisals, recommendations, counsel and information concerning the activities reviewed and regular follow up, thereby assisting them with the effective discharge of their responsibilities.

b) Evaluate and develop recommendations for the enhancement or improvement of the processes through which objectives and values are established and communicated; the accomplishment of objectives is monitored; accountability is ensured; and corporate values are preserved.

c) Perform any other audit work as might be deemed necessary by the Chief Audit Executive, Management of the Department and, or Audit Committee that could be outside the scope of the approved internal audit plan(s), i.e. ad-hoc and consulting audit assignments, such work being subject to prior approval by the Audit Committee.

- d) Report to the Audit Committee in writing regularly on the scope of reviews of good governance and any significant findings. The report(s) will be tabled to Executive/Top Management meetings and to the Audit Committee.
- e) Work pro-actively with management to contribute to the success of the Department without losing the required independence.
- f) Assist with the annual review/updating of both the Internal Audit and Audit Committee Charters.
- g) Implement a strategy for capacity building and transfer of skills to existing Internal Audit staff within the Department; and assist with the identification of an ideal internal audit resource structure for Department.
- h) Coordinate work with other assurance providers – internal and external.
- i) Develop a Combined Assurance Framework and Implementation Plan; coordinate the roll out and implementation thereof within the Department.

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

- 4.1 The key staff should be composed of a Lead Partner, one Senior Manager, one Manager and two Internal Auditors.
- 4.2 Key staff for this project should comply with the following requirements:
 - 4.2.1 The key staff should be in possession of the following qualifications:
 - a. One (1) Lead partner: Masters in Auditing/ IT Auditing/ Internal Auditing/ IT or a Certified Information Systems Auditor Designation or a Certified Internal Auditor Designation, or a Chartered Accountant.
 - b. One (1) Senior Manager and One (1) Manager must at least hold a minimum of Post Graduate Degree in Auditing/ IT Auditing/ Internal Auditing/ IT.

- c. Two (2) auditor should at least hold a Degree in Auditing/ IT Auditing/ Internal Auditing/ IT.

4.2.2 The key staff should have 10 years' experience in the following combination of fields:

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

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

4.3 The key staff should have extensive knowledge of audits in the public and private sector.

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

- 4.4.1 1st column: name and id number of key staff member;
- 4.4.2 2nd column: relevant qualification(s) and courses successfully completed;
- 4.4.3 3rd column: number of years' relevant experience indicated in numerical format; and
- 4.4.4 4th column: case studies to prove relevant experience and knowledge in field of expertise (as indicated in the table below).

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

Name and ID number of key staff member (indicate whether a person is the lead partner/ senior manager/ manager/ Auditor)	Relevant qualification(s) and courses successfully completed	Number of years' relevant experience in <u>numerical</u> format (Only indicate the number of years performing this specific work / services).	Only relevant case studies or relevant other proof and relevant references to prove relevant experience and knowledge in field of expertise.
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NB: If key staff is not composed of a lead partner / senior manager/ manager/ auditor then it must specifically be mentioned in order to ensure that proposals are not evaluated based on incorrect information.

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

4.5.1 Proof of the number of years' in existence should be provided by submission of evidence which prove that the company has been actively in business) or any other relevant registration document.

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

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

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

5. PROJECT DURATION AND TIME FRAME PER PROJECT

- 5.1 The timeframe for a project (as mentioned under point 3.1) will be determined by the nature of the project as well as other factors like size, complexity and they will differ from one project to the other, however our estimation per project is two (2) months per project.

6. CONFIDENTIALITY

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

The service providers undertake, at all times during the existence of the contract or any renewal thereof or after termination of thereof, not to reveal any confidential or sensitive information or knowledge concerning the Department of Water and Sanitation (DWS) or its clients.

7. SPECIFIC PROVISION OF THE SERVICES

- 7.1 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.
- 7.2 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.
- 7.3 The service provider shall treat all information received from the Department as confidential and shall not use such information for any purpose other than which has been agreed upon by both parties.

8. REPORTING REQUIREMENTS

8.1 It is expected as a minimum requirement for the service provider to furnish the Department monthly or at periods determined between the parties with the following:

- A schedule showing task performed for the month or at periods determined between the parties and cost associated with the task.
- A schedule of all outstanding tasks and budget.
- Attend meetings when required to do so.

9. Due Diligence

9.1 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.

10. PRICING

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

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

Hourly tariffs:

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

Proposed Key Staff:	Hourly Rate
Auditor 1	R / hour
Auditor 2	R / hour

All costs must be VAT inclusive

11. **ADMINISTRATIVE COMPLIANCE**

Bidders are required to comply with the following:

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 that must clearly identify the lead partner (if applicable).		
6	CERTIFICATE OF AUTHORITY FOR SIGNATORY (bidders to complete the relevant form).		
7	Copy of an Identity document of the authorised individual to represent the Service provider as per the CERTIFICATE OF AUTHORITY FOR SIGNATORY form.		

12. **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. In accordance with the Preferential Procurement Regulations 2022, submissions

will be adjudicated on 80/20 points system and the evaluation criteria. One phase evaluation criteria 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 requirements-

Failure to submit any of the documents listed below will render your bid non-responsive and will be disqualified.

Yes - list the relevant documents required on the table below

No	Criteria	Yes	No
1.	Bidder's and/ or key staff members must attach proof of VALID registration/ affiliation/ membership with recognized professional bodies		

PHASE 2: FUNCTIONAL/TECHNICAL CRITERIA

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

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

No.	Criteria	Weighting	Rate (0-5)	Total Score					
1.	Qualifications and experience of key staff.	40							
1.1	Qualifications of key staff Relevant qualifications of the key staff. Qualifications must be elaborated upon in CV's. (See paragraph 4.2.1 of the ToR]	20							
	<table><tr><td>One Lead partner</td><td><ul style="list-style-type: none">Diploma or Degree in Auditing/ IT Auditing/ Internal Auditing/ IT- 1 (Very Poor).Post Graduate Diploma or Honors in Auditing/ IT Auditing/ Internal Auditing/ IT - 2 (Poor)Masters in Auditing/ IT Auditing/ Internal</td></tr></table>	One Lead partner	<ul style="list-style-type: none">Diploma or Degree in Auditing/ IT Auditing/ Internal Auditing/ IT- 1 (Very Poor).Post Graduate Diploma or Honors in Auditing/ IT Auditing/ Internal Auditing/ IT - 2 (Poor)Masters in Auditing/ IT Auditing/ Internal	<table><tr><td>7</td></tr></table>	7	<table><tr><td></td></tr></table>		<table><tr><td></td></tr></table>	
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7									

No.	Criteria	Weighting	Rate (0-5)	Total Score
	<p>Auditing/ IT or a Chartered Accountant- 3 (Average).</p> <ul style="list-style-type: none"> • Additional Qualifications related to IT Auditing over and above those stated above- 4 (Good) • Doctorate in Auditing/ IT Auditing/ Internal Auditing/ IT - 5 (Excellent). 			
	<p>Senior Manager</p> <ul style="list-style-type: none"> • Diploma in Auditing/ IT Auditing/ Internal Auditing/ IT - 1 (Very Poor). • Degree in Auditing/ IT Auditing/ Internal Auditing/ IT - 2 (Poor). • Post Graduate Diploma or Honors in Auditing/ IT Auditing/ Internal Auditing/ IT - 3 (Average). • Masters in Business Management / Auditing/ IT Auditing/ Internal Auditing/ IT or a Chartered Accountant- 4 (Good) • Additional Qualifications over and above, or Masters in Auditing/ IT Auditing/ Internal Auditing/ IT or a Chartered Accountant- 5 (Excellent). 	5		
	<p>Manager</p> <ul style="list-style-type: none"> • Grade 12- 1 (Very Poor) • Diploma in Auditing/ IT Auditing/ Internal Auditing/ IT 2 (Poor). • Degree in Auditing/ IT Auditing/ Internal Auditing/ IT - 3 (Average). • Post Graduate Diploma or Honors in Auditing/ IT Auditing/ Internal Auditing/ IT - 4 (Good). • Masters in Business Management/ Auditing/ IT Auditing/ Internal Auditing/ IT and Additional Qualifications over and above admitted Advocate or Attorney, or Masters in Business Management/ Auditing/ IT Auditing/ Internal Auditing/ IT or a Chartered Accountant- 5 (Excellent)- 	4		
	<p>Auditor 1</p> <ul style="list-style-type: none"> • Grade 12- 1 (Very Poor) • Diploma in Auditing/ IT Auditing/ Internal Auditing/ IT 2 (Poor). • Degree in Auditing/ IT Auditing/ Internal Auditing/ IT - 3 (Average). • Post Graduate Diploma or Honors in Auditing/ IT Auditing/ Internal Auditing/ IT - 4 (Good). • Masters in Auditing/ IT Auditing/ Internal Auditing/ IT or a Chartered Accountant- 5 (Excellent) 	2		
	<p>Auditor 2</p> <ul style="list-style-type: none"> • Grade 12- 1 (Very Poor) • Diploma in Auditing/ IT Auditing/ Internal Auditing/ IT. 2 (Poor). • Degree in Auditing/ IT Auditing/ Internal 	2		

No.	Criteria	Weighting	Rate (0-5)	Total Score															
	<p>Auditing/ IT - 3 (Average).</p> <ul style="list-style-type: none"> • Post Graduate Diploma or Honors in Auditing/ IT Auditing/ Internal Auditing/ IT - 4 (Good). • Masters in Auditing/ IT Auditing/ Internal Auditing/ IT or a Chartered Accountant- 5 (Excellent) 																		
1.2	<p>Experience of key staff [See paragraph 4.2.2 of the ToR]</p> <table> <tr> <td>One Lead partner</td><td> <ul style="list-style-type: none"> • <u>0-7</u> years' experience in reviewing similar audits in the Public and Private sector- 1 (Very Poor). • <u>8-9</u> years' experience in reviewing similar audits in the Public and Private sector- 2 (Poor) • <u>10-11</u> years' experience in reviewing similar audits in the Public and Private sector- 3 (Average). • <u>12-15</u> years' experience in reviewing similar audits in the Public and Private sector- 4 (Good) • <u>16-20</u> years' experience in reviewing similar audits of this nature in the Public and Private sector- 5 (Excellent) </td><td>7</td><td></td><td></td></tr> <tr> <td>Senior Manager</td><td> <ul style="list-style-type: none"> • <u>6-7</u> years' experience in reviewing similar audits in the Public and Private sector- 1 (Very Poor). • <u>8</u> years' experience in reviewing similar audits in the Public and Private sector- 2 (Poor). • <u>9-10</u> years' experience in reviewing similar audits in the Public and Private sector- 3 (Average). • <u>11-12</u> years' experience in reviewing similar audits in the Public and Private sector- 4 (Good). • <u>13-15</u> years' experience in reviewing similar audits in the Public and Private sector- 5 (Excellent) </td><td>5</td><td></td><td></td></tr> <tr> <td>Manager</td><td> <ul style="list-style-type: none"> • <u>3-4</u> years' experience in reviewing similar audits in the Public and Private sector- 1 (Very Poor). • <u>5</u> years' experience in reviewing similar audits in the Public and Private sector- 2 (Poor). • <u>6-8</u> years' experience in reviewing similar audits in the Public and Private sector- 3 (Average). • <u>9-10</u> years' experience in reviewing similar audits in the Public and Private sector- 4 (Good). </td><td></td><td></td><td></td></tr> </table>	One Lead partner	<ul style="list-style-type: none"> • <u>0-7</u> years' experience in reviewing similar audits in the Public and Private sector- 1 (Very Poor). • <u>8-9</u> years' experience in reviewing similar audits in the Public and Private sector- 2 (Poor) • <u>10-11</u> years' experience in reviewing similar audits in the Public and Private sector- 3 (Average). • <u>12-15</u> years' experience in reviewing similar audits in the Public and Private sector- 4 (Good) • <u>16-20</u> years' experience in reviewing similar audits of this nature in the Public and Private sector- 5 (Excellent) 	7			Senior Manager	<ul style="list-style-type: none"> • <u>6-7</u> years' experience in reviewing similar audits in the Public and Private sector- 1 (Very Poor). • <u>8</u> years' experience in reviewing similar audits in the Public and Private sector- 2 (Poor). • <u>9-10</u> years' experience in reviewing similar audits in the Public and Private sector- 3 (Average). • <u>11-12</u> years' experience in reviewing similar audits in the Public and Private sector- 4 (Good). • <u>13-15</u> years' experience in reviewing similar audits in the Public and Private sector- 5 (Excellent) 	5			Manager	<ul style="list-style-type: none"> • <u>3-4</u> years' experience in reviewing similar audits in the Public and Private sector- 1 (Very Poor). • <u>5</u> years' experience in reviewing similar audits in the Public and Private sector- 2 (Poor). • <u>6-8</u> years' experience in reviewing similar audits in the Public and Private sector- 3 (Average). • <u>9-10</u> years' experience in reviewing similar audits in the Public and Private sector- 4 (Good). 				20		
One Lead partner	<ul style="list-style-type: none"> • <u>0-7</u> years' experience in reviewing similar audits in the Public and Private sector- 1 (Very Poor). • <u>8-9</u> years' experience in reviewing similar audits in the Public and Private sector- 2 (Poor) • <u>10-11</u> years' experience in reviewing similar audits in the Public and Private sector- 3 (Average). • <u>12-15</u> years' experience in reviewing similar audits in the Public and Private sector- 4 (Good) • <u>16-20</u> years' experience in reviewing similar audits of this nature in the Public and Private sector- 5 (Excellent) 	7																	
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No.	Criteria	Weighting	Rate (0-5)	Total Score
		4		
	Auditor 1	<ul style="list-style-type: none">• <u>11-12</u> years' experience in reviewing similar audits in the Public and Private sector- 5 (Excellent)		
		<ul style="list-style-type: none">• <u>0-1</u> years' experience in reviewing similar audits in the Public and Private sector- 1 (Very Poor).• <u>2-3</u> years' experience in reviewing similar audits in the Public and Private sector- 2 (Poor).• <u>4-5</u> years' experience in reviewing similar audits in the Public and Private sector- 3 (Average).• <u>6-8</u> years' experience in reviewing similar audits in the Public and Private sector- 4 (Good).• <u>9-10</u> years' experience in reviewing similar audits in the Public and Private sector- 5 (Excellent)		
	Auditor 2	<ul style="list-style-type: none">• <u>1-2</u> years' experience in reviewing similar audits in the Public and Private sector- 1 (Very Poor).• <u>3</u> years' experience in reviewing similar audits in the Public and Private sector- 2 (Poor).• <u>4-5</u> years' experience in reviewing similar audits in the Public and Private sector- 3 (Average).• <u>6-8</u> years' experience in reviewing similar audits in the Public and Private sector- 4 (Good).• <u>9-10</u> years' experience in reviewing similar audits in the Public and Private sector- 5 (Excellent)		
2.	Bidders experience. [See paragraph 4 of the ToR]	25		
	Proof of relevant experience (minimum of (3) years) should be provided by means of case studies. Submit at least three (3) case studies where similar audits were conducted in the past 3 years. The case studies must include the following information: <ul style="list-style-type: none">▪ type and nature of audit conducted;▪ actual hours or days spent in concluding the	25		

No.	Criteria	Weighting	Rate (0-5)	Total Score
	<p>audit;</p> <ul style="list-style-type: none"> ▪ value adding recommendations made during the audit; ▪ Provide reference letters of the previous audit work done in the past 3 years. The letter should contain the client's name, letterhead, signature, contact person and the contact details. <ul style="list-style-type: none"> • 1 Relevant Reference Letter Attached- 1 (Very Poor). • 2 Relevant Reference Letters Attached- 2 (Poor). • 3 Relevant Reference Letters Attached- 3 (Average). • 4 Relevant Reference Letters Attached- 4 (Good). • 5 Relevant Reference Letters Attached- 5 (Excellent). 			
3.	Methodology	25		
	<p>The Bidders are expected to demonstrate their knowledge and understanding of the ICT audit field by outlining in detail their approach to audits through a detailed methodology that will be used to conduct specialised ICT audits on behalf of the Department. The methodology must clearly stipulate the approach to audits from inception to closure. It is imperative that the methodology provides the process that will be used to conduct audits on behalf of the Department in detail, narratively and supported with relevant examples and diagrams.</p> <p>The methodology must clearly indicate/ include all</p>	25		

No.	Criteria	Weighting	Rate (0-5)	Total Score					
	<p>the following:</p> <ol style="list-style-type: none">1. Various phases the audit will be subjected to.2. Defined and documented purpose of the activities that will be conducted in each phase.3. Identified services/ expertise/ analytics and tools and technologies that will/may be employed in the process of the audit.4. The role of each key staff member in the audit process for indication of bidders' capability to fulfil assigned projects and for project management, supervision, monitoring and quality assurance purposes.5. Methodology contains a step-by-step explanation of the proposed processes to be followed with examples and diagrams. <table><tr><td>Methodology only includes item 1 above - 1 (Very Poor).</td></tr><tr><td>Methodology only includes item 1 and 2 above - 2 (Poor)</td></tr><tr><td>Methodology only includes item 1,2 and 3 above - 3 (Average).</td></tr><tr><td>Methodology only includes item 1,2,3, and 4 above - 4 (Good)</td></tr><tr><td>Methodology includes all 5 items above - 5 (Excellent)</td></tr></table>	Methodology only includes item 1 above - 1 (Very Poor).	Methodology only includes item 1 and 2 above - 2 (Poor)	Methodology only includes item 1,2 and 3 above - 3 (Average).	Methodology only includes item 1,2,3, and 4 above - 4 (Good)	Methodology includes all 5 items above - 5 (Excellent)			
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Methodology only includes item 1 and 2 above - 2 (Poor)									
Methodology only includes item 1,2 and 3 above - 3 (Average).									
Methodology only includes item 1,2,3, and 4 above - 4 (Good)									
Methodology includes all 5 items above - 5 (Excellent)									
4.	Skills Transfer	10							
4.1	In terms of building capacity and ensuring skills transfer in the DWS, the PSP will be responsible for establishing a capacity building programme aligned to the skills developmental needs of identified	10							

No.	Criteria	Weighting	Rate (0-5)	Total Score
	<p>officials responsible of water and sanitation services.</p> <p>Capacity building is realised through the following components:</p> <ol style="list-style-type: none"> 1. Hands on practical training including field work. 2. Inclusion of DWS officials in all phases of the project. 3. Develop a capacity building programme with quantifiable measures. 4. Relevant software training and training manuals; and 5. Inclusion of local specialists and stakeholders. <p><i>The Service provider is requested to attach a capacity building programme to demonstrate how they will transfer skills through the identified projects as listed under 3.1.</i></p> <p>All 5 items above included. (5 – Excellent) Item 2, 3, 4 and 5 included. (4 – Good) Item 1, 2, 3 and 4 included. (3 Average) Item 1, 2 and 3 included. (2 – Poor) Any 2 items above included. (1 – Very Poor)</p>			
	MAXIMUM POINTS	100		

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

13. SPECIAL CONDITIONS

- 13.1 Service providers will be subjected to security screening before award.
- 13.2 Appointed Service Providers shall not be part of the External Audits (such as AGSA)
- 13.3 Prime contractor will need to sign a contract with the sub-contractor, if applicable.
- 13.4 If the project overlaps the contract duration contract, the service provider will be given three 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.

14. COMPOSITION OF THE PANEL AND NATURE OF SERVICE

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

15. ENGAGEMENT MODEL

The Department has developed an *Engagement Model* for usage of the panel of specialised (ICT) Auditors. 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:

15.1 Process for procuring from the Panel:

- 15.1.1. A rotation system of engagement from the panel shall be applicable for the appointment of PSPs from the panel.
- 15.1.2. This form of engagement shall be informed by the number of PSPs appointed into the panel.
- 15.1.3. The rotation of the PSPs on the panel shall ensure that all enlisted service providers receive equal opportunity for submission of proposals for audit work issued by the Department.

15.2 Method of Procurement:

- 15.2.1. Rotation of suppliers is determined by number of service providers listed in the established panel.
- 15.2.2. 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.

15.3 Rotation of suppliers determined by work allocations awarded:

- 15.3.1. A list of all appointed PSPs shall be maintained by SCM office in Head Office.
- 15.3.2. 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 audit work to be issued.
- 15.3.3. Once awarded audit works, the Department shall henceforth move the PSP so awarded, to the bottom of the list/table.
- 15.3.4. As and when audit 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.
- 15.3.5. The remaining PSPs on the list, shall become eligible for consideration (next in line) for the next audit works to be issued.

- 15.3.6. 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.
- 15.3.7. If upon negotiation, it is still deemed that the proposal received is still not cost-effective given the quantum of the audit works to be undertaken, the Department will reserve the right to cancel the RFQ and re-issue the RFQ afresh.

15.4 APPLICATION OF THE AWARD PROCESS

- 15.4.1. 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.
- 15.4.2. The proposals or RFQs submitted by PSPs from the established panel for audit works, will be evaluated on price and specific goals only.

15.5 CONTRACT ADMINISTRATION

- 15.5.1. Process to be followed in terms of contract administration:
- Upon completion of assigned audit works, it shall be expected of the PSP to submit the final report to the Project Manager.
 - As provided for in the original terms of references under paragraph 2 and 3, should a need arise for a previously appointed PSP to undertake additional work as a continuation of the previous audit work, such a PSP as initially appointed, will be considered/ preferred for re-appointment to continue or complete the project.
 - 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.
 - 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.

15 ENQUIRIES

For more enquiries kindly contact:

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