

TENDER DOCUMENT

APPOINTMENT OF A SUITABLY QUALIFIED PROFESSIONAL SERVICE PROVIDER FOR THE PROVISION OF INTERNAL AUDIT SERVICE

Beneficiary	CRL RIGHTS COMMISSION
Project	Appointment of a suitably qualified professional service provider for the provision of internal audit service
Reference No.	CRL 02/ 2024
Closing date	24 October 2024
Closing time	12:00
Bid Validity period	120 Days

1. Introduction

The Commission for the Promotion and Protection of Rights of Cultural, Religious and Linguistic Communities (herein referred to as the CRL Rights Commission' or 'the Commission') established by the Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities Act, Act 19 of 202, invites proposals for the provision of Internal Audit Functions for a period of 36 months

2. Functions of the Commission

The Act 19 Of 2002 mandates the Commission to perform the following functions:

- Promote respect for and further the protection of the rights of cultural, religious and linguistic communities.
- Promote and develop peace, friendship, humanity, tolerance, national unity among and within cultural, religious and linguistic communities on the basis of equality, non-discrimination and free association.
- To foster mutual respect among cultural, religious and linguistic communities.
- To promote the right of communities to develop their historically diminished heritage; and
- To recommend the establishment or recognition of community councils in accordance with section 36 and 37.

3. Background

Public Finance Management Act (PFMA) No. 1 of 1999, as amended requires the establishment of an effective internal audit function under the control and direction of the Audit Committee (Section 51(1)(a)(ii).

4. Objectives

The objective of this Tender is to appoint a suitable qualified independent Internal Audit Service Provider that can provide an appropriate Internal Audit function to the Accounting Officer and Management of the CRL Rights Commission. In terms of the PFMA, the CRL Rights Commission should have an effective Internal Audit function which should comply with the Institute of Internal Audit (IIA) standards. The Internal Audit function should assist the Commission to accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving effectiveness and efficiency of risk management, internal control, compliance and governance

processes. The risk management strategy including fraud prevention plan must be used to direct internal audit efforts.

Some of these objectives/standards/controls subject to evaluation, are to review:

- Internal control processes
- The information systems environment
- The reliability and integrity of financial and performance information
- The safeguarding of assets
- The economical and efficient use of resources
- Achievement of established operational goals and objectives
- Compliance with policies, laws, regulations and controls
- Assisting the Audit and Risk Management Committee and management in the effective discharge of their responsibilities, furnishing them with analyses, appraisals, recommendations, counsel and information concerning the activities reviewed and regular follow ups.

5. Scope of Work

The scope of the Internal Audit function includes at least the under-mentioned.

Internal Audit must, in consultation with the Audit and Risk Committee prepare:

- A three-year rolling strategic Internal Audit Plan based on its assessment of key areas of risk for the entity, having regard to its current operations.
- The operations proposed in the Commission's strategic plan and its risk management strategy.
- An annual Internal Audit Plan for the first year of the three-year rolling and strategic internal audit plan.
- Plans indicating the scope, cost and timelines of each audit in the annual internal audit where applicable.
- Audit reports directed to the Audit Committee detailing its performance against the plan, to allow effective monitoring and intervention when necessary.

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- Ad hoc requests from Management and Accounting Officer where necessary as approved by the Audit and Risk Committee.

The Internal Audit function must co-ordinate with other internal and external providers of assurance to ensure proper coverage and to minimise duplication of effort.

The Internal Audit function must assist the Accounting Officer in maintaining effective controls by evaluating those controls and by developing recommendations for enhancement or improvement.

The Internal Audit function must assist the Accounting Officer in achieving the objectives of the institution by evaluating and developing 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
- Corporate values are preserved
- The adequacy and effectiveness of the system of internal control are reviewed and appraised.
- The relevance, reliability and integrity of management, financial and performance data and reports are appraised.
- Systems establishment to ensure compliance with policies, plans, procedures, statutory requirements and regulations, which could have a significant impact on operations are reviewed.
- The means of safeguarding assets are reviewed and to verify the existence of such.
- The economy, efficiency and effectiveness with which resources are employed, are appraised.
- The results of operation or programmes are reviewed to ascertain whether results are consistent with the Commission's established outcomes and outputs whether the operations or programmes are being carried out as planned.
- The adequacy of established systems and procedures are assessed.

The audits that will be required to be performed at the Commission are amongst others:

- Cyber security and ICT systems processes audit

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- Conducting special assignments and investigations on behalf of the Audit
 - Committee/Accounting Officer into any matter or activity affecting the probity, interest and operating efficiency of the Commission.
 - Audit designed to detect fraud.
 - All statutory and risk-based audits
 - Performance Information audit
 - Financial administration and reporting
 - Procurement and supply chain management
 - Ad hoc requests from management

6. Fraud and Irregularities

In planning and conducting its work, the internal auditor should seek to identify serious defects in the internal controls, which might result in possible malpractices. Any such defects must be reported immediately to the Accounting Officer and the Audit and Risk Committee. The internal auditor must maintain high ethical and professional standards and observe the confidentiality required in respect of cases of alleged fraud or irregularity.

7. EXPECTED OUTCOMES AND DELIVERABLES

7.1 Performing audit assignments

Each assignment should at least consist of the following:

- Preliminary survey
- Engagement letter
- Minutes of entrance meeting
- System descriptions
- Audit programmes
- Sampling methods applied
- Mechanisms for follow up on matters previously reported and feedback to the Audit and Risk Management Committee
- Mechanism to ensure that working papers are reviewed at the appropriate level.
- Record of work performed
- Audit findings and recommendations
- Reporting (draft internal audit report and final internal audit report)

- Follow up of previous audit findings
- Compliance with applicable internal audit standards issued by the institute for internal auditing.

7.2 Reporting Requirements

The structure of the report is to be as follows:

- Introduction
- Audit objective and scope
- Background
- Executive summary highlighting significant findings
- Findings, recommendations and management response (including action plans and implementation dates)
- All audits are to be carried out according to the Internal Audit Plan approved by the Audit Committee.
- Conclusion

8. QUALITY ASSURANCE REVIEWS OF THE WORK

The service provider shall ensure that all work conforms to the International Standards for the Professional Practice of the Institute of Internal Audit (IIA). Such work may further be subjected to an external quality assurance as may be considered necessary. The service provider must also conduct a high-level readiness assessment of the Internal Audit Activity for the preparation of an external quality assurance assessment or assist with the development of an internal quality assessment.

9. MONITORING PROGRESS OF ASSIGNMENTS

On completion of each assignment, the service provider shall distribute the reports to the Audit and Risk Committee, Accounting Officer (CEO) and Senior Management. The report to the Audit Committee on progress against the plan, significant findings and administrative matters will be presented will be presented on a quarterly basis.

10. INDEPENDENCE AND OBJECTIVITY OF STAFF

In carrying out the work, the service provider must ensure that their staff maintain objectivity by remaining independent of the activities they audit.

The service provider shall:

- Have no executive or managerial powers, functions, or duties relating to Internal Audit Activity.
- Not be involved in the day-to-day operation of the Commission.
- Not be responsible for the detailed development or implementation of new systems and procedures.

11. DURATION OF CONTRACT

The duration of the contract is anticipated to run for a period of three years (36 months) commencing on the date of signing of the appointment letter. The Service provider will be expected to sign a Service Level Agreement (SLA).

12. TECHNICAL PROPOSAL

The tenderer should focus on the following aspects to qualify for consideration:

12.1 A description of your company's internal audit methodology and risk assessment process including an example of the resulting risk map/profile that would be developed as part of the risk assessment process. This should be in line with IIA, COSO framework and ISACA standards.

12.2 Identification of tools and technologies developed and utilised by your company to increase the efficiency and effectiveness of the Internal Audit function.

12.3 Experience for this purpose is defined as time spent as an Internal Auditor. The above resources should also subscribe to the International Standards for the Professional Practice of Internal Auditing and be members of the Institute of Internal Auditors.

12.4 Description of your company's approach to the co-source arrangement including:

- Identification of key resources that will be responsible for the engagement, including the expected percentage of their time committed to the Commission along with their internal audit experience (as indicated above).

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- Number and names of human resources in the core team dedicated to the Commission.
 - Plans to maintain human resource continuity.
 - Performance development plans for your human resources for skills enhancement.
 - Project management plan and day-to-day management of your human resources.
 - How you plan to routinely communicate with the Commission management.

12.5 Curriculum Vitae of the key team members that will be assigned, including experiences in serving as a senior/key internal audit resource in the industry.

12.6 Description of your specific capabilities and expertise in information technology systems as well as for other services, including specialised expertise in business continuity planning, implementation and evaluation projects, systems and network security reviews, emerging risks and business to business re-engineering.

12.7 Description of your training programme for internal audit professionals.

12.8 Description of proposed integration and coordination with the external auditor and other assurance providers.

12.9 Description of the ways in which your company will bring innovation through leadership, best practise in internal audit.

12.10 Describe tools resident in the firm to ensure easy access to such information and any other capabilities that will enhance the performance of the internal audit and ensure continuous improvement that will add value to the CRL Rights Commission.

Provide any other information you deem appropriate, and the following points below should be noted:

- The firm/company/partnership must be registered with the Institute of Internal Auditors.
- Specialised skills, expertise and value-added services in the field of internal audit, with emphasis on best practise methodology, tools and technology used.
- Availability of Computer Audit Skills and Tools.
- Availability of Forensic Audit Skills and Tools.
- Advanced understanding of and sufficient exposure to the Public Finance Management Act of 1999 and the Protocol on Corporate Governance for Public Entities.

- Experience in auditing of state organs.
- Shareholding and Management structure.
- Employment Equity Policy.
- Fee structure.
- Size of audits and size of client base.

Please ensure adequate documentation is attached to evaluate the entity on the above criteria.

13. Financial Proposal

13.1 Your proposed fees and billing arrangement must indicate whether actual or average rates would be used as per AG/SAICA rates.

13.2 Appropriate detail of both your proposed hourly and project fees must be provided i.e. human resources cost per category vs other expenses where applicable.

13.3 Detailed Project breakdown list is attached as **Annexure A** to enable the costing of the internal audit service.

It is understood that internal audits are based on hourly rates and that budgets are compiled once the appointed auditor has assessed the likely extent of the work.

Financial proposals will be compared on cost estimates for the hours prescribed in the table below. Rates should be inclusive of overheads and all applicable taxes. An indication must be made whether quoting and invoicing is based on actual or average rates. If a particular category does not exist in the firm, it can be omitted.

ITEM	HOURLY RATES (Incl. all taxes) Year 1		HOURLY RATES (Incl. all taxes) Year 2		HOURLY RATES (Incl. all taxes) Year 3	
	Rate	No. of Hrs	Rate	No. of Hrs	Rate	No. of Hrs
Engagement Partner	R		R		R	
Partner	R		R		R	
Senior Manager	R		R		R	
Manager	R		R		R	

Assistant Manager	R		R		R	
Supervisor	R		R		R	
Senior Auditor	R		R		R	
Trainee Auditor	R		R		R	
Specialists (e.g. Tax, Technical, etc.)	R		R		R	

It is recognised that it is difficult for a prospective bidder to be firm about the extent of work solely on the terms of reference. However, to assist with assessments a firm must provide a typical distribution of time for members of the audit team on a job of this nature. This is to be expressed in percentages of the total person-hours billed on a typical job (see table below).

This will only be indicative and will not be binding on the firm.

ITEM	TYPICAL PERCENTAGE OF TOTAL HOURS ON PROJECT
Engagement Partner	%
Partner	%
Senior Manager	%
Manager	%
Assistant Manager	%
Supervisor	%
Senior Auditor	%
Trainee Auditor	%
Specialists (e.g. Tax, Technical, etc.)	%
	100%

A formula used by your organisation for the calculation of disbursements e.g. 5% of total hours planned is also required including project management which must form part of the costing of the proposal.

14 Evaluation Criteria

NB: Bidders (and as well as each member of JV or consortium or partnership agreement) must submit proof of registration with the National Treasury's centralised supplier database (complete CSD registration report which indicate Supplier Identification, Supplier Contact Information, Supplier Address, Supplier Bank Account, Tax Information and Company Directors). Bidders must ensure that they are registered on the CSD before bid closing date and before they submit bid proposals.

14.1 FIRST STAGE - PRE-QUALIFICATION

Mandatory Requirements:

14.1.1 Service providers must fully complete SBD Forms (Annexure B) 1, 3.3, 4, 6.1, 8; and 9. SBD 7.2 will be filled in by the successful service provider. This form needs to be initialed and submitted with the bid response.

General Conditions of the contract are applicable to government bids, contracts and orders. This document is to ensure that all potential service providers are familiar with the rights and obligations of all parties involved in doing business with government. Bidders must initial each page and submit the document with their bid responses.

14.1.2 Proposal / approach paper.

14.1.3 A company profile.

14.1.4 Detailed CVs of all Key Personnel (background, field of specialisation, and experience of team members that will be working with the CRL Rights Commission)

14.1.5 Proof of registration with professional bodies where applicable (certified copies valid for 3 months before closing date of submission of bid proposals.)

14.1.6 Proof of registration at CIPC for subsidiary companies, where applicable.

14.1.7 In the case of a partnership, confirmation that the partnership will automatically continue to function in the event of a death or withdrawal of one of the partners).

14.1.8 Proof of registration with the Institute of Internal Auditors and/ Independent Regulatory Board for Auditors

14.1.9 Latest audited financial statements.

All bids will be pre-qualified to ensure compliance to mandatory requirements. Should the mandatory requirements as stated above not be met, bids will be considered as non-responsive and will be disqualified.

14.2 SECOND STAGE - FUNCTIONALITY EVALUATION

The following criteria and weights will be applied when bids are assessed on functionality

Phase 2. Evaluation on Functionality (Technical Proposals)

Functionality Evaluation Criteria and Weight Scores:

Criteria	Max Sub score	Max per section
Work experience and Internal Audit Methodology		
Firm's experience in the field of Internal Audit particularly in the Public Sector 0 – 2 years = 0 points 2 - 3 years = 4 points 3 – 6 years = 6 points 6 – 9 years = 15 points 9 years and above = 20 points		20
Relevant qualifications (certified) including CV's and experience of the proposed team members to render the services <ul style="list-style-type: none"> ▪ Degree/Diploma Audit/ Commerce (3 points) ▪ Honours in Auditing/ CIA (8 points) o Masters in Auditing (10 points) 		10
<ul style="list-style-type: none"> ▪ Company's Internal Audit Methodology Planning phase of the Audit (3 points) Execution of the audit (5 points) Reporting Phase (7 points) <p>A proposed plan of action to achieve the objectives as set out in the deliverables. (10 points)</p>		10
Work Experience in Risk Management including fraud prevention Plans Firm's experience in the field of Risk Management, ability to identify, evaluate and facilitate the minimisation of exposure to risks associated with inadequate and ineffective controls 0 – 2 years (0 points) 2 - 3 years (2 points) 3 – 6 years (7 points) 6 – 9 years (10 points) 9 years and above (15 points)		15

Relevant qualifications (certified) including CV's and experience of the proposed team members to conduct risk management processes <ul style="list-style-type: none"> ▪ Degree/ Diploma in Risk Management/ NQF 7(4 points) ▪ Project management and or Honours/ NQF 8 (5 points) 		5
Firm's Risk Management methodology / approach including Fraud prevention plan <ul style="list-style-type: none"> ▪ Facilitating risk assessment workshops 		40
Information System Audits methodology/approach <ul style="list-style-type: none"> ▪ Knowledge and understanding of Enterprise-Wide IT Governance ▪ Execution of Information System Audits ▪ Cyber security ▪ The company must submit 3 references with contact details to very technical skill – (5 points) 		5
<ul style="list-style-type: none"> ▪ Relevant qualifications (certified) including CV's and experience of the proposed team members to render information system audits ▪ B degree/Diploma in Computer Auditing (3 points) ▪ CISA/ Diploma in Computer Auditing (5 points) 		5
Investigations Any other matter that needs to be investigated, Provide examples of prior investigation, etc		10
Description of ways in which your firm will bring innovation, thought leadership, best practises to Commission. A proposed plan of action to achieve the objectives of the outsourced internal audit function. References with contact details. (10 Points)		10
A list of organisations/ references accompanied by at least five signed letters not older than 3 years from referees proving that such projects were executed. Commission reserved the right to contact those references.		10
TOTAL:	100	100

A bidder must score at least 75 % on the technical proposal to be able to proceed to the next phase of evaluation. Any bidder that scores less than 80 % in respect of functionality will be regarded as having submitted a non-responsive tender and will be disqualified.

Phase 3. Price and specific goals

The bidders that have successfully progressed through to Phase 3 will be evaluated in accordance Preferential Procurement Policy Framework Act (Act 5 of 2000) and Regulations (2022), using the targeted 80/20 preference points system

80 points for price and 20 points will be awarded for specific goals set out in the preference points claim form(s).

Points for specific goals (P_p)

Maximum of **20 points** are allocated for Preferential Procurement Goals in accordance with the table below:

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	Achievement level		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)
(a) Historically Disadvantaged Individuals: (i) who had no franchise in national elections before the 1983 and 1993 Constitutions (black people) / Persons historically disadvantaged on the basis of race	100% Black ownership	10	10	
	75%-99% black ownership	8		
	60% - 74% black ownership	6		
	51% - 59% black ownership	3		
	0 – 50% black ownership	0		
	(ii) Persons historically disadvantaged on the basis of gender, i.e. females	100% Female ownership		
75%-99% Female ownership	5			
60% - 74% Female ownership	3			
51% - 59% Female ownership	2			
0 – 50% black ownership	0			

(iii) Persons historically disadvantaged on the basis of disability		3	
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The below should be removed

Points for Bid Price (P_s)

Maximum of 80 points are allocated to Bid Price on the following basis:

80/20

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

Were,

P_s = Points scored for comparative price of the Bid under consideration

P_t = Comparative price of the Bid under consideration

P_{min} = Comparative price of lowest qualified Bid

BID AWARD USING POINTS SYSTEM

- The Bidder obtaining the highest number of total points will be awarded the contract.
- Preference point shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.
- Point scored must be rounded off to the nearest 2 decimal places. *(If the value of the 3rd decimal place is 1 up to 4, the points up to 2nd decimal place will be considered and if it is 5 up to 9, 1 will be added to the number at 2nd decimal place and the resulting point will be considered.)*
- In the event that two or more Bids have scored equal total point, the successful Bid must be the one scoring the highest number of preference points.
- However, in the event that two or more Bids have scored equal point including equal preference points, the successful bid must be the one scoring the highest score for functionality.

Should two or more Bids be equal in all respects, the award shall be decided by drawing of lottery by the CRL Rights Commission.

The short-listed bidders may be requested to do a presentation to the Adjudication Committee where necessary.

Please Note: The Commission retains the right to investigate any information provided and may call for any supporting documentation. Any misrepresentation will result in a potential service provider being disqualified and excluded from any further involvement in the evaluation process.

BIDDERS SHALL TAKE NOTE OF THE FOLLOWING:

- Commission's Supply Chain Management Policy shall apply.
- The Commission will evaluate the bids in accordance with the criteria in the advertisement tender document
- Bid documents must be initialed on all the pages and signed in full at place(s) provided for such by the authorised signatory. The Bid documents must be completed in all respect in **black and permanent** ink.
- Bids that are late, incomplete, unsigned, submitted electronically, or by facsimile will not be accepted.
- Bids are to hold good for a period of 120 days (validity of bid) from the date of bids closing.

15. Submission Details

The submission of proposals should be forwarded to the CRL Rights Commission Offices as follows:

Closing date: 24 October 2024

Closing time : 12:00

Delivery address:

CRL Rights Commission

33 Hoofd Street, Forum IV, Ground Floor

Braampark

Braamfontein

For further information contact:



Commission for the Promotion and Protection of the
Rights of Cultural, Religious and Linguistic Communities.

33 Hoofd Street Forum IV, Braampark
Braamfontein, Johannesburg
Private Bag X 90 000, Houghton, 2041

Tel. 011 358 9100
Fax. 011 403 2098
www.crlcommission.org.za

Supply Chain enquiries: Ms Tandile Tshuma: Tandile@crlcommission.org.za

Technical enquiries: Mr Obed Semono: Obed@crlcommission.org.za

Annexure A

Internal Audit Plan 2024/2027

No	Type of review	Risk description	Scope of work	Planned Hours	Audit Coverage Period		
					2024/2025	2025/2026	2026/2027
1	Review and update of internal audit charter			2	√	√	√
2	Preparation of three year rolling and one-year operational plans			2			
3	Quarterly reporting and attendance of Audit and Risk Committee meetings.			8			
4	Follow-up reviews of internal and external audit findings			32			
5	Audit of the performance information (AoPI)	The annual performance plan may not be adequate, and compliance may not be adequately monitored. Reprioritising of planned activities due to emerging issues of national interest without provision of	<ul style="list-style-type: none"> - Compliance with laws, regulations and legal framework for performance management. - Usefulness and reliability of performance information. - Accuracy of presentation of performance information. 	120	√	√	√

		additional resources or amendment of the original operational plan.	- Review the consistency of the presentation of performance information.				
6	IT and cyber security review	Safekeeping of information, vulnerability to cyber-attacks. Insufficient ICT support to CRL. Outdated ICT infrastructure and software.	Review adequacy and effective implementation of the following, but not limited to. Enterprise resource planning ICT governance Disaster recovery Security management User access management Program changes management Data centre management Facilities and environment controls ICT services continuity Password management.	80	√	F/U	√

			<p>Review the adequacy and effective implementation of ICT application controls.</p> <p>Review the adequacy and effectiveness of cyber security on the following:</p> <p>Identify: review the ICT environment to understand how cyber security risk to systems, assets, data, and capabilities are managed.</p> <p>Protect: reviewing the safeguards to limit or contain the impact of a potential cyber security event to ensure they are developed and implemented appropriately.</p> <p>Detect: reviewing whether measures in place to contain the impact if a cyber security incident were to happen.</p>				
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			Recover: review of the processes and controls in place to ensure that activities to restore any capabilities or service that were impaired due to a cyber security event are effective.				
7	Human resources and payroll review	Insufficient human resource capacity due to funded vacancies not filled. Fictitious employees. Fraudulent appointment of staff. Non-compliance with leave policy. Payroll calculation errors. Ineffective performance management.	Review the HR and Payroll policies and procedures for adequacy, effectiveness and compliance with the relevant legislation. Review the adequacy and effectiveness of controls within the following processes: Leave management administration Appointment and recruitment process Overtime process Terminations process	80	√	F/U	-

		Lack of succession planning and talent retention.	Staff retention policy and process Succession planning Training and development Organisations structure. Termination process i.e. retrenchment and dismissal processes with exit interview reviews.				
8	Asset Management	Assets may not be adequately accounted for The asset register is prepared outside of the accounting system.	Assess the adequacy of the asset management policy Assess adequacy and completeness of controls within asset management processes. Review adequacy and completeness of the asset register. Verify the accuracy of the asset register. Verify the extent of compliance with Generally Recognised Accounting Practices.	80	√	F/U	-

			<p>Perform physical verification of assets.</p> <p>Review the contracts for any leases.</p> <p>Review the accuracy of depreciation and impairment calculations.</p> <p>Review the accuracy of the additions and disposals process of assets.</p> <ul style="list-style-type: none"> - Review of the reconciliation of asset register to the general ledger. 				
9	Financial reporting and related controls.	<p>Inaccurate financial statements.</p> <p>Non-compliance with GRAP requirements.</p> <p>Lack of supporting documents.</p>	<p>Review all components of financial statements to ensure compliance with GRAP and other relevant prescripts and directives as issued by the Accounting Standards Board.</p> <p>Review of the effective management of key financial controls</p>	120	√	√	√

			<p>implemented. The review will focus on the following processes / activities:</p> <p>Reconciliations</p> <p>Journals</p> <p>Credit notes</p> <p>Master-file changes.</p>				
10	Supply chain and contract management review.	<p>SCM processes may not be fair, equitable, transparent, and compliant.</p> <p>Unauthorised, irregular and fruitless and wasteful expenditure.</p> <p>Ineffective contract management.</p> <p>Review</p>	<p>Review:</p> <p>Adequacy of supply chain management policy</p> <p>Controls around purchase requisition, ordering, tender process, and delivery and receipt of goods.</p> <p>Controls over the supplier database.</p> <p>Compliance with all relevant acts, regulations, policies and practice notes.</p> <p>Review of the irregular, and fruitless and wasteful expenditure register and consequence management thereof.</p>	160	√	√	√

			<p>Compliance with the overall process to procure goods and services.</p> <p>Controls over the procedure to payment process.</p> <p>Adequacy of the contract management policy.</p> <p>Adequacy of the contract monitoring framework.</p> <p>Process followed in contract management and monitoring.</p> <p>Segregation of duties over the SCM procure to payment process.</p>				
11	Enterprise risk management	Inadequate risk management processes	<p>The risk management review will focus on these areas:</p> <p>Adequacy of risk management structures.</p> <p>Governance requirements for risk management processes.</p>	80	√	√	√

			Adequacy and effectiveness of risk management processes. Compliance with applicable laws and regulations.				
12	Health and safety review.	Occupational health and safety risks.	Review compliance with Occupational Health and Safety Act. Review compliance with general safety regulations.	40	√	F/U	-
13	Governance review.	Reputational damage to the CRL Rights Commission. Misrepresentation of the CRL Rights Commission. Non-objective performance of the functions of the CRL Rights Commission as per the CRL act. Loss of independence and	Review that corporate governance and internal controls system has been approved and determine that the commissioners and senior management ensured that policies procedures and system are current and well documented and further confirm that the corporate, compliance, risk management, internal controls cover the ICT	40	√	√	√

		objectivity of commissioners. Reputational risk. Conflict of interest.	environment as well as the other business functions. Assess senior executive management practices and the reporting effectiveness to Parliament and confirm whether the instituted controls ensure that management information and detailed data are reliable, and the reporting cycle is adequate, and that and that operating procedures are efficient and effective. Verify if the risk action plans as per the strategic risk register have been implemented.				
14	Stakeholder management review.	Incomplete or outdated database of Community Councils.	Assess the adequacy of the stakeholder management policy. Assess adequacy and effectiveness of controls	40			

		Disruption of the Commissions' events by community interest and pressure groups with a mandate different from the mandate of the Commission. Insufficient human resources due to vacancies not filled.	within the stakeholder management process. Review whether all stakeholders within the CRL Rights Commissions' operations are communicated to accordingly. Review the consultation process undertaken by the CRL Rights Commission.				
11	Ad hoc	As authorised by the Audit and Risk Committee.		80	√	√	√
Total project hours				964 per annum 2 892 for duration of the contract.			

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:		CLOSING DATE:		CLOSING TIME:	
DESCRIPTION					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON			CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS			E-MAIL ADDRESS		
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
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	[IF YES ENCLOSE PROOF]				[IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?					<input type="checkbox"/> YES <input type="checkbox"/> NO

Bid No.:

Name of Bidder:

DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.	

Bid No.:

Name of Bidder:

**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, 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 PIN 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:

Bid No.:

Name of Bidder:

SBD 3.3

PRICING SCHEDULE

(Professional Services)

NAME OF BIDDER:	BID NO.:
.....	
CLOSING TIME 11:00	CLOSING
DATE.....	

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
---------	-------------	--

Bid No.:

Name of Bidder:

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION

5. HOURLY RATE

DAILY RATE

-----	R-----
-----	R-----
-----	R-----
-----	R-----
-----	R-----

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

----- R-----
----- days

Bid No.:

Name of Bidder:

-----	R-----	---
----- days		
-----	R-----	---
----- days		
-----	R-----	---
----- days		

5.1 Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED AMOUNT	RATE	QUANTITY
----- R.....
----- R.....
----- R.....
----- R.....

TOTAL:

R.....

*** all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

5.2 Other expenses, for example accommodation (specify, e.g. Three

Bid No.:

Name of Bidder:

star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED AMOUNT	RATE	QUANTITY
..... R.....
..... R.....
..... R.....
..... R.....
		TOTAL:
R.....		

6. Period required for commencement with project after acceptance of bid
.....

7. Estimated man-days for completion of project
.....

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

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

Bid No.:

Name of Bidder:

.....

.....

.....

***[DELETE IF NOT APPLICABLE]**

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

SBD 4

Bid No.:

Name of Bidder:

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

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

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

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:

2.3 Position occupied in the Company (director, trustee, shareholder²):

2.4 Company Registration Number:

2.5 Tax Reference Number:

2.6 VAT Registration Number:

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

¹“State” means –

Bid No.:

Name of Bidder:

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

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

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

2.7.1 If so, furnish the following particulars:

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

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

Position occupied in the state institution:

Any other particulars:

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

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

Bid No.:

Name of Bidder:

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

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

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

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?

YES / NO

2.8.1 If so, furnish particulars:

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

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

YES / NO

2.9.1 If so, furnish particulars.

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

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication

YES/NO

Bid No.:

Name of Bidder:

of this bid?

2.10.1 If so, furnish particulars.

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

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

2.11.1 If so, furnish particulars:

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

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

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

Bid No.:

Name of Bidder:

4 DECLARATIONS

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

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....

Signature

.....

Date

.....

Position

.....

Name of bidder

SBD 6.1

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

Bid No.:

Name of Bidder:

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

GENERAL CONDITIONS

- 1.1 The following preference point system is applicable to invitations to this tender:
 - the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included).

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 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 Tenderer must submit a BEE Generic Scorecard and sworn affidavit as proof or documentation to claim points for specific goals, as per **table 1** below.
- 1.6 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals, will be interpreted to mean that preference points for specific goals are not claimed.

Bid No.:

Name of Bidder:

- 1.7 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.

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).

FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

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

Bid No.:

Name of Bidder:

Pmin = Price of lowest acceptable tender

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:

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

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	Achievement level		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)
(a) Historically Disadvantaged Individuals: (i) who had no franchise in national elections before the 1983 and 1993 Constitutions (black people) / Persons historically disadvantaged on the basis of race	100% Black ownership	10	10	
	75%-99% black ownership	8		
	60% - 74% black ownership	6		
	51% - 59% black ownership	3		
	0 – 50% black ownership	0		
(ii) Persons historically disadvantaged on the basis of gender, i.e. females	100% Female ownership	7	7	
	75%-99% Female ownership	5		
	60% - 74% Female ownership	3		
	51% - 59% Female ownership	2		
	0 – 50% black ownership	0		

Bid No.:

Name of Bidder:

(iii) Persons historically disadvantaged on the basis of disability		3	
---	--	---	--

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;

Bid No.:

Name of Bidder:

- (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:

.....

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:

Bid No.:

Name of Bidder:

- (i) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Bidder's Disclosure form;
 - Special Conditions of Contract;
- (ii) General Conditions of Contract; and
- (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2

Bid No.:

Name of Bidder:

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

Bid No.:

Name of Bidder:

4. I confirm that I am duly authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

SBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1 This Standard Bidding Document must form part of all bids invited.

Bid No.:

Name of Bidder:

- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.

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

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		

Bid No.:

Name of Bidder:

4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury’s website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

SBD 8

CERTIFICATION

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

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

Bid No.:

Name of Bidder:

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

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

Js365bW

S

BD 9 CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution’s supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

Bid No.:

Name of Bidder:

- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

Bid No.:

Name of Bidder:

I certify, on behalf

of: _____ that:

(Name of Bidder)

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

SBD 9

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;

Bid No.:

Name of Bidder:

- (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ 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.

SBD 9

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

Bid No.:

Name of Bidder:

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js914w 2

Annexure A

**GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT**

Bid No.:

Name of Bidder:

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.

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in

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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.

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- 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.

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- 5. Use of 5.1** The supplier shall not, without the purchaser's prior written consent, **contract** disclose the contract, or any provision thereof, or any specification, **documents** plan, drawing, pattern, sample, or information furnished by or on **and** behalf of the purchaser in connection therewith, to any person other **information**; than a person employed by the supplier in the performance of the **inspection**. 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.

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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.

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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 10.1 Delivery of the goods shall be made by the supplier in accordance with **and documents** 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 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,

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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

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remedial action as may be necessary, at the supplier’s risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

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

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

19. Assignment 19.1 The 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 21.1 Delivery of the goods and performance of services shall be made by **supplier’s** the supplier in accordance with the time schedule prescribed by the **performance** 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.

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- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

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

23. Termination 23.1 The purchaser, without prejudice to any other remedy for breach of **for default** 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

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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

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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 24.1 When, after the date of bid, provisional payments are required, or anti **and countervailing** dumping or countervailing duties are imposed, or the amount of a **duties and rights** 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 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the **Majeure** supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

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

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

27. Settlement of 27.1 If any dispute or difference of any kind whatsoever arises between the **Disputes** purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of 28.1 Except in cases of criminal negligence or wilful misconduct, and in **liability**

the case of infringement pursuant to Clause 6.

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

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

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

31. Notices 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

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- 33. Industrial Participation Programme** **National (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.