logistics division
Department:
Defence
REPUBLIC OF SOUTH AFRICA

CPSC/B/460/2026

Telephone: 012 649-6700/6642
Fax: 012 649-6687
Email: winnie.ratshilavhi@dod.mil.za
Enquiries: Warrant Officer W. Ratshilavhi

Department of Defence
(Logistic Support Formation)
Central Procurement Service Centre
Eco-Origin Office Park, Block E
349 Witch Hazel Avenue
Eco Park, Centurion
0157
17 November 2026

Sir/Madam

INVITATION BID NUMBER: CPSC/B/460/2026 OUTSOURCING OF SERVICE OF PROVIDER FOR AN INDEPENDENT FORENSIC AUDIT AND INVESTIGATION FOR THE SOUTH AFRICAN NATIONAL DEFENCE FORCE BY DEFENCE INSPECTORATE DIVISION, PRETORIA

CLOSING TIME FOR BID: 11:00 AM ON 08 DECEMBER 2026

1. You are hereby invited to furnish this Department with a bid for the supply of the above-mentioned items as per attached documents. The documents, you should be in possession of are; This Cover Letter, SBD 1, SBD 3 (Pricing Schedule), Group Questionnaire, Specification (if applicable), SBD 4, SBD 6.1, Sub-Contractor Form and Vetting and Screening.

2. **THE FOLLOWING CONDITIONS MUST BE STRICTLY ADHERED TO; FAILURE TO ADHERE TO ALL THE CONDITIONS LISTED BELOW WILL INVALIDATE YOUR BID:**

   a. **Bidders are requested to complete all Standard Bidding Documents (SBD's) in full.**

   b. **Please note that any scratches or using of tippex is not allowed on the pricing schedule or SBD 3.**

   c. **A Group Questionnaire must be submitted with the bid documents and be fully complete. Failure to fully complete the group questionnaire will invalidate the bid.**

   d. **A sealed two separate envelope system must be adhered to: one envelope for technical proposal must be dropped in the bid box and one envelope for price proposal (SBD3) must be submitted at Warrant**

INVITATION BID NUMBER: CPSC/B/460/2026 OUTSOURCING OF SERVICE OF PROVIDER FOR AN INDEPENDENT FORENSIC AUDIT AND INVESTIGATION FOR THE SOUTH AFRICAN NATIONAL DEFENCE FORCE BY DEFENCE INSPECTORATE DIVISION, PRETORIA

Officer M.S. Maganedisa's office. The envelopes must be labelled correctly. Submission of one envelope will invalidate your bid.

3. The conditions contained in General Bid Conditions (GBC), General Conditions of Contract (GCC) and all the attached forms will apply to your Bid.

4. Kindly bid by completing the relevant forms, redirect to the **DEPARTMENT OF DEFENCE, LOGISTIC SUPPORT FORMATION, CENTRAL PROCUREMENT SERVICE CENTRE** to reach the bid receipt office not later than the closing date and time, or deposit in the bid box in the security office at the **Main Entrance Central Procurement Service Centre, Eco-Origin Office Park, Block E, 349 Witch Hazel Avenue, Eco Park, Centurion before the closing date and time.**

5. Please note that the bid box will be closed daily between 11:00am and 12:00am. Bids can be handed in at the CPSC Bid Receipt Section Ground Floor during this period. However, if the bid is late it will as a rule not be accepted for consideration.

6. The following persons can be contacted regarding the following aspects of this Bid only during office hours:

a. **Completion of Bid Document: Warrant Office M.E. Marimane (012) 649 6610**

b. **Technical Information: Lieutenant Colonel D.A. Berndt (012) 649 7328 or 067 613 8910**

7. Kindly take note that according to Government Gazette No 9544 Vol 552 dated 08 June 2011 No 34350, all bidders must submit their B-BBEE status level certificates together with their bids. Should the certificate not be submitted, a zero (0) point will be allocated.

8. **There will be a compulsory Bidders Information Briefing Session on 24 NOVEMBER 2026 at 11:00am. The venue will be INSPECTOR GENERAL, 349 WITCH-HAZEL AVE, BLOCK D, ECO-PARK ORIGIN, CENTURION. No late Comers will be entertained and failure to attend on time will invalidate your Bid**.

Yours Sincerely

(CAPTAIN M.G. MMEKWA)
OFFICER COMMANDING CENTRAL PROCUREMENT SERVICE CENTRE: COLONEL

OUTSOURCING OF PROFFESSIONAL SERVICE PROVIDER FOR AN INDEPENDENT FORENSIC AUDIT AND INVESTIGATION FOR THE SOUTH AFRICAN NATIONAL DEFENCE FORCE BY DEFENCE INSPECTORATE DIVISION

CPSC/B/ /2026

VALIDITY: 120 Days

CLOSING DATE AND TIME:……. 2026 at 11H00

INDEX

Section A: Bid General Information

Contact Information
Bid Submissions
Standard Bid Documents
Briefing Session (Compulsory briefing session will be held)

Section B: Bid Adjudication Information

Central Supplier Database (CSD) Full Report
Evaluation Criteria
Sub-contractors
Certificates

Section C: Requirement and Contract Information

General Bid Conditions (GBC): Department of Defence
General Conditions of Contract (GCC): National Treasury
Special Conditions of Contract (SCC): National Treasury
Special Conditions of Contract (SCC): End -User
Specifications/Scope of Work

SECTION A:

BID GENERAL INFORMATION

Contact Information

Bid Submissions

Standard Bid Documents

Briefing Session (Compulsory briefing session will be held)

CONTACT INFORMATION

1. Technical Information:

   Lt Col D.A. Berndt

   Office Tel No: (012) 649 7328

2. Information regarding the Bid Document or Bidding Process:

   Warrant Officer M.E. Marimane

   Office Tel No: (012) 649 6610

   Fax No: (012) 649 6645

   Sergeant T.M. Mashishi

   Office Tel No: (012) 649 6688

3. Contract Management: (After awarding of contract)

   Major M.E. Mukhanu

   Office Tel No: (012) 649 6714

BID SUBMISSIONS

4. Closing period of bid : 5 to 6 weeks

5. Closing date and time : .....2026 at 11h00

6. Validity of bid :120 days

7. Address for depositing of bid documents:

   Street: Central Procurement Service Centre
   Eco-Origin Office Park
   Block E
   349 Witch Hazel Park Eco-park
   Centurion

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (*NAME OF DEPARTMENT/ PUBLIC ENTITY*)					
BID NUMBER:	**CPSC-B-460-2026**	CLOSING DATE:	**08 DECEMBER 2026**	CLOSING TIME:	**11:00 AM**
DESCRIPTION	**INVITATION BID NUMBER: CPSC/B/460/2026 OUTSOURCING OF SERVICE OF PROVIDER FOR AN INDEPENDENT FORENSIC AUDIT AND INVESTIGATION FOR THE SOUTH AFRICAN NATIONAL DEFENCE FORCE BY DEFENCE INSPECTORATE DIVISION, PRETORIA**				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (*STREET ADDRESS*)					
Central Procurement Service Centre					
Eco-Origin Office Park, Block E					
349 Witch Hazel Avenue					
Eco Park, Centurion					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	**Captain M.G. Mmekwa**	CONTACT PERSON	**Lieutenant Colonel D.A. Berndt**
TELEPHONE NUMBER	**(012) 649-6642/6700**	TELEPHONE NUMBER	**012 649 7328 or 067 613 8910**
FACSIMILE NUMBER	**n/a**	FACSIMILE NUMBER	**n/a**
E-MAIL ADDRESS	**mmantwa.mmekwa@dod.mil.za**	E-MAIL ADDRESS	**n/a**

SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		**OR**	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ Yes ☐ No	

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

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR **THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

PART B
TERMS AND CONDITIONS FOR BIDDING

1.	**BID SUBMISSION:**
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	**ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**
2.	**TAX COMPLIANCE REQUIREMENTS**
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS 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: .....

the sandf
Department:
Defence
REPUBLIC OF SOUTH AFRICA

Request for Bid : CPSC/B/460/2026

Author: W Ratshilavhi
Date: 11/17/2026 09:25:58

PRICING SCHEDULE

Bid No.	CPSC/B/460/2026		
Document No:	0000653287		
Description:	OUTSOURCING OF A PROFFESSIONAL SERVICE PROVIDER FOR AN INDEPENDENT FORENSIC AUDIT AND INVESTIGATION FOR THE SOUTH AFRICAN NATIONAL DEFENCE FORCE BY DEFENCE INSPECTORATE DIVISION	Document Type Company Name: Attention: Tel No: Fax No: Cell No: Email:	Request for Bid Open
Currency:	ZAR		
Closing Date:	2026/12/08 11:00:00		
Status:	Created		
Validity Days:			

No.	
1	

Item Code	Item Description	Consumer	Delivery Point	Purchase Unit of Measure	Date Required
CPSC-B-460-2026-01	TOTAL COST FOR RENDERING AN INDEPENDENT FORENSIC AUDIT AND INVESTIGATION FOR THE SOUTH AFRICAN NATIONAL DEFENCE FORCE AS PER ATTACHED SCOPE OF WORK. NB THE BIDDERS ARE ADVISED TO ATTACHED THE BREAKDOWN OF PRICES, INCLUDING THE PROFESSIONAL QUALIFICATIONS RATINGS PER HOUR	DEFENCE INSPECTORATE DIVISION		Total for All	
Line Comment		**Lead Time**	**Quantity Required**	**Quantity Available**	
			1		
Total Unit Cost in ZAR Currency, Including VAT and ALL Delivery Costs					
Total Cost in ZAR Currency, Including VAT and ALL Delivery Costs					

Indicate Lead Time for all Items (Days)

The following conditions are hereby accepted:
"Standard Terms and Conditions" or "General Conditions of Contract" Available on Websites () or attached.
The awarding of the price quotation as determined by (Department of Defence).

The following is hereby certified:
This offer is correct and any mistakes will be at my risk.
I accept responsibility for the execution of all obligations entrusted upon me.
I did not participate in any collusive practices with any other supplier or any other person regarding this price quotation or any other price quotation.
I am duly authorized to sign the price quotation.
The offer is inclusive of value Added Tax

Name: ..... Capacity: .....

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

		Grand Total Including Vat:	
Price Firm Y/N		Brand & Model	
Do You Accept Goverment Orders Y/N		Delivery Period Firm Y/N	
Comply with Specification Y/N		If Not, Deviations	

Questionnaires

Questionnaires / Evaluation Criteria
THE 80/20 QUESTIONNAIRE EVALUATION TEMPLATE V2

Questions		Options
Level 1: 51% owned by Black Women Military veterans / 51% owned by Black youth / 51% owned by Black people with disability	☐	LEVEL1
	☐	LEVEL2
Level 2: 51% owned by Black Male Military veterans / 51% owned by people with disability / 51% owned by Black Women EMEs	☐	LEVEL3
	☐	LEVEL4
Level 3: 51% owned by Women Military veterans / 51% owned by Black Male EMEs / 51% owned by Black Women QSEs/51% owned by Women EMEs	☐	LEVEL5
	☐	LEVEL6

Level 4: 51% owned by Male Military veterans / 51% owned by youth / 51% owned by any other EMEs/ 51% owned by Black Male QSEs / 51% owned by Women QSEs **Level 5: 51% owned by any other QSEs**	☐	LEVEL7
	☐	LEVEL8
	☐	NON-COMPLIANT

Attachment Description	Attachment File Name

CENTRAL PROCUREMENT SERVICE CENTRE

CLOSING DATE OF BID: **08 DECEMBER 2026** BID NUMBER: **CPSC/B/460/2026**

CLOSING TIME OF BID: **11:00 AM** NAME OF BIDDER: _____

VALIDITY: **120 DAYS**

GROUP QUESTIONNAIRE	Tick the applicable box
Period (in days) required to complete Delivery?	.....
	.....
Please state percentage profit before tax?	.....
The Department of Defence Prefers Firm Prices. Price Firm.	YES☐ NO☐
Delivery Period Firm.	YES☐ NO☐
Comply to description as requested?	YES☐ NO☐
If not, state deviations.	.....
	.....
	.....
	.....
	.....
Will a Government Order be accepted?	YES☐ NO☐
Are you registered in terms of Section 23 (1) or 23 (3) of the Value Added Tax (Act no.89 of 1999)/	YES☐ NO☐
Vat Registration Number:	_____
Company Registration number:	_____
Confirm that in the event of a contract be concluded, it will be in terms of General Bid Conditions and General Conditions of contract, the contents of which you are fully acquainted with. Copies are available from the National Treasury Website (www.treasury.gov.za)	YES☐ NO☐
If a trade discount is offered, is it included in the price?	YES☐ NO☐

IMPORTANT! Prices not reflected on the official documentation provided as part of this Bid will not be taken into consideration.

PLEASE NOTE THAT PRICES INDICATED IN THIS DOCUMENT WILL BE TAKEN AS ABEING VAT INCLUSIVE.

This requirement may be awarded in total to one supplier or per individual item.

The obligation to pay sub-contractors is my responsibility.	YES☐	NO☐
It is your responsibility to make a copy of your completed Quotation document. The Department of Defence will not make copies of Bid Documents after the closing date and time. Is this noted?	YES☐	NO☐
Has a valid current dated Central Suppliers Database (CSD) Registration Report been submitted? Is this noted?	YES☐	NO☐

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

1.1 Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa, 1996 (Constitution), and further expressed in the various applicable legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

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

2. DECLARATION ON EMPLOYMENT BY ORGAN OF STATE

2.1 Is the bidder, or any of the directors / trustees / shareholders / members / partners of the bidder employed by an organ of state, as defined in section 239 of the Constitution? **YES/NO**

2.2 If YES, furnish particulars of the names, individual identity numbers, in the table below:

Full Name	**Identity Number**	**Name of organ of state**

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

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

2.3.1 If so, furnish particulars:

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

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

2.4.1 If so, indicate all companies registered in the CSD in the table below:

Supplier registration number (MAAA)	**Status (active/inactive/deleted)**

Failure to disclose all CSD-registered active companies linked to all Directors will lead to disqualification.

3 GENERAL DECLARATION

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

3.1 I have read and I understand the contents of this disclosure.

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found to be false.

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.5 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.

3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

3.7 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, 1998 (Act No. 89 of 1998) and or may be referred to law enforcement agencies for criminal investigation and or may be restricted from conducting business with the state for a period not exceeding 10 years in terms of the Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004) or any other applicable legislation.

I CERTIFY THAT THE ABOVE IS CORRECT.

I ACCEPT THAT THE PROCURING INSTITUTION MAY REJECT THE BID OR TAKE APPROPRIATE ACTION AGAINST ME IF THIS DECLARATION IS FALSE.

.....	.....
Signature	Date
.....	.....
Designation	Name of bidder

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

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

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

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1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 **To be completed by the organ of state**

(*delete whichever is not applicable for this tender*).

a) The applicable preference point system for this tender is the 90/10 preference point system.

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

c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

(a) Price; and

(b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	**100**

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

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

2. DEFINITIONS

(a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

(b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

(c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

(d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20 **or** **90/10**

$$Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right) \text{ or } \quad Ps = 90\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20 or **90/10**

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

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

Table 1: Specific goals for the tender and points claimed are indicated per the table below. (*Bidders to tick only one relevant column*)

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

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

Status Level	**The specific goals allocated points in terms of this tender**	**Number of points allocated (90/10 system) (To be completed by the organ of state)**	**Number of points allocated (80/20 system) (To be completed by the organ of state)**	**Number of points claimed (90/10 system) (To be completed by the tenderer)**	**Number of points claimed (80/20 system) (To be completed by the tenderer)**
Level 1	51% owned by Black Women Military Veterans or 51% owned by Black Youth or 51% owned by Black People with Disability	10	20		
Level 2	51% owned by Black Male Military Veterans or 51% owned by People with Disability or 51% owned by Black Women EME's	08	18		

Level 3	51% owned by Women Military Veterans or 51% owned by Black Male EME's or 51% owned by Women EME's 51% owned by Black Women QSEs	06	16		
Level 4	51% owned by Male Military Veterans or 51% owned by Youth or 51% owned by any other EMEs or 51% owned by Black Male QSEs or 51% owned by Women QSEs	04	14		
Level 5	51% owned by any other QSEs	02	12		
Level 6	Not Applicable				
Level 7	Not Applicable				
Level 8	Non-compliant contributor	0	0		

NOTE: Bidders are to submit Sworn Affidavit to substantiate the preference points claimed. Sworn Affidavit must be signed by legally recognized Commissioner of Oath.

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

- [ ] Partnership/Joint Venture / Consortium
- [ ] One-person business/sole propriety
- [ ] Close corporation
- [ ] Public Company
- [ ] Personal Liability Company
- [ ] (Pty) Limited
- [ ] Non-Profit Company
- [ ] State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution, if deemed necessary.

NOTE: The Department of Defence reserves the right to verify the truthfulness of the claims (par 4.6 iii)

.....

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: .....

DATE: .....

ADDRESS: .....

.....

.....

.....

DI SEC INSTR/02/2012

VETTING AND SCREENING OF PRIVATE COMPANIES AND INDIVIDUALS DELIVERING SERVICES TO THE DEPARTMENT OF DEFENCE

APPENDIX A
TO DI SEC INSTR/02/2012

QUESTIONNAIRE: PRIVATE COMPANIES

Company Name .....

Company Registration Number .....

DOD Supplier Code (if already registered with the DOD) .....

Personal particulars of Company Director(s) (Include copy of RSA Identification and passport document)

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Personal particulars of sub-contractor if any (Include copy of RSA Identification and passport document)

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Company Physical Address .....

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Company Postal Address .....

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Company Core Business .....

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1 When did the company begin with its operation?

Answer: .....

2 Does the company have a valid SARS tax clearance certificate? If yes, provide the tax clearance certificate number and the certified copy of the certificate

Answer: .....

3 Is the company registered with the Company and Intellectual Property Commission (CIPC)? If yes, provide the registration number and attach a certified copy of the registration certificate

Answer: .....

4 Who are the shareholders of the company and what percentage of shares do they each possess?

Answer: .....
.....
.....

5 What services will be rendered by the company to the SANDF

Answer: .....
.....
.....

6 What DOD installations/unit and specific area/section does the company required access to

Answer: .....
.....
.....

7 Does the company provide services to other RSA state departments? If yes, provide the names of the departments and the period/s during which service was provided

Answer: .....
.....
.....
.....

8 Does the company provide services to foreign governments and/or companies? If so, provide details

Answer: .....
.....
.....

9 Has the company been implicated in fraudulent activities? If yes, provide details

Answer: .....

10 Has the company been implicated in corrupt practices? If yes, provide details

Answer: .....

11 Has the company been implicated in any other criminal activity? If yes, provide details

Answer: .....

12 Does the company have the Employment Equity Plan? If yes, provide the Employment Equity Plan as well as the number and composition of the employees. (Only if the company is South African or employs South Africans)

Answer: .....

13 What is the track record and achievements of the company? Provide details

Answer: .....

14. Is the company under investigation by any government security agency? If yes, provide details

Answer: .....

15. What known factor could possibly prevent this company from entering into contract with the Department of Defence and Military Veterans or any component thereof and why?

Answer: .....

Compiled by:

ID: _____ Title _____ Name _____

Signature _____

Important aspects to take note of

- This document must always be accompanied by the profiles of the director(s) of the company as well as their RSA identification and passport documents
- Always attach the current Financial statement(s) of the company
- The current and valid SARS Tax Clearance certificate must be attached
- A Company Profile must be submitted with bid

STANDARD BID DOCUMENTS (SBD)

SECTION B:

BID ADJUDICATION INFORMATION

Central Supplier Database (CSD) Full Report

Evaluation Criteria

Sub-contractors

Registration Authority Compliance

CSD FULL REPORT

EVALUATION CRITERIA

Omitted information. The Department of Defence (DOD) reserves the right to call the supplier to complete omitted information or to clarify any matters relating to the bid. In instances where the omitted information does not affect competitiveness, the bidder shall be formally invited to furnish such information. ***(Refer to General Bid Condition par 36)***

ADMINISTRATIVE AND MANDATORY CRITERIA

1. **Phase 1:** Phase 1 will be evaluated into two steps.
Phase 1 Step 1. Compliance to the mandatory requirements will be done by CPSC BEC members. Bidders that do not fully comply with the criteria will be eliminated / excluded and may not go to the next phase, Phase 1 Step 2.

Ser No	Criteria	Yes	No
	a	b	c
1	**Standard Bid Documents (SBDs) 1, 3, 4 and 6.1**. Bidders are required to complete and sign any of the SBD documents attached and submit them in their originality by the closing date and time.		
2	**Central Suppliers Database**: Bidder/s must submit a valid **full** CSD report and it must reflect the following details of the directors, tax status and banking details.		
3	**Briefing Session Certificate**. Failure to attend the briefing session meeting and submit the fully completed signed original site meeting certificate by the closing date and time will invalidate the bid.		
4	**Submission of Two envelope system:** Bidder are required to submit STRICTLY Two (2) separate properly sealed envelopes, clearly marked, Company stamp, Company name, Bid number and closing date. **THESE ENVELOPES MUST BE SUBMITTED TO BID RECEIPT OFFICE AT CENTRAL PROCUREMENT SERVICE CENTRE.** **ENVELOPE 1. PRICE PROPOSAL** It must contain SBD3 (Price Schedule). Price Breakdown must also be included.		

Ser No	Criteria	Yes	No
	a	b	c
	ENVELOPE 2. TECHNICAL PROPOSAL It must contain all other documents (except price schedule and price breakdown). **Failure to submit this as required above will invalidate the bid.**		

2. **Phase 1 Step 2**: Compliance to the mandatory requirements will be done by End user. Bidders that do not fully comply with the criteria will be eliminated / excluded and may not go to the next phase, Phase 2.

Ser No	Criteria	Yes	No
	a	b	c
1	**CURRICULUM VITAE WITH EDUCATIONAL QUALIFICATIONS AND REGISTRATION FOR FORENSIC AUDITORS/ACCOUNTANTS** Bidders must have and submit the following professional background with qualifications: a. **Forensic Auditor. Bachelor's degree** in Forensic Accounting and Auditing /Accounting /Finance Commerce (BCom). Forensic professionals as investigators of financial records who work on fraud investigations and often support legal proceedings. b. **Forensic Accountant**. BCom Accounting /Bachelor of Accounting /BCom Financial Accounting. Specialist accountant who inves1tigates financial fraud, corruption, theft, money laundering, asset misappropriation and financial disputes. The role combines accounting, auditing, investigation, law and support legal proceedings. Failure to submit the above mentioned professionals will invalidate the bid.		
2	**Certification**. Bidders must have one or more of the following certification : a. Chartered Accountant CA (SA). b. Certified Internal Auditor (CIA).		

Ser No	Criteria	Yes	No
	a	b	c
	c. Certified Fraud Examiner (CFE). d. Commercial Forensic Practitioner (CFP). Failure to submit this confirmation will invalidate the bid.		

3. **Phase 2**: Compliance to functionality. This phase will be evaluated by means of Experience and Project plan. Bidders are required to show that they have experience in providing services of Forensic Audit. Bidders not excluded or invalidated on Phase 1 Step 2 **Mandatory Criteria** will be considered for Phase 2. The bids will be adjudicated with a maximum total of **Sixty five (65)** points. All bidders who score less than 80% (52 points) will be excluded from the next phase of the evaluation (Phase 3 step 4).

Phase 2 Functionality Criteria:	**Score: 65**
a. Experience of Company	20
b. Experience of Personnel	15
c. Project Plan	30

1	**Experience. Bidders shall be evaluated out of total score of Twenty (20) points for experience.**		***/20***
	a. Proof of Awards. Bidders will be evaluated out of a total score of Ten (10) points for proof of experience or credentials based on awards:	**/10**	
	i. The company will be awarded **Ten (10)** points for submitting a proven track record in Forensic auditing. Such experience should be substantiated by means of previous awards (e.g. Purchase Orders/Letters of Acceptance/Appointment Letter/Contract) from the institution were such services had been rendered (More than two (02) awards should be submitted).	0/10	
	ii. The company will be awarded **Eight (08)** points for submitting a proven track record in Forensic auditing. Such experience should be substantiated by means of previous	0/08	

		awards (e.g. Purchase Orders/Letters of Acceptance/Appointment Letter/Contract)from the institution were such services has been rendered. (Two (02) awards should be submitted)		
		iii. The company will be awarded **Six (06)** points for submitting proven track record in Forensic auditing. Such experience should be substantiated by means of previous awards (e.g. Purchase Orders/Letters of Acceptance/Appointment Letter/Contract)from the institution were such services has been rendered. (One (01) award should be submitted)	0/06	
		iv. The company will be awarded **Zero (0)** points for not submitting no proof/ track record in Forensic auditing.	/00	
	b.	Customer References and Testimonials (Bidders will be awarded out of a total of **Ten (10)** points for submission of positive client references from similar projects)	**/10**	
		i. The Bidder will be awarded **ten (10)** points for submission of at least three (3) positive client references from similar projects.	0/10	
		ii. The Bidder will be awarded **eight (08)** points for submission of two (2) positive client references from similar projects.	0/08	
		iii. The Bidder will be awarded **six (06)** points for submission of one (1) positive client references from similar projects.	0/06	
		iv. The Bidder will be awarded **zero (0)** points for non-submission of any proof.	0/00	
	Total Company Experience			***/20***
2	a.	**Experience as per Personnel.** Bidders will score out of a total of **Ten (10)** points for submitting proof of experience of personnel.		***/15***
		i. Experience as **per professional** in the field of **Forensic Auditing and Forensic Accountant project in the past 10 years.** A CV with attached proof of **more than ten (10) years' experience**.	0/10	
		ii. Experience as **per professional** in the field of **Forensic Auditing and Forensic Accountant project in the past 10 years**. A CV with attached proof of **ten (10) years'**	0/08	

	experience. iii. The Bidder will score **zero (00)** points for submitting as a CV with proof of **less than** ten years' experience.	0/00	
	b. **Further Qualifications.** Forensic Auditors/Accountant to have post graduate qualification in Investigative and Forensic Accounting/ Auditing/ Fraud Risk management. Bidders shall be evaluated up to a total score of **Five (05)** points for providing proof of specialised post graduate qualification.	/05	
	i. Bidders will score **five (05)** points for submitting proof of a professional with MPhil /Masters or higher in Investigative and Forensic Accounting/ Auditing/ Fraud Risk management, or related field.	0/05 #	
	ii. Bidders will score **four (04)** points for submitting proof of a professional with Honours Degree or Post graduate Diploma in Investigative and Forensic Accounting/ Auditing/ Fraud Risk management, or related field.	0/04	
	iii. Bidders will score **three (03)** points for submitting proof of a professional with Bachelor's Degree/Diploma in Investigative and Forensic Accounting/ Auditing/ Fraud Risk management, or related field.	0/03	
	iv. Bidders will score **zero (00)** points for submitting no proof of a professional with post graduate qualifications in Investigative and Forensic Accounting/ Auditing/ Fraud Risk management, or related field.	0/00	
	Total Personnel Experience		*/15*
3	**Project Plan: Bidders shall be evaluated up to a total score of Thirty (30) points for submission of a project plan with Understanding of requirements, Methodology and approach and Resources and Control** Mechanism.		*/30*
	a. The Bidder will score out of **ten (10)** points for the project plan containing understanding of requirements: i. The Bidder will be awarded out of **(10)** points for a comprehensive project plan containing of project objective, identifying key challenges, risk and proposed approach to specified requirements as per SOW/Specification. ii. The Bidder will be awarded out of **eight (08)** points for a	0/10 0/08	

	detailed project plan containing of project objective, identifying key challenges, risk and proposed approach to specified requirements as per SOW/Specification.		
	iii. The Bidder will be awarded out of **six (06)** points for a project plan containing some details of project objective, identifying key challenges, risk and proposed approach to specified requirements as per SOW/Specification.	0/06	
	iv. The Bidder will be awarded **zero (0)** points for a project plan not containing project objective, identifying key challenges, risk and proposed approach to specified requirements as per SOW/Specification.	0/0	
	b. The Bidder will score out of **ten (10)** points for the project plan containing Methodology and approach:		
	i. The Bidder will score out of **ten (10)** points for the project plan containing comprehensive Methodology and Approach with clear work plan, activities and deliverables and Risk management and mitigation measures.	0/10	
	ii. The Bidder will score out of **eight (08)** points for the project plan containing detailed Methodology and Approach with clear work plan, Activities and deliverables and Risk management and mitigation measures.	0/08	
	iii. The Bidder will score out of **six (06)** points for the project plan containing some details of Methodology and Approach with clear work plan, Activities and deliverables and Risk management and mitigation measures.	0/06	
	iv. The Bidder will score out of **zero (0)** points for the project plan not containing Methodology and Approach with clear work plan, Activities and deliverables and Risk management and mitigation measures.	0/0	
	c. The Bidder will score out of **ten (10)** points for the project plan containing Resource, tools and infrastructure:		
	i. The Bidder will score out of **ten (10)** points for the project plan outline a comprehensive investigation scope, legal and regulatory frameworks, data collection methods, multidisciplinary team roles, timelines, and chain-of-custody protocols for court-admissible evidence.	0/10	

	ii. The Bidder will score out of **eight (08)** points for the project plan outlining a detailed investigation scope, legal and regulatory frameworks, data collection methods, multidisciplinary team roles, timelines, and chain-of-custody protocols for court-admissible evidence.	0/08	
	iii. The Bidder will score out of **six (06)** points for the project plan outlining some investigation scope, legal and regulatory frameworks, data collection methods, multidisciplinary team roles, timelines, and chain-of-custody protocols for court-admissible evidence.	0/06	
	iv. The Bidder will score out of **zero (00** points for the project plan not containing no investigation scope, legal and regulatory frameworks, data collection methods, multidisciplinary team roles, timelines, and chain-of-custody protocols for court-admissible evidence.	0/0	
	Total Functionality (Bidder must achieve 80% threshold in this criteria)		***/65***

3. **Phase 3:** Price.

Phase 3	**Price.** (The Requirement will be according to the 80/20 principle)	**80/20**

4. **Phase 4:** Specific Goals (Bidders to tick only one relevant column)

Status Level	The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Level 1	51% owned by Black Women Military Veterans	10	20		

	or 51% owned by Black Youth or 51% owned by Black People with Disability				
Level 2	51% owned by Black Male Military Veterans or 51% owned by People with Disability or 51% owned by Black Women EMEs	8	18		
Level 3	51% owned by Women Military Veterans or 51% owned by Black Male EMEs or 51% owned by Women EMEs or 51% owned by Black Women QSEs	6	16		
	51% owned by Male				

Level 4	Military Veterans or 51% owned by Youth or 51% owned by any other EME'S or 51% owned by Black Male QSEs or 51% owned by Women QSEs	4	14		
Level 5	51% owned by any other QSEs	2	12		
Level 6	Not Applicable				
Level 7	Not Applicable				
Level 8	Non-compliant	0	0		

5. Thereafter the points achieved are used in the application of the Preference Point System as per the specific goals.

SECTION C: REQUIREMENT AND CONTRACT INFORMATION

General Bid Conditions (GBC): Department of Defence

General Conditions of Contract (GCC): National Treasury

Special Conditions of Contract (SCC): National Treasury

Special Conditions of Contracts (SCC): End-User

Specification

DEPARTMENT OF DEFENCE

GENERAL BID CONDITIONS
(GBC)

TABLE OF CLAUSES

1. Definitions.
2. Application.
3. Availability.
4. Approved list of bidders.
5. Preparation of bids.
6. Charge for bid documents.
7. Samples.
8. Alternative offers.
9. Partial bids.
10. Bid prices and delivery periods.
11. Validity periods.
12. Closing of bids.
13. Lodging of bids.
14. Open bids or unnumbered envelopes.
15. Opening of bids.
16. Late bids.
17. Consideration of bids.
18. Award of bids.
19. Quantities other than specified.
20. Bidder's incorrect information.
21. Notification of awards.
22. Furnishing of bid information.
23. Amendment or withdrawal of bid.
24. Changed Requirement.
25. Co-ordinated Activities.
26. Contractor's Personnel.
27. Value Added Tax (VAT).
28. Damage Compensation.
29. Waiver.
30. Severability.

31. Sub-contracting.
32. Awarding of the bid.
33. Liability Insurance
34. Failure to Comply.
35. Vetting Form.
36. Omitted information.

GENERAL BID CONDITIONS

1. **Definitions**. Unless inconsistent with or otherwise indicated by the contents, the following terms shall have the meanings assigned to them:

a. **Acceptance of a Bid**. Means the award of a contract to a bidder in response to his bid or price quotation.

b. **Bid**. Means a written offer on the official bidding documents forming part of firstly, an invitation to bid, which invitation has been advertised in the Government Tender Bulletin, or secondly, an offer submitted in response to an invitation to submit a price quotation.

c. **Bidder**. Means any natural or juristic person submitting a bid or a price quotation.

d. **Closing Time**. Means the date and hour specified in the bidding documents for the receipt of bids or price quotations.

e. **Department**. Means the Department of Defence and in specific any of its Procurement Entities.

f. **Firm Prices**. Are deemed to be the prices which are only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax which, in terms of a law or regulation is binding upon the contractor and demonstrably have an influence on the prices of any supplies, or the rendering costs of any services, for the execution of the contract.

g. **Price Quotation**. Means a written offer sounding in money and reflected on the documentation wherein the offer was invited, duly completed and where necessary signed by or on behalf of the bidder.

h. **GBC**. Means the General Bid Conditions.

i. **Written or In Writing**. Means handwritten in ink or any form of electronic or mechanical writing.

2. **Application**. The GBCs are applicable to all Departmental bids and written price quotations, unless otherwise indicated in the bidding documents. Where the conditions

in the bidding documents are in conflict with the GBCs, the conditions in the bidding documents shall prevail.

3. **Availability**. Copies of these GBCs are available, on application, from the Secretary for Defence (Attention: Chief of Acquisition and Procurement), Private Bag X910, Pretoria, 0001 or from any of the Department's Procurement Entities.

4. **Approved List of Bidders**. In the event that an approved list of bidders has been compiled for specific goods or services, bids will only be invited from bidders on such a list.

5. **Preparation of Bids**. Concerning the preparation of bids, bidders are to note the following:

a. **Expenses**. Unless otherwise indicated in the bid documents, the Department shall not be liable for any expense incurred in the preparation and submission of a bid.

b. **Bidding Documents**. Bidders are required to make use of the prescribed bidding documents. No changes to the bid documents are to be made.

c. **Information**. All the information called for in the bidding documents is to be furnished in the appropriate spaces, eg the bid prices. If requested, other information required, pamphlets, samples, etc are to be supplied.

d. **Address**. A domicilium citandi et executandi shall be chosen in the Republic and stated in the bid.

e. **Completion of Bidding Documents**. Bidders are to complete the bid documents, forms, certificates, questionnaires and specification forms in all aspects and to submit bids signed in ink of your choice.

f. **Bid Envelope**. The bid number must not appear on any envelope unless the envelope contains the bid itself. In particular, the bid number must not appear on an envelope containing a request for bid documents.

g. **Bidder's Own Conditions**. Bids should not be qualified by the bidder's own conditions of bid. Bids qualified by a bidder's own conditions may be rejected as being invalid and failure of the bidder to renounce such conditions when called upon to do so may invalidate the bid. This includes any alterations, erasures, omissions or additions by bidders to the bid documents.

h. **Submission of Documents**. The bid documents are to be submitted with due consideration to the following:

i. The bid documents are not to be retyped or redrafted. Photocopies may be prepared and used, but the original signed document must be submitted with the bid.

ii. Bidders must check the number of pages and satisfy themselves that none are missing or duplicated.

iii. Bidders must bid in accordance with the requirements stipulated in the bid documents.

iv. Bids must be compiled in such a manner that it allows for easy cross-referencing between the bid document and the submitted bid.

i. **Documents.** Bidders are to ensure that all required or specified documents are included in their bids.

j. **Compliance to Conditions and Specifications**. Bidders are to clearly indicate in their bids that their offers are compliant to the conditions and specification pertaining to the bid. If not, it must be clearly stated where and in which manner their offers are non-compliant to the conditions and specifications.

6. **Charge for Documents**. Where applicable and as required in the bidding documents or advertisement, a non-refundable fee for documents may be charged.

7. **Samples**

a. The Department shall not make samples available to prospective bidders, unless specifically mentioned in the bid documents;

b. When samples are called for in bid documents, samples shall be delivered at the cost of the bidder to the addressee mentioned in the bid documents before the closing time of the bid. Bids shall not be included in parcels containing samples.

8. **Alternative Offers**. In the event that bidders offer products alternative to that called for, bids for such alternative offers shall be submitted on separate copies of the bid documents, but only if bids are submitted for the specified requirement.

9. **Partial Bids**. In the event that bids for supplies and/or sales are called for, bids may be submitted for less than the number of specified items, or part of the specified quantity or requirement called for in the bid.

10. **Bid Prices and Delivery Periods**

a. **Firm Bids**. Firm bid prices and delivery periods are preferred. However, bidders may submit firm or non-firm prices and delivery periods. Where a bidder has not indicated whether his prices or delivery periods are firm or not, bid prices and delivery periods are deemed to be firm and the contractor shall be bound thereby. Expressions such as "soonest" or "earliest" or delivery periods which are unspecified are not acceptable.

b. **Contract Periods**. Where different prices are bid for different periods of the contract, the bid price applicable in respect of a particular period of the contract shall be a firm price if, as regards such period, it conforms to the definition of firm prices.

c. **Proof**. The Department may, where non-firm prices are offered, require that proof of costs of labour, material or other factors which are specified by the bidder, be submitted and, should the cost in the opinion of the Department not be realistic, same may be brought into consideration in the comparison adjudication of the bids.

11. **Validity Periods**. The period for which bids are to remain open for acceptance, valid and binding is indicated in the bidding documents and is calculated from the closing time and such offers are to remain open for acceptance, valid and binding until close of business on the last day of the period so calculated. Should this last day fall on a Saturday, Sunday or Public Holiday, the bid will remain open for acceptance, valid and binding until close of business on the first business day following such Saturday, Sunday or Public Holiday.

12. **Closing of Bids**. Bids close at the time and date indicated in the bid documents. Extension of the closing date may be granted if circumstances justify this action. The closing date is normally extended only if there is sufficient time to publish an amending notification before the original closing date.

13. **Lodging of Bids**. Concerning the lodging of bids the following shall apply:

a. **Receipt**. Bids shall be lodged to ensure their actual receipt at the address before the closing time specified and in accordance with the directives in the bidding documents.

b. **Envelope**. Each bid shall be addressed according to the directives in the bidding documents and shall be lodged in a separate sealed envelope with the name and address of the bidder, the bid number and the closing date indicated on the envelope. The envelope shall not contain documents relating to any bid other than that shown on the envelope.

c. **Copies**. Unless specifically provided for in the bid invitation, no bids forwarded by e-mail, telegram, telex, facsimile or similar apparatus will be considered. Photostat copies of bids or photostat copies of faxes, signed in ink after being photostatted, will be accepted as valid bids.

d. **Samples**. Bids shall not be included in packages containing samples as such bids may be rejected as being invalid.

14. **Open Bids or Unnumbered Envelopes**. All bids received in sealed envelopes with the relevant bid numbers on the envelopes are kept unopened in safe custody until the closing time of the bids. However, if a bid is received in an unsealed envelope or without an envelope, it shall be sealed in an envelope after the bid number has been written on the envelope.

15. **Opening of Bids**. Bids are opened in public as soon as practicable after the closing time and the names only of the bidders are read out, if so requested, at the time of opening the bids.

16. **Late Bids**. Bids are late if they are received at the address indicated in the bid documents after closing time. A late bid will not be opened or admitted for consideration and where practicable shall be returned unopened to the address appearing on the envelope.

17. **Consideration of Bids**. During the consideration of bids the following applies:

a. **Bids Considered**. All bids correctly lodged are taken into consideration.

b. **Position of Bidder**. The financial standing of bidders and/or their ability to manufacture or to supply goods or to render a service may be examined before their bids are considered for acceptance.

c. **Comparative Prices**. In comparing bids, the prices are brought to a comparative level by deducting unconditional discounts, preferences and other benefits and adding delivery and other costs as applicable and bringing implied contract price adjustments into account. Non-firm bid prices are adjusted in accordance with the assessed contract price adjustments implicit in the non-firm prices. Where a range of delivery periods is quoted, the worst implied delivery period is used when calculating the comparative prices.

d. **Preferential Point System**. Where bidding documents include documents relating to a preferential point system, the required calculations will be made and comparison of bids done on the basis of points earned through the preferential point system.

e. **Adjustments to Prices**. The department reserves the right to rectify any incorrect calculations made by the bidder, but no adjustments may be made to the input figures.

f. **Compliance to Specification**. Bids will be evaluated to establish compliance to product or service specifications, with due consideration to alternative offers and/or deviations to specification.

g. **Evaluation Criteria**. Where bidding documents include evaluation criteria relating to functionality, for example bidder's capability, bidders profile, etc, the required calculations will be made and comparison of bids done on the basis of points earned.

h. **Negotiations.** Unless otherwise stated in the bid documents, no negotiations will be entered into.

i. **Communication with Bidders**. The Department may request clarification on information regarding any aspect included in the bid, which the bidder is to supply by the indicated date.

18. **Award of bids**. After prices have been brought to a comparative level and/or points calculated according to a preferential points system, the bid will be awarded considering the following order of priority:

a. If the preferential point system is applicable, normally to the bidder with the highest points, unless reasonable and justifiable grounds exist for passing over the bidder with the highest points. In the event of equal bids, the award is according to the relevant regulation.

b. If the preferential point system is not applicable, normally to the bidder with the lowest bid in the case of purchases by or services to the Department, or highest bid in respect of sales, unless reasonable and justifiable grounds exist for passing over the bid with the lowest bid in the case of purchases by or services to the Department, or highest bid in respect of sales. In the event of equal bids, the award is according to the following order:

i. Bidders offering firm bid prices as well as firm delivery periods.

ii. Supplies provided and services rendered from resources available within the Republic.

iii. Supplies and services from points nearest to the centres at which delivery is required.

iv. All things still being equal, the award shall be decided by the drawing of lots.

c. The Department is not obliged to accept the lowest or any bid.

d. The Department may, where a bid relates to more than one item, accept such bid in respect of any specific item or items and also accept part of the specified quantity of any specific item or items.

19. **Quantities Other than Specified**. The Department may increase or decrease the quantities reflected in the bids, but will do so after consultation with the bidders that responded to the invitation to bid.

20. **Bidder's Incorrect Information**. Where a contract has been awarded on the strength of information furnished by the bidder, which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Department may, in addition to any other legal remedy it may have

a. recover from the contractor all costs, losses or damages incurred or sustained by the Department as a result of the award of the contract; and/or

b. cancel the contract and claim any damages which the Department may suffer as a result of having to make less favourable arrangements.

21. **Notification of Acceptance**. Successful bidders are notified by registered or certified mail of the acceptance of their bids, either through a contract form or by official departmental order forms.

22. **Furnishing of Bid Results**

a. The following particulars of the successful bidders are normally published in the Government Tender Bulletin for general information:

i. Name.

ii. The price and delivery basis.

iii. The brand name of the product or the name of the manufacturer, if applicable.

iv. Where applicable, the preference percentages claimed.

b. Bids are not available for perusal by the public, but, at the written request of a bidder or interested party, the names and addresses of all bidders may be furnished over and above the information published in the Government Tender Bulletin.

c. Requests for any further information will be treated as provided for by law.

23. **Amendment or Withdrawal of Bid**. If a bidder amends or withdraws his bid after the closing time and within the validity period or extended validity period, he shall reimburse the Department any damages if a less favourable bid is accepted or less favourable arrangements are to be made.

24. **Changed requirement**. If Department of Defence institutions participating in this

contract are disbanded or relocated or for reasons unknown at the time of concluding the contract, the Department of Defence reserves the right to cancel the contract or parts thereof on written notice of 90 days sent to the contractor at the address appearing in the contract.

25. **Co-ordinated activities**. Whilst on Department of Defence premises, personnel of the contractor will have access to all areas, subject to other stipulations in the relevant contract, to render the services. If the contractor's service is not rendered in a specific area at a given time, access to that area is forbidden. The work to be executed must under no circumstances disrupt the routine activities taking place in the institution or on the premises where the service is to be provided.

26. **Contractor's personnel:**

a. Identification. To identify the contractor's personnel on the premises of the Department of Defence, the personnel will comply with the following, with any costs for the account of the contractor:

i. Personnel will wear company identification cards with an employee photograph on it, conspicuously on his/her person at all times;

ii. Personnel will wear identifiable uniforms whilst on duty.

b. Attitude towards Safety, Health, Security and Service Delivery. Without prejudice to the contractor's responsibility and right to select and appoint his/her own personnel, the Department of Defence will at all times have the right to identify personnel of the contractor whom are considered to be safety and/or health and/or security risk and/or personnel whom are undesirable. In such case the contractor will be requested not to utilize such person(s) any longer to honour his/her obligations in terms of this contract. The contractor will immediately comply with the request and he/she will not, as a result of such a request, be entitled to institute any claim against the Department of Defence for any loss or otherwise suffered as a result of such a request. The contractor therefore indemnifies the Department of Defence against any claim whatsoever from the employee concerned.

c. Name List. The contractor must submit a complete name list of all personnel to be employed on Department of Defence premises to provide the service according to the contract, to the Department of Defence official at the institution or on the premises where the service is to be provided, who will arrange for entry permits for the contractor. Any changes to the personnel must be communicate to the designated official without delay.

d. Personnel on Site. The contractor must ensure that the total number of personnel offered for the execution of this contract is on duty on a daily basis. Provision must therefore be made for temporary or stand-in personnel for cases where personnel are on leave or sick leave.

27. **Value added tax (vat).** All monies paid in terms of this bid is subject to value added tax calculated at the appropriate tariff from time to time as provided for in the Value Added Tax Act, Act 89 of 1991, the schedules thereto and Rulings as issued by the South African Revenue Services in regard to value added tax.

28. **Damage compensation**.

a. The contractor herewith indemnifies the Department of Defence from any claim that may arise from a third party and all costs or legal expenses in this regard, to such a claim for loss or damage resulting from the death, injuries or disability of any such person(s), or the damage to property of the contractor or any other person(s) that may result from or be related to the execution of this contract.

b. The contractor will be held responsible for any damage or theft that may be caused, to the premises or content by him or his employees or be due to their neglect whether in the normal execution of their duties or otherwise and a claim for indemnification can accordingly be imposed by the Department of Defence against the contractor.

c. In the case of damages to premises or content resulting from the work done, the contractor will undertake to rectify the damage immediately to the satisfaction of the Department of Defence. If the contractor fails to act immediately after notification, the Department of Defence will rectify the damage at will and the cost thereof will be recovered from any moneys outstanding.

d. The Department of Defence and it's employees will not be held responsible for any claim or injury to the contractor's personnel whilst on Department of Defence property or in the execution of their tasks on Department of Defence property.

29. **Waiver**. No waiver of any of the terms and conditions of the contract will be binding or effectual for any purpose unless expressed in writing and signed by the parties thereto, and any such waiver will be effective only in specific instances and for the purpose given. No failure or delay on the part of either party in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

30. **Severability.** Should any of the terms and conditions of the Contract be held to be invalid or unlawful, such terms and conditions will be severable from the remaining terms and conditions, which will continue to be valid and enforceable.

31. **Sub-contracting.** In the event that sub-contractors are used to execute the contract or part thereof, the following shall apply:

a. Prior Approval. Once the contract has been concluded, the contractor shall obtain prior approval from the Department of Defence before the appointment of any sub-contractor.

b. Payment. The contractor shall remain liable to reimburse the sub-contractors for goods delivered or services rendered to the Department of Defence.

32. **Awarding of the bid**. The DOD reserves the right to contract only a part of the contract or split the awarding of the contract to more than one bidder.

33. **Liability insurance**. The DOD will not be held responsible for any damages, loss and injury of Personnel, the contractor must make sure he/she has the Liability Insurance.

34. **Failure to Comply**. Where bidders fail to comply with any of these conditions, the Department reserves the right to invalidate bids received.

35. **Vetting Form.** Shortlisted bidders will be required to complete security vetting form.

36. **Omitted information**. The Department of Defence (DOD) reserves the right to call the supplier to come to complete omitted information or to clarify any matters relating to the bid. In instances where the omitted information does not affect competitiveness, the bidder shall be formally invited to furnish such information.

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

(i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and

(ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

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

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 subsidised 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 recognised new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of

the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad markets its goods on own initiative in the RSA at lower prices than that of the country of origin and which has the potential to harm the local industries in the RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a

factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The

Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za or www.info.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

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

6. Patent rights

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

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting

from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
(b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

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

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are

accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

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

12. Transportation

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

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
(e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

distributed by the supplier:

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser

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

16. Payment

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

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

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

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter

conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under 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 Clause 22, unless an extension of time is agreed upon pursuant to 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 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 Clause 23.

23. Termination for default

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

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

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works 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.

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

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

26. Termination for insolvency

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

27. Settlement of disputes

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

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

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

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

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

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

28. Limitation of liability

28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

(a) The supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) The aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that 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.

SPECIAL CONDITIONS OF CONTRACT National Treasury

CHANGED REQUIREMENT

1. If Department of Defence institutions participating in this contract are disbanded or relocated or for reasons unknown at the time of concluding the contract, the Department of Defence reserves the right to cancel the contract or parts thereof on written notice of 90 days sent to the contractor at the address appearing in the contract.

CO-ORDINATED ACTIVITIES

Whilst on Department of Defence premises, personnel of the contractor will have access to all areas, subject to other stipulations in the relevant contract, to render the services. If the contractor's service is not rendered in a specific area at a given time, access to that area is forbidden.

The work to be executed must under no circumstances disrupt the routine activities taking place in the institution or on the premises where the service is to be provided.

CONTRACTOR'S PERSONNEL

4. Identification. To identify the contractor's personnel on the premises of the Department of Defence, the personnel will comply with the following, with any costs for the account of the contractor:

a. Personnel will wear company identification cards with an employee photograph on it, conspicuously on his/her person at all times;

b. Personnel will wear identifiable uniforms whilst on duty.

5. Attitude towards Safety, Health, Security and Service Delivery. Without prejudice to the contractor's responsibility and right to select and appoint his/her own personnel, the Department of Defence will at all times have the right to identify personnel of the contractor whom are considered to be safety and/or health and/or security risk and/or personnel whom are undesirable. In such case the contractor will be requested not to utilise such person(s) any longer to honour his/her obligations in terms of this contract. The contractor will immediately comply with the request and he/she will not, as a result of such a request, be entitled to institute any claim against the Department of Defence for any loss or otherwise suffered as a result of such a request. The contractor therefore indemnifies the Department of Defence against any claim whatsoever from the employee concerned.

6. Name List. The contractor must submit a complete name list of all personnel to be employed on Department of Defence premises to provide the service according to the contract, to the Department of Defence official at the institution or on the premises where the service is to be provided, who will arrange for entry permits for the contractor. Any changes to the personnel must be communicate to the designated official without delay.

7. Personnel on Site. The contractor must ensure that the total number of personnel offered for the execution of this contract is on duty on a daily basis. Provision must therefor be made for temporary or stand-in personnel for cases where personnel are on leave or sick leave.

VALUE ADDED TAX (VAT)

8. All monies paid in terms of this bid is subject to value added tax calculated at the appropriate tariff from time to time as provided for in the Value Added Tax Act, Act 89 of 1991, the schedules thereto and Rulings as issued by the South African Revenue Services in regard to value added tax.

DAMAGE COMPENSATION

9. The contractor herewith indemnifies the Department of Defence from any claim that may arise from a third party and all costs or legal expenses in this regard, to such a claim for loss or damage resulting from the death, injuries or disability of any such person(s), or the damage to property of the contractor or any other person(s) that may result from or be related to the execution of this contract.

10. The contractor will be held responsible for any damage or theft that may be caused, to the premises or content by him or his employees or be due to their neglect whether in the normal execution of their duties or otherwise and a claim for indemnification can accordingly be imposed by the Department of Defence against the contractor.

11. In the case of damages to premises or content resulting from the work done, the contractor will undertake to rectify the damage immediately to the satisfaction of the Department of Defence. If the contractor fails to act immediately after notification, the Department of Defence will rectify the damage at will and the cost thereof will be recovered from any moneys outstanding.

12. The Department of Defence and it's employees will not be held responsible for any claim or injury to the contractor's personnel whilst on Department of Defence property or in the execution of their tasks on Department of Defence property.

WAIVER

13. No waiver of any of the terms and conditions of the contract will be binding or effectual for any purpose unless expressed in writing and signed by the parties thereto, and any such waiver will be effective only in specific instances and for the purpose given. No failure or delay on the part of either party in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

SEVERABILITY

14. Should any of the terms and conditions of the Contract be held to be invalid or unlawful, such terms and conditions will be severable from the remaining terms and conditions, which will continue to be valid and enforceable.

SUB-CONTRACTING

15. In the event that sub-contractors are used to execute the contract or part thereof, the following shall apply:

a. Prior Approval. Once the contract has been concluded, the contractor shall obtain prior approval from the Department of Defence before the appointment of any subcontractor.

b. Payment. The contractor shall remain liable to reimburse the sub-contractors for goods delivered or services rendered to the Department of Defence.

AWARDING OF THE BID

16. The DOD reserves the right to contract only a part of the contact or split the awarding of the contract to more than one bidder.

LIABILITY INSURANCE

17. The DOD will not be held responsible for any damages, loss and injury of Personnel, the contractor must make sure he/she has the Liability Insurance.

SPECIAL CONDITIONS OF CONTRACT: PERTAINING TO APPOINTMENT OF AN INDEPENDENT FORENSIC AUDITOR

CRITERIA REQUIRED

1. The Service Provider must demonstrate substantial forensic audit and investigation experience in the South African public sector, preferably including National Departments/PFMA environments, procurement investigations, fraud and corruption investigations and financial-loss quantification.

2. The proposed Lead Forensic Investigator must possess an appropriate professional accounting, auditing, forensic accounting or forensic investigation qualification and a minimum of 10 years relevant experience, including public sector forensic investigation experience.

3. The team must include suitably qualified forensic accountants, auditors, investigators, procurement/SCM specialists, data analysts, IT forensic specialists and legal expertise.

4. Where statutory audit/assurance is required, the relevant work must be performed or supervised by appropriately registered auditor in accordance with applicable South African auditing requirements.

5. The service provider must have demonstrable capacity to deploy investigation teams nationally and conduct simultaneous investigations at multiple DOD sites.

INDEPENDENCE AND CONFLICT OF INTEREST

6. **Zero Prior Involvement.** The appointed firm and its individual team members must declare that they have no personal, financial, or prior professional relationships with the entity, its board, or the individuals under investigation.

7. **Exclusion from Operational Audits.** To prevent self-review threats, an entity's current external or internal auditors are generally barred from conducting forensic investigations into areas they previously audited.

8. **No Subcontracting Without Consent.** The service provider may not cede, assign, or subcontract any portion of the investigation to a third party without explicit, prior written approval from the appointing authority.

CONFIDENTIALITY AND INFORMATION SECURITY

9. **Strict Non-Disclosure.** All team members must sign binding Non-Disclosure Agreements (NDAs) prior to accessing any records. Information gathered during the

investigation may not be disclosed to unauthorized parties.

10. **Protection of Personal Information.** The auditor must comply with data privacy laws of South Africa's Protection of Personal Information Act (POPIA) when handling sensitive employee, financial, or third-party data.

11. **Ownership of Records.** All working papers, digital images, forensic reports, and collected evidence remain the sole intellectual property of the appointing client and must be handed over upon completion.

QUALIFICATIONS, VETTING, AND TEAM CONTINUITY

12. **Security Clearance and Vetting.** All assigned personnel must undergo criminal background checks, qualification verification, and DOD security vetting, access-control, confidentiality and information security requirements before starting fieldwork.

13. The Defence Act 6 of 2020 specifically provides for the security vetting of contractors and service providers of the Department of Defence.

14. **Continuity of Key Personnel.** The appointed service provider must guarantee that senior investigators in the tender will remain on the project for its entire duration. Replacement of key staff is only permitted with prior client approval and requires a formal handover period with an equally qualified specialist.

EVIDENTIARY STANDARDS AND LEGAL SUPPORT

15. **Chain of Custody.** Evidence, especially electronic data, emails, and financial records, must be collected, preserved, and documented strictly in accordance with the rules of evidence so it remains admissible in court.

16. **Expert Witness Testimony.** The lead forensic auditor to remain available after the report is submitted to testify in internal disciplinary hearings, civil litigation, or criminal prosecutions.

17. **Capped Fees and Time-and-Material Billing.** Fees will be structured on approved hourly rates per specialist level, subject to a strict ceiling that cannot be exceeded without a formal scope-variation approval.

18. **Right to Terminate or Withhold Award.** The appointing body generally reserves the right to terminate the mandate immediately if confidentiality or independence is breached.

SCOPE CONTROL, REPORTING, AND COMMERCIAL TERMS

19. **Service Level Agreement (SLA).** Appointment is conditional upon signing a formal SLA that defines turnaround times, milestones, and reporting formats.

20. **Immediate Commencement.** Forensic matters are urgent; contracts will require the team to mobilize within 1 to 10 working days of receiving the appointment letter.

21. **Capped Fees and Time-and-Material Billing.** Fees are typically structured on approved hourly rates per specialist level, subject to a strict ceiling that cannot be exceeded without a formal scope-variation approval.

22. **Right to Terminate or Withhold Award.** The appointing body generally reserves the right not to award the contract to the lowest bidder, to split the scope among a panel, or to terminate the mandate immediately if confidentiality or independence is breached.

DEPARTMENT OF DEFENCE (DOD)

DEFENCE INSPECTORATE DIVISION



SCOPE OF WORK

SCOPE OF WORK – FORENSIC AUDIT ON COMMERCIALIZED MESSES AND BAKERIES IN THE DOD

1. C SANDF has instructed Inspector General of the Department of Defence (IG DOD) to conduct a forensic audit/investigation on all Military Commercialised Messes and Bakeries in the Department of Defence. Evidence has surfaced of numerous unethical and irregular activities within this environment, which has prompted CSANDF to institute an urgent forensic investigation into this matter.

2. Logistics Instruction No 81/2019: COMMERCIALISED CATERING MODEL FOR CLUBS/MESSES has reference and provides instructions for the management of SANDF Commercialised Messes. However it is confirmed that the establishment and management of SANDF Bakeries has not been incorporated into the policy.

3. The Audit needs to focus on the time period shortly after the introduction to the Commercialised catering model for SANDF Messes, namely from 1 December 2018 until present date.

4. The quantity of SANDF Commercialised Clubs/Messes is at present sixty-two (62) units, located in all 9 provinces within the borders of South Africa. Therefore, a nationwide audit is to be conducted at all Clubs/Messes within the SANDF.

5. The quantity of SANDF Bakeries, under the auspices of the Commercialised Clubs/Messes is at present ten (10) units, located in all 9 provinces within the borders of South Africa. Therefore a nationwide audit is to be conducted at all Bakeries within the SANDF.

6. The audit shall determine whether:

   a. Is there any benefit or upliftment for the living in members with the Commercialised Mess and/or bakery at the unit?

   b. Have the commercialised mess funds been utilised for the funding of the bakeries? If so, was it a recorded official loan to be paid back?

7. Investigate the entire process in order to determine whether the prescripts and policies were followed. Conduct an audit on the unit shopping lists, ration meeting minutes and compare unit strengths versus the finances received for ration purchases at the unit.

8. Determine and identify the official mandate for the establishment of the DOD Bakeries in respect of:

   a. Does a written ministerial authority or current agreement exist?

   b. Is there proper accounting in place for all equipment purchased?

9. Conduct a thorough comparison audit of unit strengths versus actual Commercialised mess claims.

10. Investigate the flow of finances from the Commercialised messes to each unit Account.

11. Determine whether any personal banking accounts are being used by the unit for ration purchases. Furthermore, determine whether NDPW authority is granted for building renovations with regard to conforming to bakery environment and standards?

12. Investigate whether units are complying to the instruction that each commercialised mess must annually provide Chief Logistics and Chief Finance Officer with financial statements.

13. Investigate whether any irregular or exorbitant gifts or bank transfers to questionable bank accounts have been conducted.

14. Establish whether action is being taken against any parties that may have breached the logistics instruction and/or not complying to prescripts contained within.

15. Identify any elements of fraud and corruption and identify culprits.

16. Conduct tracing of purchases and confirm if assets are still accounted for and in existence at the units.

17. Determine whether claims that are submitted to higher authority (Level 2) on a monthly basis, are verified for correctness and identify control measures in place prior to processing payment of invoices, as per LOG INSTR 81/2019 Par 31 and 32.

18. Determine if a company is utilised for security installations at the Messes and Bakeries, is it within the unit radius.

19. Determine whether any restrictions on monetary value of projects at the unit have been exceeded. If so, have they been authorised by higher authority (Level 2) to continue? Proof of submissions and authorisation must be provided, as per LOG INSTR 81/2019 Par 73 and 74.

20. Determine what regulates the use of temporary workers in the Commercial Messes.

21. Determine whether the commercialised mess purchasing official is delegated in writing and if any conflict of interests are declared, as per LOG INSTR 81/2019 Par 33.

22. Include findings and recommendations in comprehensive written forensic report.