



**forestry, fisheries
& the environment**

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA

INVITATION TO BID

BID REFERENCE NUMBER: MLRF222/26

THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICES FOR THE MARINE LIVING RESOURCES FUND (MLRF FOR A PERIOD OF THREE (3) YEARS

Contact person:

Name: Ms Pamela Mtintelwa & Ms Ncumisa Matiwane

Office Telephone No: 066 471 1471 /073 164 6415

E-Mail: MLRFTENDERS@DFFE.GOV.ZA

NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD) REGISTRATION INFORMATION

Company name	Supplier registration number	Unique reference number	
			Main contractor
			Sub-contracted/ joint venture comp 1

CLOSING DATE OF THE BID: 25th of SEPTEMBER 2026 AT 11H00

Compulsory Briefing session:

Compulsory briefing session will be held on the 15th of September 2026 (Tuesday) at 10h00. Link can be requested from MLRFTENDERS@DFFE.GOV.ZA

Or

<https://teams.microsoft.com/meet/392087073880225?p=BdlTM1N565IRRQ8TRw>

Meeting ID: 392 087 073 880 225

Passcode: Nr9UU2Rb

Drop off Address:

The location of the drop off is: Tender Box, Ground Floor, Foretrust Building, 2 Martin Hammerschlag Way, Foreshore, Cape Town, 8001.

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	MLRF222/26	CLOSING DATE:	25 September 2026	CLOSING TIME:	11:00
DESCRIPTION	THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICES FOR THE MARINE LIVING RESOURCES FUND (MLRF FOR A PERIOD OF THREE (3) YEARS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
GROUND FLOOR, FORETRUST BUILDING					
MARTIN HAMMERSCHLAG WAY					
FORESHORE, CAPE TOWN, 8001					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Ms Pamela Mtintelwa		CONTACT PERSON	Ms Ncumisa Matiwane	
TELEPHONE NUMBER	066 471 1471		TELEPHONE NUMBER	073 164 6415	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	MLRFtenders@dffe.gov.za		E-MAIL ADDRESS	MLRFtenders@dffe.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT ☐ Yes ☐ No		[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					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	

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

☐ YES ☐ NO

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

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 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:

.....



TAX CLEARANCE

TCC 001

Application for a Tax Clearance Certificate**Purpose**Select the applicable option Tenders ☐ Good standing ☐

If "Good standing", please state the purpose of this application

Particulars of applicant

Name/Legal name (Initials & Surname or registered name)	
Trading name (if applicable)	
ID/Passport no	Company/Close Corp. registered no
Income Tax ref no	PAYE ref no 7
VAT registration no 4	SDL ref no L
Customs code	UIF ref no U
Telephone no	Fax no
E-mail address	
Physical address	
Postal address	

Particulars of representative (Public Officer/Trustee/Partner)

Surname	
First names	
ID/Passport no	Income Tax ref no
Telephone no	Fax no
E-mail address	
Physical address	

Particulars of tender (If applicable)Tender number Estimated Tender amount R Expected duration of the tender year(s)**Particulars of the 3 largest contracts previously awarded**

Date started	Date finalised	Principal	Contact person	Telephone number	Amount

AuditAre you currently aware of any Audit investigation against you/the company? YES NO
If "YES" provide details

Appointment of representative/agent (Power of Attorney)I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

Date

Name of representative/agent **Declaration**

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

Date

Name of applicant/Public Officer **Notes:**

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
 - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - without just cause shown by him, refuses or neglects to-
 - furnish, produce or make available any information, documents or things;
 - reply to or answer truly and fully, any questions put to him ...
 As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
- Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO.: MLRF222/26

CLOSING TIME 11:00

CLOSING DATE: 25 September 2026

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

ITEM CURRENCY NO INCLUDED)	DESCRIPTION	BID PRICE IN RSA **(ALL APPLICABLE TAXES
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THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICES FOR THE MARINE LIVING RESOURCES FUND (MLRF FOR A PERIOD OF THREE (3) YEARS

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

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

R.....

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

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

.....

R.....

.....

.....

R.....

.....

.....

R.....

.....

.....

R.....

.....

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R.....

.....

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

.....

R..... days

.....

R..... days

.....

R..... days

.....

R..... days

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

Name of Bidder:

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

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

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

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

6. Period required for commencement with project after acceptance of bid
7. Estimated man-days for completion of project
8. Are the rates quoted firm for the full period of contract? *YES/NO
9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.
.....
.....
.....

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT – THE MARINE LIVING RESOURCE FUND

Contact person: Ms. Ncumisa Matiwane & Ms. Pamela Mtintelwa
Contact Number: 066 471 1471 / 073 164 6415
E-mail: MLRFTENDERS@DFFE.GOV.ZA

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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 and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

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

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

- 2.2 Do you, or any person connected with the bidder, have a relationship

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.

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- 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	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

- P_s = Points scored for price of tender under consideration
- P_t = Price of tender under consideration
- P_{min} = 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:

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) & \text{or} & Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \end{array}$$

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (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)
51% black ownership	N/A	8	N/A	
50% women ownership	N/A	4	N/A	
Youth ownership	N/A	4	N/A	
Disability	N/A	4	N/A	
Non- compliant contributor	N/A	0	N/A	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One-person business/sole propriety

Close corporation

Public Company

Personal Liability Company

(Pty) Limited

Non-Profit Company

State Owned Company

[TICK APPLICABLE BOX]

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

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

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

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

Annexure A

GOVERNMENT PROCUREMENT GENERAL CONDITIONS OF CONTRACT July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

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

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.
- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,

security

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

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

**8. Inspections,
tests and
analyses**

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

may have against the supplier under the contract.

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|---|---|
| 16. Payment | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>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.</p> |
| 18. Contract amendments | <p>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.</p> |
| 19. Assignment | <p>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.</p> |
| 20. Subcontracts | <p>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.</p> |
| 21. Delays in the supplier's performance | <p>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.</p> <p>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.</p> <p>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.</p> <p>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</p> |

available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

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

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

**25. Force
Majeure**

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

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

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

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

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

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

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

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

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

**28. Limitation of
liability**

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

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

		(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
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.
33. National Industrial Participation Programme (NIP)	33.1	The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34. Prohibition of Restrictive practices	34.1	In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
	34.2	If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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

Foretrust Building, Martin Hammerschlag Way, Foreshore, Cape Town, 8001 or Private Bag X2, Vlaeberg, 8018.

MLRF ENTITY MAINTENANCE AND CREDIT ORDER INSTRUCTION

(Please complete or mark with a "X" in black ink where applicable. A bank stamp is required to verify your banking details or alternatively an account confirmation letter from the bank can be submitted.

TAKE-ON	NEW	UPDATE	ENTITY TYPE	BUSINESS	DEPARTMENT	EMPLOYEE	OTHER
FROM: CREDITOR / ENTITY (DETAILS)	TITLE						
	SURNAME						
	FIRST NAME/S						
	BUSINESS NAME						
	TRADING NAME						
	BUSINESS REG No.						
	VAT REGISTERED	Y	N				
	VAT REGISTRATION NO. ID NO.						
DEPARTMENT NAME							
PERSAL NO.*	* For employees only						
CONTACT DETAILS	STREET / PHYSICAL ADDRESS						
	POSTAL CODE						
	POSTAL ADDRESS						
POSTAL CODE							
BUSINESS TELEPHONE No.							
DIALLING CODE							
BUSINESS FACSIMILE No.							
DIALLING CODE							
NAME OF CONTACT PERSON							
E-MAIL ADDRESS							
CELLULAR TELEPHONE No.							
DETAILS OF FINANCIAL INSTITUTION FOR ELECTRONIC BANKING TRANSFERS:				BANK DATE STAMP (NOT REQUIRED IF ACCOUNT CONFIRMATION LETTER SUBMITTED)			
BANK NAME:							
BRANCH NAME & CITY/TOWN							
BRANCH NUMBER/CODE							
ACCOUNT NUMBER							
ACCOUNT TYPE	CURRENT	SAVINGS	TRANSMISSION				
I / We hereby request, instruct and authorise you to pay any amounts which may accrue to me / us to the credit of my / our account with the abovementioned bank. I / we understand that the credit transfers hereby authorised will be processed electronically through a system known as the "ACB ELECTRONIC FUNDS TRANSFER SERVICE", and I/we also understand that no additional advice of payment will be provided by my/our bank. Details of each payment will be printed on my/our bank statement or any accompanying voucher. I / We understand that a payment advice will be supplied by the Marine Living Resource Fund in the normal way, and that it will indicate the date on which funds will be available in my / our account. This authority may be cancelled / changed by giving prior written notice, by way of registered post or facsimile.							
SIGNATURE OF AUTHORISED PERSON				POSITION HELD			
PRINT NAME OF AUTHORIZED PERSON				DATE (DD/MM/YYYY):			



forestry, fisheries & the environment

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA

THE MARINE LIVING RESOURCES FUND, A SCHEDULE 3A PUBLIC ENTITY ESTABLISHED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999 (ACT NO 1 of 1999) AND THE DEPARTMENT OF FORESTRY, FISHERIES AND ENVIRONMENT ("DFFE") (IN ITS COMMITMENT TO THE PRINCIPLES ENSHRINED IN THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, 1996) ADHERES TO THE PROVISIONS OF THE BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT, 53 OF 2003 (B-BBEE), THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 5 OF 2000 ("PPPF") AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

TERMS OF REFERENCE

FOR THE APPOINTMENT OF THE PROFESSIONAL SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE FOR THE MARINE LIVING RESOURCES FUND (MLRF) FOR A PERIOD OF THREE (3) YEARS.

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1. PURPOSE

- 1.1 The purpose of this Request for Bid (RFB) is to obtain bids from prospective independent service providers for the provision of a co-source Internal Audit (IA) service at the Marine Living Resource Fund (MLRF) for a period of three (3) years.
- 1.2 In all cases, it is important that staff of the Directorate: Internal Audit (DIA) are empowered in the process of carrying out the assignment. Staff must develop appropriate skills and experience in their interaction with the relevant appointed service provider which will decrease the necessity in the need for future assignments of this nature. A detailed skills transfer plan will have to be submitted with the proposal.
- 1.3 Bidders should note that the Department/MLRF will monitor the process very closely and that bidders will be required to submit a collaborative progress or status report on a quarterly basis and present such to Audit Committee (AC) as and when required.

2. INTRODUCTION AND BACKGROUND

- 2.1 Section 51 of the Public Finance Management Act, 1999 (Act No.1 of 1999), paragraph 1(a)(ii) indicates that "An Accounting Authority for Public Entity must ensure that the Public Entity has and maintains a system of Internal Audit under the control and direction of an Audit Committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77.
- 2.2 Regulation 27.2.2. of the Treasury Regulation states that "All public entities to which these regulations apply must have an Internal Audit function".
- 2.3 Currently the Marine Living Resources Fund (MLRF) has an Internal Audit function which report to the Internal Audit function situated in the Office of the DG.
- 2.4 However, the structure is limited and additional capacity is required to full fill all the Internal Audit requirements for the MLRF.
- 2.5 It is against this background that the MLRF require the services of a service provider to provide internal audit services to the MLRF.
- 2.6 The external audit services are performed by the Office of the Auditor-General of South Africa (AGSA). The Internal Audit team is expected to liaise closely with the Office of the AGSA to avoid unnecessary duplication of audit work.

3. OBJECTIVES

- 3.1. The objective is to appoint a suitable service provider for Internal Audit services at the Marine Living Resources Fund in cooperation with Management, the DIA, AC and the AGSA. The awarded service provider will be required to attend meetings with the DIA, AC and Director-General or his/her delegate.

- 3.2. The awarded service providers should fulfil all requirements pertaining to internal audit in line with the PFMA, Treasury Regulations and the Institute of Internal Auditors (IIA) Standards, as well as the scope of the MLRF Internal Audit Charter and Methodology, which will contribute to the achievement of the Marine Living Resources Fund's clean audit.

4. SCOPE AND EXTENT OF WORK

- 4.1 The work of the co-sourced IA service includes at least the under-mentioned. Any other functions that may be required by the service provider may be offered and/or clearly defined.
- 4.2 **The co-sourced service provider, in consultation with the Directorate: Internal Audit and the Audit and Committee (AC), will provide input for the following:**
- 4.2.1 The rolling three (3)-year strategic IA plan based on an assessment of key risk areas of the MLRF, having regard to its current operations, the proposed operations in the MLRF's strategic plan and its risk management strategy.
 - 4.2.2 The risk-based annual operational IA plan.
 - 4.2.3 Plans indicating the scope, cost and timelines of each audit area contained in the annual operational plan mentioned in (b) above.
 - 4.2.4 Progress reports to the AC detailing its performance against the IA plans to allow effective monitoring and intervention.
 - 4.2.5 The co-sourced service provider will ensure that audits, as planned in the IA plan, are performed in line with the MLRF Internal Audit methodology and the Institute of Internal Audit standards.
 - 4.2.6 The IA function must coordinate with other internal and external assurance providers to ensure adequate coverage and to minimise duplications.
- 4.3 The IA function must assist Management in maintaining effective controls by evaluating the control environment, the system of internal control through audit assignments and providing recommendations for the enhancement of existing processes through which:
- 4.3.1 Objectives and values are established and communicated.
 - 4.3.2 Achievement of objectives is monitored.
 - 4.3.3 Accountability is ensured.
 - 4.3.4 Corporate values are preserved.
 - 4.3.5 The adequacy and effectiveness of the system of internal controls are reviewed and appraised.
 - 4.3.6 The relevance, reliability and integrity of management, financial and operating data and reports are appraised.

- 4.3.7 Systems established to ensure compliance with policies, plans, procedures, statutory requirements and regulations, which could have a significant impact on operations.
 - 4.3.8 The safeguarding assets are reviewed and, as appropriate, verifying the existence of such assets.
 - 4.3.9 The economy, efficiency and effectiveness with which resources are employed are appraised.
 - 4.3.10 The results of operations or programmes are reviewed to ascertain whether results are consistent with the MLRF's established objectives and goals, whether the operations or programmes are being carried out as planned.
 - 4.3.11 The adequacy of established systems and procedures are assessed.
- 4.4 In planning and conducting its work, the service provider should seek to identify serious defects in the internal controls, which might result in possible maladministration. Any such defects must be reported immediately to the Director: Internal Audit (DIA), Director-General (DG) and/or the AC, without disclosing said defects to any other staff member. This also applies to instances where fraudulent irregularities are uncovered.
- 4.5 The awarded service provider shall provide a transfer of skills plan to in-house internal team, including approach to how this will be tracked.
- 4.6 The proposed experts and audit team to be deployed to the MLRF should be registered with the Institute of Internal Auditors and other relevant professional bodies.
- 4.7 The Curriculum Vitae (CVs) for proposed experts or audit team and the service provider must guarantee the availability of the same skill and experience should an audit team member have to leave the project.
- 4.8 In addition to the above, the skills, including but not limited to the below, are required:
- 4.8.1 The project requires the services of service provider possessing practical and technical competencies in Internal Auditing.
 - 4.8.2 Understanding of the International Standards of Professional Practice in Internal Auditing and including but not limited to extensive experience in conducting IT and Financial Internal Audits engagements in the public sector;
 - 4.8.3 A thorough understanding of the Public Finance Management Act (PFMA) and National Treasury Regulations, and Project Management skills and experience.

5. EXPECTED DELIVERABLES / OUTCOMES

5.1 Performance of audit assignments

- 5.1.1 All audit assignments are to be carried out according to the three-year strategic IA plan, as approved by Management and the AC. Each audit assignment should at least consist of the following:
 - a) Pre-audit survey.

- b) An engagement/notification letter.
- c) Audit Planning Memorandum (APM).
- d) Minutes of opening and closing meetings.
- e) Risk assessment document.
- f) Systems description/documentation.
- g) Audit programmes.
- h) Sampling methodology.
- i) Mechanisms for follow-up on progress of the implementation of management agreed action plans and feedback to Management and the AC.
- j) Mechanism to ensure that working papers are reviewed at the appropriate level.
- k) Record of work performed (Audit Working Papers).
- l) Audit findings, root cause, the impact of risk, audit recommendations and management agreed action plans/dates.
- m) Reporting (draft IA report and final IA report).
- n) Presentation of the significant findings and critical audit findings to Management and/or the AC.
- o) Follow-up of previously reported internal/external audit findings.

5.2 Reporting Requirements

5.2.1 The structure of IA reports submitted by the co-sourced IA service provider should be as follows (Template to be shared with service provider on appointment):

- a) Introduction.
- b) Audit objectives and scope.
- c) Background.
- d) Executive summary highlighting significant and critical findings.
- e) Findings, audit recommendations and agreed management action plans, including implementation dates.
- f) Conclusion and/or audit opinion.
- g) The co-sourced service provider is to deliver to the MLRF electronic copies of the final IA report for onward submission to the DG, AC and other interested parties as per the distribution list.
- h) The service provider will ensure that the working paper files conform to the Standards for the Professional Practice of the Institute of Internal Auditors (IIA Standards). The original working paper files, reviewed at the senior official and such shall become the property of the MLRF and must be delivered with the final IA report.

5.3 Audit and Risk Committee Administration Requirements:

5.3.1 The service provider will assist with documenting of the minutes for the Audit Committee.

6. PERIOD / DURATION OF APPOINTMENT/ASSIGNMENT

- 6.1 The contract with the appointed Service Provider will run for a period of three (3) years and will commence as agreed in the Memorandum of Agreement (MOA) signed between the MLRF and the Service Provider.

7. COSTING / COMPREHENSIVE BUDGET

- 7.1 A comprehensive budget must be provided inclusive of all disbursement costs, expenses and VAT (SBD 3.3 for detailed and **Annexure A - Price Schedule Guidance**). **Service provider must quote for all activities.**
- 7.2 Bidders must utilise the attached SBD 3.3 and **Annexure A - Price Schedule Guidance** to provide a breakdown of the hourly tariff per Resource category, for the specified estimated hours, as required for the service, an estimated percentage of disbursements not exceeding 7% and Value Added Tax (VAT) where applicable, per year for the period of three (3) years. The MLRF has estimated total of 3000 hours per year for evaluation purposes. In the event that a Expert is required as per 4.4 of the TOR, then the hourly rate for Engagement Manager/ Project Leader/ Senior Internal Auditors/Supervisor will be applicable. For minute taking for the Audit and Risk meetings, the Internal Auditor hourly rate will be applicable.
- 7.3 The award will be based on the **RATES** that will be provided by bidders using the breakdown listed in **Annexure A**, as such forms an integral part of contract. The actual number of hours to be spent on this project will depend on the actual need during project execution stage. Failure to comply will results in your bid being considered non-responsive.
- 7.4 In the event that an audit requires travel to another province or office of the MLRF other than Head Office in Cape Town , reasonable travel expenses may be claimed by the bidder according to National Treasury rates.
- 7.5 Expenditure incurred without the prior approval of the MLRF will not be reimbursed.
- 7.6 The MLRF shall not pay for any unproductive or duplicated time spent by the service provider on any assignment as a result of staff changes, sub-contracting or re-drafting of reports due to errors, corrections or incorrect/incomplete findings.
- 7.7 MLRF reserve the right to negotiate with preferred bidder/s identified in the evaluation process, regarding any terms and conditions, including prices without offering the same opportunity to any other bidder/s who has not been awarded the status of the preferred bidder/s.
- 7.8 MLRF reserve the right to benchmark and negotiate rates with successful bidder before award.

- 7.9 The validity period is 120 calendar days from the closing date of the bid. The MLRF reserves the right to extend the validity of the bid, where a written letter will be sent to every bidder that responds to the bid. In terms of procedural fairness, the bidder will be allowed to respond, in writing, to the terms and conditions of the bid and the bid price. Such acceptance of the terms and conditions of the bid and bid price becomes legally binding in the procurement process. Any bidder that did not respond to the extension of the bid validity period in writing will not be considered further for the bid upon the expiry of the initial validity period.
- 7.10 **NOTE:** Where applicable, modification (Increase/ Decrease) of the given total capped hours on the pricing schedule is **strictly prohibited**. However, bidders are allowed to be innovative in allocating the hours across the line items or activities, with the total capped hours remaining the same as provided by MLRF. Bidders who fail to comply with the requirements will be considered non-responsive and not further evaluated.

8. INFORMATION SESSION

- | | | |
|------|--|---|
| 8.1. | Is the briefing session applicable? | <div style="border: 1px solid black; padding: 2px 10px; display: inline-block;">NO</div> |
| 8.2. | Is it a compulsory briefing session? | <div style="border: 1px solid black; padding: 2px 10px; display: inline-block;">N/A</div> |
| 8.3. | Request for clarification of the tender document, questions, or queries, if necessary, must be submitted to the MLRF email as listed under technical enquiries at least seven (07) calendar days before the stipulated closing date and time of the tender in writing. However, MLRF shall not be liable nor assume liability for failure to respond to any questions and/or queries raised by the bidder. | |

9. EVALUATION METHOD

- 9.1. The evaluation for this bid will be carried out in four (4) phases:
- Phase 1: Pre-compliance
 - Phase 2: Mandatory Requirement
 - Phase 3: Functional and Technical Evaluation Criteria
 - Phase 4: Price and B-BBEE
- 9.2. **PHASE 1: PRE-COMPLIANCE**
- 9.2.1 During this phase, bid documents will be reviewed to determine compliance with SCM returnable documents, tax matters, and whether proof of registration on the Central Supplier Database (CSD) has been submitted with the bid documents at the closing date and time of the bid.
- 9.2.2 The bid proposal will be screened for compliance with administrative requirements as indicated below:

ITEM NO.	ADMINISTRATIVE REQUIREMENTS	CHECK/ COMPLIANCE
1	Master Bid Document	Provided and bound
2	Electronic Copy (USB)	Same as the master bid document
3	SCM - SBD 1 - Invitation to Bid	Completed and signed
4	Tax Compliance and CSD Registration	Attached CSD registration number/ Proof of CSD registration and/ or SARS Tax Pin
5	SBD 3.3 - Pricing Schedule	Completed
6	SCM - SBD 4 – Bidders Disclosure	Completed and signed
7	SCM - SBD 6.1 - Preference Points Claim Form in terms of the Preferential Procurement Regulations 2022	Completed and signed, Valid B-BBEE Status Level Verification Certificate issued by SANAS, or Accredited Verification Agency, or B-BBEE Certificate issued by CIPC, or a Sworn Affidavit commissioned by the Commissioner of Oaths together with their bids and CSD report
8	In case of bids where Consortia / Joint Ventures, Consortia/ Joint Venture agreement signed by both parties must be submitted with bid proposal	JV agreement completed and signed, if applicable
9	Consent and Indemnity Form	Completed and signed
10	Letter of Authority to sign documents on behalf of the company.	Completed and signed

*

Note:

-MLRF/DFFE reserves the right to send a request for information (RFI) to a service provider in the event of non-submission or unclear or incomplete documentation and request a response within seven (7) days after the date of sending the RFI. If the document is not submitted or completed in full after the seven (7) days period, the MLRF/DFFE will reject proposals and these will not be further evaluated for Phase 2.

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9.3 PHASE 2: MANDATORY REQUIREMENTS

- 9.3.1 The mandatory requirements will apply, and bidders must submit all requirements indicated hereunder with the bid documents at the closing date and time of the bid. During this evaluation phase, the bidder's responses will be evaluated based on the documents submitted under mandatory requirements.
- 9.3.2 Bidders who fail to comply with or meet mandatory requirements will be disqualified and will not be evaluated further.
- 9.3.3 Only bidders who achieve a "Yes" for all mandatory requirements will proceed for evaluation to phase 3.
- 9.3.4 Bidders are required to complete the table below by answering YES or NO and attach proof of the document listed in the table below:

REQUIREMENTS	PROOF ATTACHED:	
	YES	NO
1. Bidder certification or Affiliation requirements The bidder must have enterprise membership or a Director, or Partner employed must be a Member of the Institute of Internal Auditors (IIA). Provide confirmation of a valid membership in the name of the company or director/partner which is employed, indicating the following: - Name of Enterprise or Director, or Partner, and - Confirmation that the IIA membership is still in good standing at time of closing of the bid. *Note the Director must be clearly identified on Organigram in bid submission.		
2. Bidder certification/ Affiliation requirements Bidder must have a Certified Internal Auditor (CIA) designation in the name of the Director/ Partner in charge of the project. Provide a copy of a valid professional certificate (CIA) of a director or partner who is employed, indicating the following: Directors or Partners name; and		

REQUIREMENTS	PROOF ATTACHED:	
	YES	NO
Issuing date/ Validity date (The Certificate needs to indicate expiry date or if not indicated, confirmation from IIA Global that CIA certificate is still valid at the closing of the bid). *The Director must be clearly identified on Organigram in bid submission.		

9.4 PHASE 3: FUNCTIONALITY CRITERIA

- 9.4.1 Only bid proposals that meets the mandatory requirements will be considered to be evaluated on functionality criteria.
- 9.4.2 The bidder must score a minimum of **75%** during Phase 3 (functionality) of the evaluation to qualify for Phase 4 of the evaluation, where only points for price and preference points will be considered.
- 9.4.3 Indicator: Actual score will be divided by 5 and multiplied by weight.
- 9.4.4 The following values/ indicators will be applicable when evaluating functionality:

GUIDELINES FOR CATEGORY CRITERIA	FUNCTIONALITY: (GUIDELINES FOR APPLICATION)	WEIGHT	
COMPANY'S RELATED EXPERIENCE WITH EVIDENCE OF SUCCESSFUL COMPLETION OF INTERNAL	Bidder(s) are required to demonstrate relevant experience in Internal Audit services in the public sector and the competency of the company for all successfully completed projects. Bidder (s) should submit a positive reference letter from clients on previous Internal Audit successfully completed projects. The completion certificates/ letters must be in the client's letterhead, indicating the type, duration of the project and the role of the bidder in that particular project. The letter must be signed by the client and have the details of the contact person.		
	Company experience in successfully executing and implementing co-sourced internal audit services projects.	Indicator	20

GUIDELINES FOR CATEGORY CRITERIA	FUNCTIONALITY: (GUIDELINES FOR APPLICATION)	CRITERIA	WEIGHT
AUDIT SERVICES IN THE PUBLIC SECTOR.	More than 5 successfully completed projects with more than 5 duly signed positive Completion certificates/References Letters.	5	
	5 successfully completed projects with 5 duly signed positive Completion certificates/References Letters.	4	
	4 successfully completed projects with 4 duly signed positive Completion certificates/References Letters.	3	
	3 successfully completed projects with 3 duly signed positive Completion certificates/References Letters.	2	
	2 successfully completed projects with 2 duly signed positive Completion certificates/References Letters.	1	
	Less than 2 successfully completed projects with less than 2 duly signed positive Completion certificates/References Letters, or no experience.	0	
QUALIFICATIONS OF THE ENGAGEMENT SENIOR MANAGER/DIRECTOR TO BE ASSIGNED TO THE PROJECT IN INTERNAL AUDIT IN THE PUBLIC SERVICE *Note the Senior Manager/Director must be clearly	Relevant Academic qualifications (Internal Audit, Risk Management and Finance/Accounting) for the Project Senior Manager/Director who will be key to the project or engagement.	Indicator	20
	A Masters qualification (s) (NQF 9)	5	
	A Honours degree/Postgraduate Diploma qualification (s) (NQF 8)	4	
	A degree or Advanced Diploma qualification (s) (NQF 7)	3	
	A three year national diploma (NQF 6)	2	
	No qualification (s) attached/ submitted	0	

GUIDELINES FOR CATEGORY CRITERIA	FUNCTIONALITY: (GUIDELINES FOR CRITERIA APPLICATION)		WEIGHT
identified on Organigram in bid submission.			
QUALIFICATIONS OF THE ENGAGEMENT MANAGER/TEAM LEADER TO BE ASSIGNED TO THE PROJECT INTERNAL AUDIT IN THE PUBLIC SERVICE **Note the team leader/manager must be clearly identified on Organigram in bid submission.	Relevant Academic qualifications (Internal Audit, Risk Management and Finance/Accounting) for the Engagement Manager /Team leader who will be key to the project or engagement.	Indicator	10
	A Masters qualification (s) (NQF 9)	5	
	A Honours degree or Postgraduate Diploma qualification (s) (NQF 8)	4	
	A degree or Advanced Diploma qualification (s) (NQF 7).	3	
	A three-year national diploma (NQF 6).	2	
	No qualification (s) attached/ submitted.	0	
	Certified Internal Auditor (CIA) for the Engagement Manager /Team leader who will be key to the project or engagement.	Indicator	10
	Certified Internal Auditor (CIA)	5	
	No qualification (s) attached/ submitted.	0	
EXPERIENCE OF THE SENIOR MANAGER/DIRECTOR TO BE ASSIGNED TO THE PROJECT IN INTERNAL	Bidder(s) are required to demonstrate that they have the necessary resources and technical expertise to undertake and successfully complete the project.		20
	Bidder(s) should submit a curriculum vitae (Annexure B) for the Senior Manager/Director proposed to be employed on the project. Curriculum vitae are to include specific details of the proposed individuals, including inter alia, relevant		

GUIDELINES FOR CATEGORY CRITERIA	FUNCTIONALITY: (GUIDELINES FOR CRITERIA APPLICATION)		WEIGHT
AUDIT IN THE PUBLIC SERVICE **Note the Senior Manager/Director or must be clearly identified on Organigram in bid submission.	experience and to include contactable references, and past experience in Internal Audit in the public service.		
	Experience of the Senior Manager/Director in Internal Audit in the Public Service.	Indicator	
	6 years or more experience	5	
	5 years or more but less than 6 years' experience	4	
	3 years or more but less than 5 years' experience	3	
	2 years or more but less than 3 years' experience	2	
	1 year or more but less than 2 years' experience	1	
	Less than 1 year experience or no experience	0	
CAPABILITY/ EXPERTISE AND EXPERIENCE OF THE ENGAGEMENT MANAGER/ TEAM LEADER TO BE ASSIGNED TO THE PROJECT IN INTERNAL AUDIT IN THE PUBLIC SERVICE *Note the Engagement Manager/team leader must be	Bidder(s) should submit a curriculum vitae (Annexure B) for the Engagement Manager/ Team Leader proposed to be employed on the project. Curriculum vitae are to include specific details of the proposed individual, including inter alia, relevant experience and to include contactable references, relevant qualifications, professional registration and past experience in Internal Audit in the public service.		20
	Experience of the Engagement Manager/Team leader in Internal Audit in the Public Service	Indicator	
	6 years or more experience	5	
	5 years or more but less than 6 years' experience	4	
	3 years or more but less than 5 years' experience	3	
	2 years or more but less than 3 years' experience	2	
	1 year or more but less than 2 years' experience	1	
	Less than 1 year experience or no experience	0	

GUIDELINES FOR CATEGORY CRITERIA	FUNCTIONALITY: (GUIDELINES FOR APPLICATION)	WEIGHT
clearly identified on Organigram in bid submission.		
TOTAL POINTS ON FUNCTIONALITY		100

9.5 PHASE 4: PRICE AND PREFERENCE POINTS (BELOW R50 MILLION)

9.5.1. The preference point system applicable for this bid is 80/20.

9.5.2. The following preference point system will be followed to advance the categories of persons:

- a. For contracts with a Rand value up to R50 000 000, a maximum of 20 points may be allocated for specific goals as contemplated above, provided that the lowest acceptable tender scores 80 points for price.
 - i. The applicable formula to be used is $Ps=80[1-(Pt-Pmin)/Pmin]$. Provided:

Ps = Points scored for the price of the tender under consideration.

Pt = Price of tender under consideration; and

Pmin = Price of the lowest applicable tender.
 - ii. A total of 20 points may be awarded to a tenderer as follows:

20 Points: if the Bidder has more than 50% (fifty percent) of Black people, Women, or people with disabilities

0 Points: for 50% and below ownership by stipulated categories of persons

9.5.3. The bid will be awarded to a bidder with the highest points on price and Preference Points on condition that they have met all phases of the evaluation criteria and complied with the tender requirements set out in the tender document. However, a contract may be awarded to a tenderer that did not score the highest points by section 2(1) of the PPPFA.

9.5.4. A maximum of 20 Points will be allocated for one of the specific goals below:

A.	PRICE	80
B.	Specific Goal	Number of points (20)

A.	PRICE	80
	51% black ownership	8
	50% women ownership	4
	Youth ownership	4
	Disability	4
	Non-compliant contributor	0

9.5.5. For service providers to claim preference points, the following must be adhered to:

- a) Submit a complete and signed SBD 6.1,
- b) Submit a valid B-BBEE Status Level Verification Certificate issued by SANAS, an Accredited Verification Agency, or B-BBEE Certificate issued by CIPC, or a Sworn Affidavit commissioned by the Commissioner of Oaths in the presence of the bidder together with their bids.
- c) Submit CSD Registration Report or MAAA number

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

10. BID SUBMISSION REQUIREMENTS

10.1 **All completed documentation must be returned to the Marine Living Resource Fund (MLRF) the entity of the Department of Forestry, Fisheries and the Environment (DFFE). The location of the drop off is: Tender Box, Ground Floor, Foretrust Building, 2 Martin Hammerschlag Way, Cape Town, 8000.**

10.2 Bidders should ensure that the following submission requirements, which will be needed for evaluation purposes are included in their bid proposal and are as follows:

10.2.1 The bidder must draft a table of content which will indicate where each document is located in the proposal.

10.2.2 The information in the CV (Annexure B) of the proposed Engagement Senior Manager/Director and Project Manager should include relevant experience in the chosen area of expertise.

10.2.3 If a resource provided for the project is not assigned a role on the CV Template (**Annexure B**) provided by the MLRF, that resource will not be allocated points, and if there are two different CVs for a resource, then the CV on the MLRF template will take precedence.

- 10.2.4 Contactable reference will be required on the CV template (**Annexure B**) as provided by the MLRF. Bidders are encouraged to provide the information to assist the evaluation committee with the assessment.
- 10.2.5 Project reference specifying the role played by the service provider in the listed projects or assignments.
- 10.2.6 An organigram listing names and roles of resources.
- 10.2.7 A detailed project plan with a clear indication of who will be responsible for the management of the assignment as well as its execution. The allocation of team members on the assignments should be based on the experience in delivering the scope of work as listed.
- 10.2.8 Standard bidding documents (SBD1, 3.3, 4 and 6.1).
- 10.2.9 Copy of Central Supplier Database (CSD) report
- 10.2.10 Tax PIN certificate from SARS.
- 10.2.11 Letter of Authority to sign documents on behalf of the company.
- 10.2.12 The proposal shall consist of two parts, namely the technical bid (master and 5 copies) and the pricing bid (master and 5 copies).
- 10.2.13 Pricing must be separated into fixed and variable components inclusive of VAT, as indicated in Section 10 of this document.
- 10.2.1 10.3 The proposal shall consist of two parts, namely the technical bid (master and 5 copies) and the pricing bid (master and 5 copies).

10.3 TWO-ENVELOPE SYSTEM - INSTRUCTIONS TO BIDDERS

- 10.3.1 Bidders must submit proposals in **two separate sealed envelopes**:

10.3.1.1 Envelope 1 – Technical / Compliance Proposal

10.3.1.2 Envelope 2 – Financial Proposal

- 10.3.1.3 Envelope 2 will only be opened if Envelope 1 meets the minimum functionality threshold.

- 10.3.1.4 Late or incomplete submissions will not be considered.

10.3.2 Envelope 1 – Technical/ Compliance Proposal

Administrative Compliance

- 10.3.2.1 Valid Tax Clearance Certificate (SARS)
- 10.3.2.2 Signed SBD forms and declarations
- 10.3.2.3 Proof of compliance with statutory requirements

Mandatory Requirements

- 10.3.2.4 Years of industry experience
- 10.3.2.5 Compliance with applicable legislation and standards

Functionality / Technical Evaluation

- 12.4.3.1. Bidders must provide detailed responses as per paragraph 11.4 above.

10.3.3 Envelope 2 – Financial Proposal

Pricing Schedule

12.5.1.1. Complete the attached pricing schedule (SBD 3.3)

12.5.1.2. Provide itemised costs, including VAT

Preferential Procurement Points

12.5.2.1. Submit valid BBEE certificate for scoring under 80/20 system

11. SPECIAL CONDITIONS OF CONTRACT

- 11.1 On appointment, the performance measures for the delivery of the agreed services will be closely monitored by MLRF.
- 11.2 The MLRF will not be held responsible for any costs incurred by the bidders in the preparation, presentation and submission of the proposal.
- 11.3 The appointed Contract Manager shall do the ongoing management of the Memorandum of Agreement (MOA).
- 11.4 All the conditions specified in the General Conditions of Contract (GCC) will apply and where the conditions in the special conditions of contract contradicts the conditions in the general conditions of contract, the special conditions of contract will prevail.
- 11.5 The bid proposals should be submitted with all required information containing technical information.
- 11.6 Travelling costs and time spent or incurred between home and office of the bidder and the MLRF office will not be for the account of MLRF.
- 11.7 Bidders failing to meet all the requirements will automatically be disqualified.
- 11.8 Suppliers /Service Providers are requested to submit the original and valid B-BBEE Status Level Verification Certificate or certified copies thereof issued by verification agencies accredited by SANAS only or an original or certified copy of DTI sworn affidavit in terms of Codes of good practice" indicating that service provider is an EME/ QSE.
- 11.9 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 11.10 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate proposal.
- 11.11 In the event that the application is made by a Joint Venture or Partnership, the accreditation credentials in name of joined entity should be submitted. Both members in the joint venture must meet the requirement of the proposal.
- 11.12 Poor or non-performance by the bidder will result in cancellation of the order and the MOA.
- 11.13 Should the service provider fail to perform, MLRF reserves the right to cancel the appointment of such service provider immediately and without any notice.

- 11.14 The performance measures for the delivery of the work by the service provider will be closely monitored by the Director Internal Audit, Director-General and the Audit Committee (AC).
- 11.15 The service provider will provide the DIA, DG or delegated official with weekly progress reports on the assignments outlined in the three-year IA plan.
- 11.16 The service provider will inform the DIA, DG or delegate immediately of any situation that may hinder the progress of the audit assignments.
- 11.17 The service provider will attend meetings to provide feedback and discuss the progress in terms of the IA plan as and when required by the MLRF.
- 11.18 The awarded service provider will be deployed at the MLRF and shall be based locally in Cape Town during the contract period.
- 11.19 The Director-General or delegated official shall do the ongoing performance management of the Service Level Agreement.
- 11.20 The service provider/s must guarantee the presence of the senior in charge of fieldwork throughout the duration of the contract. Prior to the appointment of a replacement, the MLRF must approve such appointment. If the senior has to leave the project, a period of at least a month is required, in which the senior must work parallel with the next person (senior consultant with similar expertise and equal years of experience) appointed able to transfer skills and knowledge.
- 11.21 All the conditions specified in the General Conditions of Contract (GCC) will apply and where the conditions in the special conditions of contract contradicts the conditions in the general conditions of contract the special conditions of contract will prevail.
- 11.22 Please take note that the Department is not bound to select any of the firms' submitting proposals. The Department reserves the right not to award any of the bids and not to award the contract to the lowest bidding price.
- 11.23 Bids shall remain valid and open for acceptance for a period of one hundred and twenty days (120) days from the bid submission date, plus any mutually agreed extension of the bid validity period. The Department may, in exceptional circumstances, request bidder (s) for an extension of the proposal validity period, prior to the expiry of the original proposal validity period. The request and the response thereto shall be made in writing. Bidder (s) agreeing to the request shall not be permitted to modify its proposal.
- 11.24 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 corporation with members' persons in the service of the state.
- 11.26 Before any work can commence the service level agreement must be signed by both parties (the MLRF and the successful bidder) as well as the issue of an official order and should there be any dispute regarding the finalisation of the agreement, the MLRF reserves the right to cancel the contract with no cost implications for the MLRF.
- 11.27 The evaluation of bids can only be done based on information provided to the MLRF.

- 11.28 The MLRF will consider Company and Individual(s) (Personnel) experience and Qualifications obtained within and outside the Republic of South Africa (RSA). For evaluation purposes, qualifications obtained outside the RSA must be accompanied by the SAQA Certificate of Evaluation (SCoE). The SCoE must indicate the recognition decision taken by SAQA concerning the foreign qualification and the comparability of that qualification with a South African qualification registered on the National Qualification Framework (NQF). Foreign qualifications that are not accompanied by the SCoE will not be considered for evaluation in this contract.
- 11.29 The recognition of foreign qualifications is in terms of the South African National Qualifications Framework (NQF), conducted by SAQA. SAQA derives this mandate from the NQF Act, 67 of 2008 (as amended) and performs the function according to the Policy and Criteria for Evaluating Foreign Qualifications within the South African NQF (as amended, 2017). (www.saq.org.za)"

12. PAYMENT TERMS

- 12.1 The MLRF undertakes to pay out in full or as per deliverables within 30 (thirty) days all valid claims for work done to its satisfaction upon presentation of a substantiated claim and the required reports stipulated in special conditions. No payment will be made where there is outstanding information/work not submitted by the Service Provider/s until that outstanding information is submitted.
- 12.2 Payment by the MLRF shall be made by means of an electronic transfer into the SP's bank account.
- 12.3 Payment requirements:
- 12.3.1 The successful Service Provider shall render services to the MLRF in accordance with the Project Plan and Project Scope.
 - 12.3.2 The amounts are inclusive of VAT, and all disbursements shall be paid in South African Rands.
 - 12.3.3 MLRF reserves the right to, after consultation with the successful Service Provider, increase, reduce or cancel the budget.
 - 12.3.4 Disbursements of project funding will be agreed on for each project and disbursements will be made on agreed and verified deliverables and indicators (targets) that are included in the Project Plan
 - 12.3.5 The successful Service Provider shall provide the MLRF with an original tax invoice for the services rendered. Once the MLRF has approved such an invoice and is satisfied with the services rendered as outlined in the Project Plan, it will make payment to the successful Service Provider within 30 days of approval of such a request.
 - 12.3.6 The successful Service Provider are required to submit the following documents with each invoice;
 - Acting letter of the manager of SP (if applicable)
 - Monthly/Period Project Progress Report

12.3.7 MLRF requires that a new order number be raised after 1 April of each of the financial years of the contract period.

13 ENQUIRIES

13.1 Should you require any further information in this regard, please do not hesitate to email:

Name	Email address
Ms Ncumisa Matiwane	MLRFtenders@dffe.gov.za
Ms. Pamela Mtintelwa	

**Bidders should use "MRLFNNN: Enquiries" as the subject of the email.*

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14 ANNEXURE A: PRICING SCHEDULE

- 14.1 Services must be quoted in accordance with the Project deliverables in section 5 of the TOR. The indicated **3000 hours per annum is only for evaluation purposes**. Table to be completed in full.

YEAR 1				
RESOURCES	Required Qualification	ALLOCATED HOURS	RATES PER HOUR EXCL VAT (Fixed and Firm for 12 months)	TOTAL PRICE EXCL. VAT
Director/Partner	Certified Internal Auditor (CIA) with Post graduate diploma/Honours degree or above	250	R	R
Manager/ Senior Internal Auditors/Supervisor	B Tech/ Advanced Diploma / Degree or above with (CIA)	750	R	R
Internal Auditor	Relevant Bachelor Degree/B Tech in Auditing or Accounting	1000	R	R
Junior Internal Auditor	Under graduate Diploma in Auditing	1000	R	R
Total Hours		**3000		
Total Fees – Year 1				R
Disbursements limited to 7% of total year				R
VAT @ 15%				R
Total Project Cost – Year 1				R
Year 2				
RESOURCES	Required Qualification	ALLOCATED HOURS	RATES PER HOUR EXCL VAT (Fixed and	TOTAL PRICE EXCL. VAT

			Firm for 12 months)	
Director/Partner	Certified Internal Auditor (CIA) with Post graduate diploma/Honours degree or above	250	R	R
Manager/ Senior Internal Auditor/Supervisor	B Tech/ Advanced Diploma / Degree or above with CIA	750	R	R
Internal Auditor	Relevant Bachelor Degree/B Tech in Auditing or Accounting	1000	R	R
Junior Internal Auditor	Under graduate Diploma in Auditing	1000	R	R
Total Hours		**3000		
Total Fees – Year 2				R
Disbursements limited to 7%				R
VAT @ 15%				R
Total Project Cost – Year 2				R
Year 3				
RESOURCES	Required Qualification	ALLOCATED HOURS	RATES PER HOUR EXCL VAT (Fixed and Firm for 12 months)	TOTAL PRICE EXCL. VAT
Director/Partner	Certified Internal Auditor (CIA) with Post graduate diploma/Honours degree or above	250	R	R
Manager/ Senior Internal Auditor/Supervisor	B Tech/ Advanced Diploma / Degree or above with CIA	750	R	R

Internal Auditor	Relevant Bachelor Degree/B Tech in Auditing or Accounting	1000	R	R
Junior Internal Auditor	Under graduate Diploma in Auditing	1000	R	R
Total Hours		**3000		
Total Fees – Year 3				R
Disbursements limited to 7% of total fee year 3				R
VAT @ 15%				R
Total Project Cost – Year 3				R
Estimated Total Project Cost Year 1 to 3 which will be used for evaluation purposes				R

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15 ANNEXURE B – CV TEMPLATE

TO BE COMPLETED BY THE PROPOSED PROJECT TEAM LEADER AND ENGAGEMENT DIRECTOR

1. Surname	
2. Name	
3. National ID / Passport Number	
4. Contact Number	
5. Email Address	
6. Proposed role on the project	

7. Education:

Year Completed	Institution	Qualification(s) obtained	NQF Level

8. Language skills: Indicate competence on a scale from 1 (basic) to 5 (excellent)

Language	Reading	Speaking	Writing

9. Membership of professional bodies:

Name of professional body	Year joined	Membership Number

10. Other skills: (e.g. Computer literacy, etc.)

11. Present position:

Name of Employer	
Position	
Start Date, including month and year (DD/MM/YYYY)	
End Date, month and year (DD/MM/YYYY)	

12. Years within the institution:

13. Key experience relevant to the terms of reference: (List specific assignments relevant to the terms of reference)

Name of Employer	Name of Client	Role on Assignment	Client Reference (Provide contact person and contact details)	Date from (DD/MM/YYYY)	Date to (DD/MM/YYYY)	Description of key experience as per the requirements of the Terms of Reference

14. Professional experience:

Name of Employer	Date from (DD/MM/YYYY)	Date to (DD/MM/YYYY)	Reference (Provide contact person and contact details)	Position	Description of duties

15. Other relevant information (e.g. Publications)

16. Contactable References

