



**agriculture  
& rural development**

Department:  
agriculture  
& rural development  
**PROVINCE OF KWAZULU-NATAL**

**KWAZULU-NATAL DEPARTMENT OF AGRICULTURE AND RURAL  
DEVELOPMENT**

**Quotation No: R/S/2021/1987**

Appointment of consultant to provide assistance internal control preparation for  
2020/2021 Audit

NAME OF BIDDER: \_\_\_\_\_

NO COMPULSORY SITE BRIEFING	
DATE	
MEETING VENUE	
MEETING ADDRESS	
MEETING TIME	
START TIME	

**1. PRE-QUALIFICATION CRITERIA**

Evaluation will be in terms of the 80/20 preference point system

For more information, please contact the following official:

For: Technical Enquiries  
O NDLOVU  
033 355 9630

For: Quotation/SCM enquiries:  
Ms Bonnie Mabaso  
033-343 8311

**CLOSING DATE: 19 FEBRUARY 2021 TIME: 11:00 AM**



# agriculture & rural development

Department:  
agriculture  
& rural development  
**PROVINCE OF KWAZULU-NATAL**

## INVITATION OF QUOTATION ABOVE R30,000.00

THIS FORM SHOULD BE COMPLETED IN DETAIL AND SHOULD BE ACCOMPANIED BY A **VALID TAX COMPLIANCE STATUS PIN AND VALID BBEE VERIFICATION CERTIFICATE/AFFIDAVIT**

QUOTATION NUMBER: R/S/2021/1987	VALIDITY PERIOD OF QUOTATION..... Days (To be completed by the Supplier)
CLOSING DATE: 19 FEBRUARY 2021	CLOSING TIME:11H00
DESCRIPTION(SPECIFICATION/S) OF ITEMS/ SERVICE REQUIRED:  <b>APPOINTMENT OF CONSULTANT TO PROVIDE ASSISTANCE INTERNAL CONTROL IN PREPARATION FOR 2021/2021 AUDIT</b>	COMPANY NAME:  TEL NO: FAX NO:  CONTACT PERSON:  <b>CSD REG NUMBER MAAA.....</b>
DOES OFFER COMPLY WITH SPECIFICATION?	YES/NO (DELETE WHICH EVER IS NOT APPLICABLE)
DOES ARTICLE COMPLY WITH SABS SPECIFICATION? HAS IT BEEN INSPECTED BY SABS?	YES/NO YES/NO (DELETE WHICH EVER IS NOT APPLICABLE)
DELIVERY PERIOD AFTER INITIAL ORDER?	
IS THE PRICE FIRM	
WHERE ARE THE STOCK HELD? (PHYSICAL ADDRESS , PLEASE)	
QUOTATION PRICE INCLUDING VAT (VAT TO BE ADDED BY REGISTERED VAT VENDORS ONLY)	TOTAL: R .....
COMPANY OFFICIAL STAMP (COMPULSORY)	..... SIGNATURE OF BIDDER  ..... DATE
NUMBER OF PAGES FAXED BACK TO THE DEPARTMENT BY THE SUPPLIER	.....( Supplier to complete)

**NB:** QUOTATION FOR THE ATTENTION OF: BONNIE MABASO 033 3438311  
TENDER BOX -4 PIN OAK AVENUE, HILTON QUARRY

**NB:** THE ATTACHED SBD4, SBD 6.1, SBD 8 & SBD9 FORMS MUST BE COMPLETED IN FULL.  
THIS REQUEST FOR QUOTATION (RFQ) MUST BE COMPLETED AND RETURNED WITH ALL YOUR QUOTATION DOCUMENTS.

F

COMPANY NAME :  
 ADDRESS :  
 CONTACT PERSON :  
 CONTACT NUMBER :  
 FAX NUMBER :

LINE NO.	DESCRIPTION OR SPECIFICATION OF ITEM (Please be very specific and clear)	REQUIRED QUANTITY	UNIT PRICE EXCL. VAT		TOTAL PRICE	
			R	C	R	C
1.	Appointment of a consultant that will provide assistance to internal control in preparation for the 2020/21 audit	1 Intermediate resource 1 Junior Resource 1 Junior Resource				
* LABOUR (IF APPLICABLE)						
*DELIVERY (IF APPLICABLE)						
TOTAL						
*ONLY APPLICABLE TO VAT REGISTERED SUPPLIERS 15% VAT						
TOTAL PRICE						

\*VAT Registration No. (Supplier) \_\_\_\_\_  
 When Required (Requester) : 15 February 2021  
 Where Required (Requester): D217c, 1<sup>st</sup> Floor Main Building, Cedara  
 Contact details of requester:  
 TEL : 033 355 9630

COMPANY STAMP  


PRICES ARE VALID FOR  30  60  90  Mark one Box (X) DAYS

SIGNATURE .....  
 DATE .....



agriculture  
& rural development

Department:  
agriculture  
& rural development  
PROVINCE OF KWAZULU-NATAL

## **Request for Proposals (RFP)**

### **APPOINTMENT OF A CONSULTANT THAT WILL PROVIDE ASSISTANCE TO INTERNAL CONTROL IN PREPARATION FOR THE 2020/21 AUDIT**

#### **1. INTRODUCTION AND BACKGROUND**

- 1.1. Internal Control is preparing for the 2020/21 financial audit. The Internal Control team will be conducting an exercise of identifying the completeness of the irregular expenditure. This exercise will assist in making sure that the recorded irregular expenditure recorded is complete.
- 1.2. While Internal Control Section in conducting this exercise, the determination test for the already identified irregular expenditure from the previous years has to be conducted for presentation to the Irregular Expenditure Committee in preparation for condonation.
- 1.3. Therefore, there's extra capacity that is needed to assist with the determination test so that irregular expenditure can be reduced. It will also assist Internal Control to test validity, completeness and accuracy of reported performance information for the previous quarters. This extra capacity will be a support within the Internal Control Section and will be working with the Internal Control team and reporting to the Director Internal Control and Risk Management.

#### **2. SPECIFIC OBJECTIVES**

- 2.1. The objectives of appointing the Service Provider are as follows;
  - Assist in reviewing payment vouchers and bid documents for completeness and accuracy.
  - Assist Internal Control to test validity, completeness and accuracy of reported performance information.
  - Work with Internal Control in preparation for the 2020/21 audit.
  - Assist in the identification of irregular expenditure
  - Conduct determination test of identified irregular expenditure and present the outcome to Irregular Expenditure Committee.

### **3. SCOPE OF SERVICES**

- 3.1. Preparation for 2020/21 financial year audit by Auditor General.
- 3.2. Determination test of Irregular Expenditure as per cases on register.

### **4. PROPOSAL SUBMISSION**

- 4.1. Prospective Service Provider should submit detailed proposals on the date that will be determined on placement of the advertisement. Proposals should be deposited in the designated bid box at the Hilton Offices, Department of Agriculture and Rural Development (4 Pin Oak Avenue, Hilton, 4532.)
- 4.2. The proposal cover letters should clearly indicate the designated person to deal with all queries related to the proposal.

### **5. PROPOSAL FORMAT**

- 5.1. One original proposal should be submitted in the format outlined in Section 10, "Proposal Document Instructions."

### **6. QUESTIONS AND SITE VISITS**

- 6.1. Any questions should be submitted to Director Internal Control and Risk Management Mrs BN Bodlani on 033 355 9130.

### **7. CONTRACT TERMS**

- 7.1. The proposal should be on a fee basis as defined in Section 10, "Proposal Document Instructions."
- 7.2. All Service Providers submitting a proposal shall agree not to include a provision into a contract or agreement with the Department requiring the Department to hold harmless or indemnify any person, partnership, association, corporation or other form of entity.
- 7.3. By responding to the request for proposal (RFP), the firm is agreeing to the terms, conditions and requirements set forth herein, unless expressly noted in writing in the firm's written submission.

### **8. KEY PERIOD FOR THE PROPOSAL**

- 8.1. The RFP is not to be construed as creating a contractual relationship between the Department and any service provider submitting a response to this RFP.
- 8.2. The Department shall have no obligation or liability to any service provider responding to this RFP. All costs associated with responding to this RFP are borne solely by the respondent.
- 8.3. The Department may require follow-up oral interviews with selected Respondent.

- 8.4. The Department reserves the right to reject any or all responses, to modify the scope with one or more of the respondents, and waive any/all requirements which the Department deems to be in its or its employees' best interest.
- 8.5. By submitting this information, the service provider represents that it has examined and understands this RFP and has become fully informed of all the requirements of the RFP. All terms and conditions set forth in this document are accepted and must be incorporated in the submission unless explicit exception is made to individual items and accepted by the Department.
- 8.6. By submitting a response, the service provider represents that it has the ability to meet the requirements outlined herein.
- 8.7. After evaluation of the responses, the Department will make its selection based on the response which best meets the needs of the Department, in the sole discretion of the Department. The request for Proposals is not intended to create a public bidding process, and the proposal with the lowest quoted fees will not necessarily be accepted, nor will any reason for rejection of any proposal be indicated. The Department reserves the right to privately negotiate with any service provider with respect to the requirements outlined in this Request for Proposals.

## **9. PROPOSAL DOCUMENT INSTRUCTIONS**

### **General Requirements**

- 9.1. Proposals should include the following:
  - 9.1.1. Title page, including:
    - a.) The name, address, and phone number of the bidder's contact person
    - b.) The name and address of the firm

### **Table of contents**

- 9.2. Transmittal letter, including:
- 9.3. A brief statement as to the proposer's understanding of the work to be performed, the commitment to perform the work within the time period, and a statement as to why the firm believes it to be the best qualified to perform the engagement.
- 9.4. A signature of the person authorised to commit the firm.
- 9.5. Body of proposal – see below
- 9.6. Executed copies of Proposer Guarantee and Proposer Warranties, provided in the attachments, Appendix B.

## **10. BODY OF PROPOSAL**

- 10.1. The purpose of the proposal is to demonstrate the qualifications, competence, and capacity of the firms seeking to undertake an independent review of the areas in 1 above.
- 10.2. The substance of proposals will carry more weight than their form or manner of presentation.
- 10.3. The qualifications proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify the approach that will meet requirements of the request for proposals.

- 10.4. The proposal should address all the points outlined in the request for proposal. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposal.

***Independence***

- 10.5. The firm should provide an affirmative statement that it is independent of the Department of Agriculture and Rural Development as defined by current professional standards.

***Licensed to Practise in South Africa***

- 10.6. An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly registered/licensed to practise in South Africa.

***Firm Qualifications and Experience***

- 10.7. The proposal should state the size of the firm, the size of the firm's governmental practitioner staff and the location of the office which the function will be performed.

***Firm Joint Venture or Consortium***

- 10.8. If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve, as the principal Internal Auditor should be noted, if applicable.

***Senior Internal Auditor, Junior Internal Auditor, Senior Consultant, Consultant and Staff Qualifications and Experience***

- 10.9. The firm should identify the principal management and supervisory staff, including engagement Senior auditor, Junior Auditor, Consultant and other specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practise as an Auditor or Consultant in South Africa.
- 10.10. The firm also should provide information on the government experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organisations relevant performance of this task. Auditors/Consultants and specialists may be changed if those personnel leave firm, are promoted or are assigned to other clients or offices. These personnel may also be changed for other reasons. However, the Department retains the right to approve or reject replacements.

***Firm's similar engagements with other entities***

- 10.11. For the firm's office that will be assigned responsibility for the task required the most significant engagements (maximum of 5) performed in the last five (5) years that are similar to the engagement described in this request for proposals. (At least (3) of the engagements should be with government entities) Indicate the scope of work, dates of the engagements, name of engagement partner, total hours, and the name and telephone number of the principal client contact

***Specific Approach***

10.12. The proposal should set forth a work plan, including an explanation of the methodology to be followed, to perform the services required for proposal. Proposers will be required to provide the following information on their approach:

- i. Proposed segmentation of the engagement with anticipated frames for each segment.
- ii. Level of staff and number of hours to be assigned to each proposed segment of the engagement.
- iii. Approach to be taken to gain and document an understanding of Department's processes.

***Identification of Potential Problem Areas***

10.13. The proposal should identify and describe any anticipated potential problems, the firm's approach to resolving these problems and any special assistance that will be required by the Department.

***Total All-inclusive Price***

10.14. The proposal should contain all pricing information relative to performing the review engagement as described in this request for proposals. The total all-inclusive price to the bid/ quotation to contain all direct and indirect costs including all out-of-pocket expenses. The proposed total all-inclusive price should be documented in the format included in Appendix B.

10.15. The Department will not be responsible for costs incurred in preparing and submitting the technical proposal. Such costs should not be included on the proposal.

***Rates for Senior Internal Auditor, Junior Internal Auditor, Consultant and Staff***

10.16. The proposal should include a schedule of professional fees and expenses, presented in the format provided in the Cost Structure below that supports the total all-inclusive price.

***Out-of-pocket expenses for firm personnel (e.g. travel, lodging, meals, etc.)***

10.17. Should be included on the schedule of professional fees and expenses. All reimbursements will be charged against the total all-inclusive price submitted by the firm.

***Additional Professional Services***

10.18. If it should become necessary for the Department to request the Consultant to render any additional services to supplement the services requested in this request for proposals, then such additional work shall be performed only if set forth in an addendum to the contract between the Department and the firm.



## **11. SPECIAL PROGRAMS**

### **11.1. Prerogatives**

The Department reserves the following prerogatives.

- To reject any or all proposals
- To change the report due dates.
- To terminate the contract following 10 day's written notification to the firm.

### **11.2. Contract Period**

- The purchase of professional services contract shall apply to the compilation of the period ending August. Service Level Agreement (SLA) will be drawn with this effect.

### **11.3. Assignability**

- The Consultant Firm cannot transfer any interest or provide for the assignment of the purchase of professional services contract with any official (other than the Head of Department) either in whole or in part, without the expressed written permission and written consent of the Head of Department.

### **11.4. Payment**

- Payment for services rendered based upon receipt of an itemised statement from the firm. The itemised statement shall describe hours spent by each staff level. All billing amounts should be allocated to departments by the firm for appropriate costing based on actual hours spent or allocated to each section.
- All billings should indicate the percentage for work completed. Amounts billed of the maximum price will not exceed the percentage of completion. Not more than 70% of the fee will be paid prior to receipt of a draft copy of the report.

### **11.5. Ownership**

- All proposals and reports become the property of the Department upon submission, for use as deemed appropriate. Work papers must be available for references and reproduction by the Department for a period of three years for submission of the reports.

### **11.6. Confidentiality**

- All proposals, for the purpose of bidding, will be kept in strict confidence by the firm. The invitees and subsequently selected consulting firm may not issue news releases or other public notification regarding this project without prior approval from the Department.

### **11.7. Special Meetings**

- A planning meeting will be held prior to the start of the work. Progress meetings will be held as deemed necessary to gauge the progress and assist in facilitating the timely completion of the assignment.
- An exit meeting will be held at the end of the work performed to discuss close-out report. Scheduling of these meeting will be the responsibility of the consulting firm.

## **12. EVALUATION AND SELECTION OF PROPOSALS**

The evaluation of proposals will be performed in accordance with the criteria set forth at Appendix A. The following criteria will also be considered in the evaluation:

- 12.1. The methodology and approach
- 12.2. The firm is licensed to practise in The Republic of South Africa
- 12.3. The firm is independent
- 12.4. The firm has no conflicts of interest with regard to any other work performed for the Department
- 12.5. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal
- 12.6. The firm's past experience and performance on comparable engagements (include at least 3 references)
- 12.7. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for consultation
- 12.8. Other criteria as deemed prudent.
- 12.9. The Department reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

## **13. SUBCONTRACTING**

- 13.1. Firms are not permitted to subcontract or assign any part of the work covered under the scope of the engagement, without the express prior written consent of the Department.

## **14. B-BBEE COMPANIES**

- 14.1. Black-owned firms and women's business enterprises are encouraged to apply.

## **15. NATURE OF SERVICES REQUIRED**

- 15.1. The nature of services is reflected on paragraph 2 and 3

## **16. SCOPE OF WORK**

- 16.1. The scope is reflected in paragraph 3 above

## **17. REPORTS TO BE ISSUED**

Following the completion of the review, the firm shall issue:

- 17.1. A written report communicating all the findings, its quantification, cause, consequence and recommendations.
- 17.2. A letter to the Head of Department of any reportable conditions found during the review. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the functioning of the department.
- 17.3. Consultants shall be required to make an immediate written report to the Head of Department of all irregularities and illegal acts of which they become aware.

## **18. WORKING PAPER RETENTION AND ACCESS TO WORKING PAPER**

- 18.1. All working papers and reports must be retained, at the consultant's expense, for three (3) years, unless the firm is notified in writing by the Department of the need to extend the retention period. Consultants will be required to make working papers available, upon request, to the following parties or the designees:
  - 18.2. Executive Authority
  - 18.3. Head of Department
  - 18.4. In addition, the firm shall respond to the reasonable inquiries of successor consultants and allow successor consultants to review working papers relating to matters of continuing significance.

## **19. APPENDIX A**

- 19.1. After determining that a proposal satisfies the mandatory requirements stated in the request for services, the comparative assessment of the relative benefits and deficiencies of the proposal in relationship to published evaluation criteria shall be made by using subjective judgement. The award of a contract resulting from this request for law services shall be based on the best proposal received in accordance with the evaluation criteria stated below:
- 19.2. After an initial screening process of the RFP, a technical question-and-answer conference or interview may be conducted, if deemed necessary by the Department to clarify or verify the proposer's proposal and to develop a comprehensive assessment of the service.
- 19.3. All service providers who score less than minimum functionality score of (80) shall not be considered for next phase.

	<b>EVALUATION MATRIX</b>	<b>Points %</b>	<b>Means of Verification</b>
<b>1</b>	<p><b>Locality of the service provider</b></p> <ul style="list-style-type: none"> <li>❖ Office Operations within KwaZulu-Natal Borders = 15 points</li> <li>❖ Office Operations outside KwaZulu Natal = 05 points</li> </ul>	15	Municipality Bill, Business Letters or Lease Agreements
<b>2</b>	<p><b>Service Providers skills, competencies and experience</b></p> <p>Knowledge and previous experience <i>experience of Firm and Staff in comparable government engagements</i></p> <p><i>Engagement with State and/or local government activities with similar work</i></p> <ul style="list-style-type: none"> <li>❖ &lt; 3 years experience = 0 points</li> <li>❖ = 3 years experience = 5 points</li> <li>❖ &gt; 3 years experience = 15points</li> </ul>	15	<i>A short CV and/or Company Profile with specific reference to previous experience also to be included in presentation</i>
<b>3</b>	<p><b>Qualification of key personnel</b></p> <p>Accounting, Auditing Qualification of staff to be assigned to the assignment</p> <ul style="list-style-type: none"> <li>❖ NQF 8 or Above = 20 Points</li> <li>❖ NQF 7 = 15 Points</li> <li>❖ NQF 6 = 10 Points</li> </ul>	20	<i>CV &amp; related certified certificates/ registration</i>
<b>4</b>	<p><b>Proposal Methodology</b></p> <p>The bidder must demonstrate the thorough understanding of the service, its tasks and deliverables. This must be through a written proposal of:</p> <ul style="list-style-type: none"> <li>❖ The methodology to be used to carry out the scope of work outlined above.</li> <li>❖ Demonstration of an in-depth knowledge of audit review and risk assessment, how the project deliverables will be achieved.</li> <li>❖ Demonstrate the understanding of Government and sample through-flow.</li> <li>❖ Examples of previous plans produced.</li> <li>❖ The quality of the professional team assembled.</li> </ul>	30	Detailed Proposal document plus Presentation
<b>5</b>	<p><b>Financial Implications:</b></p> <p>Service provider should provide the rates of the following:</p> <ul style="list-style-type: none"> <li>❖ Hourly rate of onsite labour and show increased percentage to be charged</li> <li>❖ Hourly rate of travel time.</li> <li>❖ Kilometres driven (NB* The Department will only pay out to a maximum of the rates published by the Department of Transport).</li> </ul>	15	<i>Detailed Proposal document</i>

<b>6</b>	<b>Ability to deliver</b> <ul style="list-style-type: none"> <li>Financial resources to implement this service.</li> </ul>	<b>5</b>	<i>Good standing letter from the Bank</i>
	<b>TOTAL</b>	<b>100%</b>	

**APPENDIX B**

**PROPOSER WARRANTIES**

- A. Proposer warrants that it is willing and able to comply with the South African Laws.
- B. Proposer warrants that it has errors and omissions insurance policy with coverage of not less than R 1 000,000 for the wilful or negligent acts or omissions of any partners, officers, employees or agents thereof and proof shall be submitted upon award of the contract.
- C. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of official: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Firm: \_\_\_\_\_

Date: \_\_\_\_\_

Cost Structure:

The following table must be used to determine the proposed costing for the assignment:

<b>Level</b>	<b>Estimated Hours</b>	<b>Hourly rate</b>	<b>Amount</b>
<b>One (1) Intermediate Resource</b>	480 Hours		
<b>One (1) Junior Resource</b>	480 Hours		
<b>One (1) Junior Resource</b>	480 Hours		
<i>Disbursements:</i>			
<i>VAT (15%)</i>			
<b>TOTAL:</b>			

**DECLARATION OF INTEREST**

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

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

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

2.1 Full Name of bidder or his or her representative:

.....

2.2 Identity Number:

.....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member):

.....

2.4 ~~Registration number of company, enterprise, close corporation, partnership agreement or trust:~~

.....

2.5 Tax Reference Number:

.....

2.6 VAT Registration Number:

.....

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



<sup>1</sup>“State” means –

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

<sup>2</sup>“Shareholder” means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

**Please clearly indicate, with an ‘X’ only one box that is applicable to your business or firm**

2.7 Are you or any person connected with the bidder presently employed by the state?

YES	NO
-----	----

2.7.1 If so, furnish the following particulars:

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

.....

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

.....

Position occupied in the state institution:

.....

Any other particulars:

.....

2.7.2 If you are presently employed by the state, did you obtain

YES	NO
-----	----

the appropriate authority to undertake remunerative work outside employment in the public sector?

If yes, did you attach proof of such authority to the bid document?

YES	NO
-----	----

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

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

.....

.....

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

**YES** **NO**

2.8.1 If so, furnish particulars:

.....  
.....

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

**YES** **NO**

2.9.1 If so, furnish particulars.

.....  
.....

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

**YES** **NO**

2.10.1 If so, furnish particulars.

.....  
.....

**2.11** Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

**YES** **NO**

2.11.1 If so, furnish particulars:

.....  
.....



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

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Peral Number

**4 DECLARATION**

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

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Name of bidder

.....  
Position

.....  
Signature

.....  
Date

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

- 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

- a) The value of this bid is estimated to **exceed/not exceed** R50 000 000 (all applicable taxes included) and therefore the ..... preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser

## 2. DEFINITIONS

- (a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **"functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **"prices"** includes all applicable taxes less all unconditional discounts;
- (h) **"proof of B-BBEE status level of contributor"** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

## 3. POINTS AWARDED FOR PRICE

### 3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

## 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

**5. BID DECLARATION**

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

**6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)  
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME	QSE
Black people	√	√
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		

Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company (Pty) Limited

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

**8.6 COMPANY CLASSIFICATION**

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a

fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?  <b>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</b></p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?  <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		

4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

SBD 8

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME).....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION  
FORM IS TRUE AND CORRECT.**

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

Js365bW



## CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

---

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

I certify, on behalf of \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder