



National Empowerment Fund

RFP No: NEF 04/2025/26

**REQUEST FOR PROPOSAL: PROVISION OF
CO-SOURCE INTERNAL AUDIT SERVICES**

CLOSING DATE: 08 July 2025

TIME: 14H00

1. Proprietary Information:

The National Empowerment Fund (NEF) considers this Tender and all related information, either written or verbal, which is provided to the respondent, to be proprietary to NEF. It shall be kept confidential by the respondent and its officers, employees, agents and representatives. The respondent shall not disclose, publish, or advertise this specification or related information in part or as a whole to any third party without the prior written consent of NEF.

2. Enquiries

All communication and attempts to solicit information of any kind relative to this Tender should be channeled to the officials named below:

Contact persons (all questions should be in writing)

Commercial

Kedibone Mboweni

Supply Chain Management

Tel: +27 11 305 8000

Email: mbowenik@nefcorp.co.za

Technical

Roè Senaoana

Internal Audit Manager

011 305 8000

senaoanam@nefcorp.co.za

3. Medium of Communication

All the documentation submitted in response to this tender must be in English.

4. Verification of Documents

Bidders should check the numbers of pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by the NEF in regard to anything arising from the fact that pages are missing or duplicated.

5. Validity Period

Responses to this tender received from bidders will be valid for a period of **150** days counted from the closing date of the tender.

6. Briefing Session

A virtual **non-compulsory** briefing session will be held electronically on MS Teams on **26 June 2025** at 10:00 AM. To join the briefing session, names and email addresses must be submitted to before **12 noon** on tenders@nefcorp.co.za **24 June 2025**.

7. Submission of Tenders

- 7.1. Only properly filled and fully signed documents in line with the RFP requirements must be submitted on PDF format via email to tenders@nefcorp.co.za by no later than 14h00 on **08 July 2025**. No proposals will be accepted after cut-off date and time.
- 7.2. All enquiries regarding this RFP should also be directed to the following email addresses, tenders@nefcorp.co.za; senaoanam@nefcorp.co.za; mbowenik@nefcorp.co.za and tofilex@nefcorp.co.za. All questions will be responded to bidders within seven working (07) days from the date of issue, no questions will be responded after this cut-off time.
- 7.3. Only tenders received via email on the tenders@nefcorp.co.za address will be considered.
- 7.4. Where a tender document is not received at the time of the tender closing, such a tender document will be regarded as a late tender. Late tenders will not be considered.
- 7.5. The bidder is responsible for all the costs that shall be incurred in relation to the preparation and submission of the tender document.
- 7.6. A list of all references (minimum 3) with contact details must be included in the tender document.
- 7.7. Copies of qualifications, identity documents (IDs) and the curricula vitae (CVs) of persons who will be involved in the execution of this tender must be attached to the proposal.
- 7.8. The following information also needs to be provided with the tender document:
 - Names and details of senior management
 - Employment equity details of employees at an operational level
 - Percentage of ownership by number of:
 - Black ownership
 - Black women ownership

- Youth ownership

- 7.9. An original valid Tax Clearance certificate must be included in the tender document. Failure to submit a certificate would render your tender invalid.
- 7.10. Bidders are advised to submit / send its bid responses at least 15 minutes before the deadline to avoid any Information Technology (IT) network congestions or technical challenges in this regard which may result in bid responses being received late. NEF's e-mail servers are configured to receive e-mails with sizes up to **18MB**.
- 7.11. The NEF will not be held responsible for any of the following:
- bid responses sent to the incorrect email address;
 - bid responses being inaccessible due to non-standard electronic file formats being utilised to submit responses by bidders;
 - any security breaches and unlawful interception of tender / bid responses by third parties outside the NEF's IT network domain;
 - bid responses received late due to any IT network related congestions and/or technical challenges; and bid responses with file size limits greater than NEF's e-mail receipt capacity of **18MB**.
- 7.12. Copy/ies of any affiliations that you may have must be attached to the response to this tender.
- 7.13. Kindly note that the NEF is entitled to amend any RFP conditions, validity period, specifications, or extend the closing date of tenders before the closing date. All bidders, to whom the tender documents have been issued, will be advised in writing of such amendments within reasonable time after they are made.
- 7.14. The NEF reserves the right not to accept the lowest tender or any tender in part or in whole.
- 7.15. The NEF also reserves the right to award this tender to any party whom it decides as a whole or in part without furnishing reasons. The NEF reserves the right to withdraw this tender at any stage with or without giving reasons.
- 7.16. The bidder hereby offers to render all or any of the services described in this tender document to the NEF on the terms and conditions and in accordance with the specifications stipulated in this tender document. This tender document and the

bidders' response thereto shall form part of any service level agreement that may be concluded between the NEF and the bidder. In the event of conflict between such documents, the service level agreement shall take precedence over all other documents.

- 7.17. Tenders submitted by juristic persons or partnerships must be signed by a person or persons duly authorized thereto by a resolution of a board of such juristic person, a copy of which resolution, duly certified be submitted with the tender.
- 7.18. The bidder shall prepare for a possible presentation should NEF require such and the bidder shall be notified thereof no later than 4 (four) days before the actual presentation date.
- 7.19. The bidder hereby agrees that the offer herein shall remain binding upon him/her and will be open for acceptance by the NEF during the validity period indicated herein.
- 7.20. The bidder furthermore confirms that he/she has satisfied himself/herself as to the correctness and validity of his/her tender response, that the price(s) and rate(s) quoted cover all the work/item(s) specified in the tender response documents and that the price(s) and rate(s) cover all his/her obligations under a resulting contract and that he/she accepts that any mistakes regarding price(s) and calculations will be at his/her risk.
- 7.21. The bidder hereby accepts full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on him/her under this tender as the principal(s) liable for the due fulfillment of this tender and any contract that might be concluded pursuant hereto.
- 7.22. The NEF will treat your personal information as confidential and take all necessary steps to protect your information as required by the Protection of Personal Information Act of 2013. The NEF will only process your information (which involves but is not limited to collecting, collating, organising, disseminating and destroying) in the following circumstances:
 - where you have granted the necessary consent;
 - where we are required to do so by law;
 - where processing is necessary to protect our legitimate interests;
 - where it is necessary for the conclusion or performance of a contract to which

you are party; or

- where it is in the public interest to do so.

7.23 By signing this tender document (RFP), the bidder hereby consents to the use of their personal information which forms part of the tender process and as may be discovered by the NEF and confirm that the information is supplied voluntarily without undue influence from any party. Bidders acknowledge that they are aware of their right to access the information at a reasonable time for purposes of rectification or object to the processing of the information.

7.24 **Bidders are required to register on the National Treasury Database as per National Treasury Circular No 3 of 2015/2016 – Central Supplier Database (CSD).**

CONDITIONS AND UNDERTAKINGS BY BIDDERS IN RESPECT OF THIS TENDER

Name of your Company (in block letters)	
Signature(s) of the Bidders or assignee(s)	
Name of person signing (in block letters)	
Capacity	
Are you duly authorised to sign this tender?	
Company Registration Number	
VAT Registration Number	
Postal address (in block letters)	
Physical address (in block letters)	
<i>Domicillium citandi et executandi</i> in RSA (full) street address) (in block letters)	
Contact Person	
Telephone Number	
Cell Number	
E-mail	

SECTION: 2

TERMS OF REFERENCE /

SCOPE OF SERVICE

1. PREAMBLE

The National Empowerment Fund Act No.105 of 1998 established the National Empowerment Trust (NEF), for the purposes of promoting and facilitating economic equality and transformation, by providing development finance for Black Economic Empowerment (BEE) empowered South African businesses. The NEF operates under the umbrella of the Department of Trade, Industry and Competition (**the dtic**) and is committed to the Broad-Based Black Economic Empowerment Act 55 of 2003 and the Codes of Good Practice on BEE.

2. OVERALL OBJECTIVE

The objective of this tender is to appoint a co-source firm to assist the NEF Internal Audit Function in the execution of the approved internal audit plans.

The NEF has established a certain level of internal capacity, being supervisors and a manager.

The NEF manager and supervisors will be required to work on selected assignments with the outside service provider and together assist NEF management with the design of internal controls and be involved in selected special projects.

The proposal should indicate the approach that may be adopted as well as cost implications with assumptions. Pricing will be assessed on an average cost per hour basis.

3. CONTRACT PERIOD

The duration of the contract is anticipated to run for a period of 3 years, starting 1 April 2026. The work will mainly be performed at the NEF's premises in Sandton Johannesburg.

4. SCOPE OF PROJECT

The appointed firm of internal auditors will be required to:

- Provide co-source internal audit services to support the NEF Internal Audit Team.
- Co-source with NEF's Internal Audit Team on executing the annual internal audit plan based on NEF's Internal Audit Methodology.
- Assist in developing a three-year Internal Audit Strategic plan as required by Treasury Regulations. The plan should address the business and related risks.
- Develop a detailed annual operational plan indicating each assignment.
- Provide a proposed timeline (Gantt chart) for each annual operational plan.
- Propose annual budgets for the proposed operational plan.
- Discuss coverage with management and the audit committee.
- Perform risk-based internal audit control and compliance reviews in terms of the proposed internal audit plan.
- Perform audits in compliance with the Global Internal Auditing Standards as issued by the Institute of Internal Auditors and the NEF's Internal Audit Methodology.
- Maintain and apply quality assurance by adherence to Global Internal Auditing Standards QAIP requirements.
- Perform IT Audits such as General Computer Controls, Information Security Reviews, Pre and Post Implementation Reviews and Network Audits.
- Hold meetings with line management to ensure they are fully aware of the audit findings implications to business operations and subsequent recommendations.
- Provide a final report on the outcome and findings of audits with recommendations and agreed management corrective action for IA follow up.
- Provide risk mitigation and control advice to management regarding the management of risks, with a summarised report to the Audit committee.
- Provide summary reports to the audit committee on high-risk findings.
- Attend IST Steering committee and Audit Committee meetings and provide feedback on audits completed and management of risks.
- Provide overall annual conclusion for the audit committee on the audited control environment.
- Perform follow-up audits to verify all recommended remediations to prior audit findings
- Add value to NEF's business processes through providing management with in-depth knowledge, strategic and critical thinking in their role as an advisor to achieve

the organizations strategic objectives.

- Work closely with the external auditors and other assurance providers to ensure there is synergy of approach with little duplication of effort.
- Play a key role in managing the combined assurance model as recommended in King IV.
- Provide and implement a formal skills transfer process for NEF staff that improves the internal capacity of the function.
- Have capacity to deal with any special internal audit projects.
- Maintain audit files as the NEF Internal Audit Methodology document and ensure that all are the property of the NEF recommendations.

5. SPECIFICATION OF SKILLS REQUIRED

NEF requires that the successful bidder shall make use of dedicated internal audit resources who have a sound understanding of internal audit methodologies and techniques with practical experience on similar assignments, as well as a strong knowledge and understanding of government processes, systems, and practices.

The key requirements for the successful bidder includes the following:

- Have the necessary skills, knowledge, capacity, and resources to meet the needs of NEF and to carry out their obligations, including the availability of:
 - Technology Audit skills and tools.
 - The successful bidder must be able to demonstrate availability of in-house internal audit resources with the necessary qualifications, skills and knowledge specifically in IT and Risk Management.
 - The engagement Senior Manager must be directly involved in every engagement review undertaken at NEF. The engagement Senior Manager will regularly liaise with the NEF Internal Audit Manager.
- Demonstrate that they adhere to the IIA standards.

6. EXPECTED OUTCOMES AND DELIVERABLES

As indicated above the expected outcomes and deliverables will be:

- Three years rolling audit plan
- Detailed annual operational plan
- Gantt chart of timelines for plan for the year
- Detailed budgets
- Audit-working paper files for audits completed that comply with NEF's IA Methodology
- Reports for the audit committee
- Summary report for audit committee
- Attendance at audit committee meetings
- Annual conclusion on the control environment.
- Transfer of skills to NEF appointed internal audit staff.
- Value added advice to management regarding management of risks.
- Evidence of working closely with external auditors and other assurance providers to prevent duplication of effort, value added advice on combined assurance and integrated reporting.

7. QUALITY ASSURANCE REVIEWS OF THE WORK

The NEF reserves the right to review audit files on behalf of the audit committee. The appointed service provider will be expected to adhere to the requirements of Internal Audit Standards on quality assurance and the NEF Internal Audit Methodology.

8. MONITORING PROGRESS OF ASSIGNMENTS

The appointed firm will need to work closely with the Internal Audit Manager to ensure that the audit plan is risk based, audit plan is achieved and that if any NEF staff work on assignments under the management of the appointed firm, they receive adequate training and guidance.

The auditors will also be required to provide quarterly updates to the Audit committee regarding progress with achieving the audit plan.

9. INDEPENDENCE AND OBJECTIVITY OF STAFF

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

10. COMPETENCY AND EXPERTISE REQUIREMENTS

Preference will be given to firms registered with the Institute of Internal Auditors, South African Institute of Chartered Accountants and other relevant accredited professional bodies.

It is essential the service provider has knowledge and experience of working with a public entity.

The NEF also requires that the service provider has experience working in a financial services environment.

Experience in a development finance or venture capital environment will be advantageous.

11. LIST OF RETURNABLES

A bid document highlighting, but not limited to the following:

- Corporate profile that:
 - Details the company's experience in providing the required scope of services outlined above working with similar comparable organisations, including an overview of relevant current internal audit co-source client base.
 - Size and capability of dedicated in-house internal audit specialist teams in the company.
 - At least two case studies that highlight how the bidder has worked with relevant and comparable clients to successfully provide co-source internal audit services. The bidder should include references alongside the case studies. References may be sought in the final stages of bidder selection.
- Demonstrate operational effectiveness and governance including proposed core delivery team, inclusive of key roles and team resources to deliver the proposal.
- An overview of the bidder's proposed methodologies and tools to be used in

the engagement, including approach to quality assurance.

- The approach to project governance and progress reporting.
- Summary CVs or profiles of core delivery team members including key subject matter experts, where relevant.
- Professional body registration certificates of the company, including those of the proposed team of experts and their detailed CVs.
- Detailed costing proposal indicating fee structure per level of staff and the calculated average rate per hour. Any assumptions used in the calculations should be clearly identified. Costing may also indicate any additional charges, i.e reimbursive costs that may be applicable.

Other administrative returnables:

- A valid Tax Status Pin document
- BEE credentials / rating certificate
- Completed and signed documents as indicated in section 4 of this bid document.

12. EVALUATION CRITERIA

Tenders shall be evaluated in terms of the following parameters and shall be scored on the weightings stated below. **Phase 1: Technical:** Bidders will need to score a minimum of **49 out of 70 in technical** in order to qualify for further evaluation.

Evaluation Points Allocated: 0 points = Poor 1 point = Below average, 2 points = Average, 3 points = Good, 4 points = Very Good, 5 points = Excellent

Technical	70% Criteria Weighting
- Knowledge and any experience of the Development Finance Institution (DFI) environment 10 years experience of DFI environment (5 points) 8 - 9 years (4 points) 6 - 7 years (3 points) 4 - 5 years (2 points) 2 - 3 years (1 point) 1 year and below (0 point) <i>The Bidder must attach a minimum of three (03) Reference Letter(s), which are no older than 5 years, must be on the letterhead of the previously serviced client and should reflect at least name of the client, title of the related work conducted, year conducted and completed, contactable reference name and contact details and signed by the appropriate delegate. The Reference Letter must indicate the quality of the service rendered. NEF will contact the references to confirm the information in the reference letters</i>	10% Weighting
- Internal Audit experience and skills in a financial services environment: 10 years experience of internal audit in a financial services environment (5 points) 8 - 9 years (4 points) 6 - 7 years (3 points) 4 - 5 years (2 points) 2 - 3 years (1 point) 1 year and below (0 point) <i>The Bidder must attach a minimum of three (03) Reference Letter(s), which are no older than 5 years, must be on the</i>	10% Weighting

<i>letterhead of the previously serviced client and should reflect at least name of the client, title of the related work conducted, year conducted and completed, contactable reference name and contact details and signed by the appropriate delegate. The Reference Letter must indicate the quality of the service rendered. NEF will contact the references to confirm the information in the reference letters</i>	
<u>Capability, knowledge and relevant expertise of internal audit team to be involved in this assignment (qualifications, demonstrated skills and experience)</u> Detailed CV of the proposed staff must be submitted with the proposal, indicating the qualifications, professional body registration, years of relevant experience and employment history and certified copies (not older than 3 months) of all qualifications and memberships: Director IT <u>Score - (5 points)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 10 years or more Internal Audit experience in a DFI or financial services <u>Score - (4 points)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 8 – 9 years Internal Audit experience in a DFI or financial services <u>Score - (3 points)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 5 - 7 years Internal audit experience in a DFI or financial	10% Weighting

services <u>Score - (2 points)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 2 - 4 years Internal audit experience in a DFI or financial services <u>Score - (1 point)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 1 year Internal audit experience in a DFI or financial services <u>Score - (0 point)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 0 years Internal audit experience in a DFI or financial services	
<u>Capability, knowledge and relevant expertise of internal audit team to be involved in this assignment (qualifications, demonstrated skills and experience)</u> Detailed CV of the proposed staff must be submitted with the proposal, indicating the qualifications, professional body registration, years of relevant experience and employment history and certified copies (not older than 3 months) of all qualifications and memberships: Senior Manager IT <u>Score - (5 points)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 10 years or more Internal audit experience in a DFI or financial	10% Weighting

services <u>Score - (4 points)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 8 - 9 years Internal audit experience in a DFI or financial services <u>Score - (3 points)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 5 - 7 years Internal audit experience in a DFI or financial services <u>Score - (2 points)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 2 - 4 years Internal audit experience in a DFI or financial services <u>Score - (1 point)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • <=1 years Internal audit experience in a DFI or financial services <u>Score - (0 points)</u> • CA(SA)/CIA/CISA • Post graduate degree specialised in Internal Audit, IT and/or Risk Management experience • 0 years Internal audit experience in a DFI or financial services	
<u>Registration with Professional Bodies</u> The bidder and its directors must submit evidence of registration	5% Weighting

with the relevant professional bodies e.g., IIA (SA), ISACA and SAICA. Latest proof of current annual membership is provided. Director IT: IIA (SA), ISACA and SAICA – (5 points) Director IT: IIA (SA) and ISACA – (4 points) Director IT: IIA (SA) and SAICA – (3 points) Director IT: IIA (SA) – (2 points) Director IT: SAICA – (1 point) Director IT: none – (0 point)	
<u>Registration with Professional Bodies</u> The bidder and its directors must submit evidence of registration with the relevant professional bodies e.g., SAICA, ISACA and IIA (SA). Latest proof of current annual membership is provided. Senior manager IT: IIA (SA), ISACA and SAICA – (5 points) Senior manager IT: IIA (SA) and ISACA – (4 points) Senior manager IT: IIA (SA) and SAICA – (3 points) Senior manager IT: IIA (SA) – (2 points) Senior manager IT: SAICA – (1 point) Senior manager IT: none – (0 point)	5% Weighting
<u>Methodology and Approach</u> - Indicate detailed: 1) methodologies and approaches, 2) quality assurance approach to internal audits, 3) IT audit methodology and approach, 4) Risk Management and Fraud audit methodology and approach, 5) Indication of value adding audits. - All 5 areas are included: 1) Internal Audit methodology and approach, 2) IT Audit methodology and approach, 3) Risk Management and Fraud Audit	10% Weighting

methodology and approach, 4) quality assurance approach and 5) Indication of value adding audits - (5 points) • Only 4 of 5 areas are included – (4 points) • Only 3 of 5 areas are included – (3 points) • Only 2 of 5 areas are included – (2 points) • Only 1 of 5 areas is included – (1 point) • None of the above areas are included – (0 point)	
<u>Demonstrate availability of audit firm's internal resources and capacity at different staff levels for the assignment.</u> • In-House resources: Director IT and Senior Manager IT, Internal Auditors, Specialist (Risk Management) - (5 points) • In-House resources: Director IT, Senior Manager IT, Specialist (Risk Management) - (4 points) • In-House resources: Director IT, Internal Auditors, Specialist (Risk Management) - (3 points) • In-House resources: Senior Manager IT, Specialist (Risk Management) - (2 points) • In-House resources: Senior Manager IT, Internal Auditors - (1 point) • In-House resources: None - (0 point)	10% Weighting

Phase 2: Presentation: Bidders will need to score a minimum of 18 out of 30 in order to be evaluated further

Presentation	30% Criteria Weighting
Demonstrate experience of the prospective audit firm in working in a financial services environment.	10% Weighting
<u>Methodology and Approach</u> Demonstrate: • Methodologies and approaches used (5 points), • Quality assurance approach to internal audits (4 points), • IT audit methodology and approach (3 points), • Risk Management and Fraud audit methodology and approach (2 points); and • Indication of value adding audits (1 point), • None of the above are presented/demonstrated (0 point)	10% Weighting
• Demonstrate capacity of the audit firm's internal resources and identify audit teams dedicated to the engagement	10% Weighting

The NEF will conduct site visits with only shortlisted companies.

Phase 3: 80/20 Preference Point System

All tenders that will achieve the minimum qualifying score for technical will be evaluated further in terms of the preference point system as follows:

CRITERIA	POINTS
Price	80
BEE	20
TOTAL	100 points

NATIONAL EMPOWERMENT FUND – SPECIFIC GOALS	NUMBER OF POINTS FOR (80/20 PREFERENCE SYSTEM)
• 51% and above Black ownership	10
• 30% and above Black Women's Ownership	5
• Any % of ownership by Black Designated Groups >0	1
• Reconstruction Development Programme Objective: Promotion of SMMEs (Entities that are EME or QSE)	2
• Youth ownership	2
Total Points	20

SECTION: 3

PRICING

Pricing (Attach separate price schedule, stating all pricing information including levels of seniority, hourly rates, costs, fees, etc including and excluding vat)

Administrative checklist

Hereunder is a checklist to ensure that the bid document is complete in terms of administrative compliance. Please ensure that the following forms have been completed and signed and that all documents, as requested, are attached to the tender document.

ITEM	DOCUMENT REFERENCE		ACTION TO BE TAKEN	YES/ NO
1.	Administrative checklist		Is the form duly completed and signed?	
2.	POPIA consent form		Is the form duly completed and signed?	
3.	SBD 1	Invitation to bid	Is the form duly completed and signed?	
4.	SBD 3.3	Pricing Schedule (Professional Fees)	Is the form duly completed and signed?	
5.	SBD 4	Bidders Interest	Is the form duly completed and signed?	
6.	SBD 6.1	Preference Points Claim Form for Preferential Procurement Regulations 2022	Is the form duly completed, Specific Goals points claimed and form signed?	
7.	Politically Exposed Person Declaration Form		Is the form duly completed and signed?	
8.	SBD 7.2-Contract Form-Rendering of Contract Services		Is the form duly completed and signed?	
9.	General Conditions of Contract		Is the contract read?	
10.	B-BBEE status level verification certificate or Sworn Affidavit		Is proof of B-BBEE Status level of contributor attached? Bidder must attach copy of BEE Certificate or copy of Sworn Affidavit, whichever is applicable.	
11.	Tender submission		One (1) electronic copy submitted?	

I, the undersigned (name) certify that the information furnished on this checklist is true and correct.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

POPIA Consent Form

Privacy & Protection of Personal Information Act 4 of 2013 Requirements

Request for Proposal No:	
Name of Bidder:	

Protecting personal information is important to the National Empowerment Fund (NEF). To do so, NEF follows general principles in accordance with applicable privacy laws and the Protection of Personal Information Act 4 of 2013 (POPIA).

NEF's role as a responsible party is amongst others to process personal information for the intended purpose for which it was obtained and in line with legal agreements with its respective/ prospective clients, third parties, suppliers, and operators.

Who is an Operator? A person or body/ entity which processes personal information for the NEF in terms of a contract or mandate.

Who is a Supplier? A natural or juristic person that provides a product or renders a service to the NEF. A supplier could also be considered as an operator, an independent responsible party or (together with NEF) a joint responsible party.

If the supplier or business partner provides NEF with its related persons' personal information, the supplier or business partner warrants that the related persons are aware of and have consented to the sharing and processing of their personal information with/by NEF. NEF will process the personal information of related persons as stated under a contractual agreement or as required by any related legislation.

Examples of the personal information of the supplier or business partner where relevant may include (but are not limited to):

Financial information, including bank statements provided to the NEF;

Invoices issued by the supplier or business partner;

The contract/ legal agreement between the NEF and the supplier or business partner;

Other identifying information, which includes company registration numbers, VAT numbers, tax numbers and contact details; marital status and matrimonial property regime (e.g. married in community of property); nationality; age; language; date of birth; education; financial history; academic background and qualifications.

Identifying numbers (e.g. an account number, identity numbers or passport numbers); email address; physical address (e.g. residential address, work address or physical location);

Information about the location (e.g. geolocation or GPS location); telephone numbers; online and other unique identifiers; social media profile/s; biometric information (like fingerprints, facial recognition signature; race; gender; sex; criminal and credit history.

Example of Special personal information is personal information about the following: · criminal behaviour, or any proceedings in respect of any offence allegedly committed by a data subject or the disposal of such proceedings; religious and philosophical beliefs; trade union membership; political beliefs; health, including physical or mental health, disability, and medical history; or biometric information (e.g., to verify identity).

RESPONSIBILITIES OF SUPPLIERS AND BUSINESS PARTNERS WHO ARE OPERATORS UNDER POPIA

Where a supplier or business partner, in terms of a contract or mandate, processes personal information for the NEF and is considered an operator of the NEF, the supplier or the business partner will be required to adhere to the obligations set out in the NEF data privacy or POPIA policy. This policy sets out the rules of engagement in relation to how personal information is processed by suppliers and business partners on behalf of the NEF as well as the minimum legal requirements that NEF requires the suppliers and business partners to adhere to, including compliance with POPIA as summarised in the below table.

Item	GUIDING CONDITIONS FOR PROCESSING PERSONAL INFORMATION	Yes	No
	Accountability The respective clients, third parties, suppliers and operators and its members will ensure that the provisions of POPIA, the guiding principles outlined in the policy and all the measures that give effect to such provisions are complied with at the time of the determination of the purpose and means of the processing and during the processing itself. In the event that an employee of the NEF or any person acting on behalf of the corporation who through their intentional or negligent actions and/or omissions fail to comply with the principles and responsibilities outlined; proper corrective measures will be applied.	Yes ☐	No ☐
	Processing Limitation The respective clients, third parties, suppliers and operators and its members will ensure that information is only processed for the justifiable reason and processing is compatible with the purpose of the collection.	Yes ☐	No ☐
	Purpose Specification All respective clients, third parties, suppliers and operators and its members will process personal information only for specific, explicitly defined, and legitimate reasons. The respective clients, third parties, suppliers and operators will inform NEF of reasons prior to collecting or recording their PI.	Yes ☐	No ☐
	Further Processing Limitation Personal information will not be processed for a secondary purpose unless that processing is compatible with the original purpose. Thus, where the respective clients, third parties, suppliers and operators seek to process personal information it holds for a purpose for which it was originally collected, and where this secondary purpose is not compatible with the original purpose, respective clients, third parties, suppliers and operators will first obtain additional consent from the NEF.	Yes ☐	No ☐
	Information Quality The respective clients, third parties, suppliers and operators will take reasonable steps to ensure that all personal information collected is complete, accurate and not misleading. Where PI is collected or received from third parties, the respective clients, third parties, suppliers and operators will take reasonable steps to confirm that the information is correct by verifying the accuracy of the information directly with the data subject or by way of independent sources.	Yes ☐	No ☐
	Open Communication Reasonable steps will be taken by the respective clients, third parties, suppliers and operators to ensure that the NEF is notified of the purpose for which the information is being collected, used, and processed.	Yes ☐	No ☐

Item	GUIDING CONDITIONS FOR PROCESSING PERSONAL INFORMATION	Yes	No
	Security Safeguards It is a requirement of POPIA for responsible parties, business partners and operators to adequately protect personal information. NEF will need to review suppliers or business partner security controls and processes to ensure that personal Information is compliant with the conditions of the lawful processing of personal information as set out in the POPIA. This would be a continuous monitoring and review that will be conducted by the NEF at its discretion.	Yes ☐	No ☐
	Data Subject Participation A data subject whose PI has been collected, stored, and processed by the respective clients, third parties, suppliers and operators must have communication channels to attend to may request for the correction or deletion of such information.	Yes ☐	No ☐

I, _____ (print name) hereby certify that the information, facts and representations are correct and that I am duly authorized to sign on behalf of the company.

Name of Company/ Entity: _____

Company/ Entity Registration Number: _____

Company/ Entity VAT Registration Number: _____

Signature (Company/ Entity Representative)

Date

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NATIONAL EMPOWERMENT FUND					
BID NUMBER:	RFP 04 2025 2026	CLOSING DATE:	08 July 2025	CLOSING TIME:	14H00
DESCRIPTION	CO-SOURCE INTERNAL AUDIT SERVICES FOR THE NATIONAL EMPOWERMENT FUND (NEF)				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					

BID RESPONSE DOCUMENTS MAY BE EMAILED TO: TENDERS@NEFCORP.CO.ZA					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
CONTACT PERSON NAME					
VAT REGISTRATION NUMBER					
	TCS PIN:		OR	CSD No:	
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 PART B:3 BELOW]		
SIGNATURE OF BIDDER		DATE			
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE (ALL INCLUSIVE)			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:					
CONTACT PERSON	Supply Chain Management (Kedibone Mboweni/Xolile Tofile)				
TELEPHONE NUMBER	011 305 8000				
FACSIMILE NUMBER	N/A				
E-MAIL ADDRESS	Tenders@nefcorp.co.za				

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 ONLINE 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.								
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 OR CSD NUMBER TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS. 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA. 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID. 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER. 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.								
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS								
<table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?</td> <td style="width: 30%; text-align: right;">☐ YES ☐ NO</td> </tr> <tr> <td>3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?</td> <td style="text-align: right;">☐ YES ☐ NO</td> </tr> <tr> <td>3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?</td> <td style="text-align: right;">☐ YES ☐ NO</td> </tr> <tr> <td>3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?</td> <td style="text-align: right;">☐ YES ☐ NO</td> </tr> </table> IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO	3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO	3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO	3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO
3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO							
3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO							
3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO							
3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO							

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO.: RFP 04 2025/2026

CLOSING TIME 14:00

CLOSING DATE: 08 July 2025

OFFER TO BE VALID FOR 150 DAYS FROM THE CLOSING DATE OF BID.

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

Name of Bidder:

- 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 –

Name: Ms Kedibone Mboweni
 Head: Supply Chain Management
 Telephone Number Office: +27 11 305 8000
 Email address: mbowenik@nefcorp.co.za

Or for technical information –

Name: Ms Roe Senaoana
 Team Lead: Business Applications
 Telephone Number Office: +27 11 305 8000
 E-mail address: senaoanam@nefcorp.co.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 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

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.

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 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

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.

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:

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

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 (80/20 system) (To be completed by the tenderer)	Number of points claimed (90/10 system) (To be completed by the tenderer)
Black ownership > 51%	N/A	10		N/A
>30% Black Women's Ownership	N/A	5		N/A
Any % of ownership by Black Designated Groups >0	N/A	1		N/A
Reconstruction Development Programme Objective: Promotion of SMMEs (Entities that are EME or QSE)	N/A	2		N/A
Youth ownership	N/A	2		N/A
Total Points	10	20		10

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:

.....

.....

.....

POLITICALLY EXPOSED PERSON DECLARATION FORM

Section 21 of the Financial Intelligence Centre Act (FICA) requires that the NEF takes steps to establish and verify the identity of a client. This includes determining whether an individual is a domestic politically exposed person or a prominent influential person.

Name of Entity:	
Identification: VAT Number:	Registration Number
Physical Address:	
Postal Address (if different from physical):	
Date of Incorporation:	Country of Incorporation:

Kindly list any Directors, Shareholders (10% or more), Beneficial Owners or Account Signatories that are classified as PEP using the definitions provided.

		PEP	
		Yes	No
1.	 (Full name in block letters) (Job Title/ Position) ☐ Yes ☐ No		
..... (Please indicate function entrusted to this individual from the attached definitions)			
2.	 (Full name in block letters) (Job Title/ Position) ☐ Yes ☐ No		
..... (Please indicate function entrusted to this individual from the attached definitions)			
3.	 (Full name in block letters) (Job Title/ Position) ☐ Yes ☐ No		
..... (Please indicate function entrusted to this individual from the attached definitions)			

4.	 (Full name in block letters)	 (Job Title/ Position)	☐ Yes	☐ No
..... (Please indicate function entrusted to this individual from the attached definitions)				
5.	 (Full name in block letters)	 (Job Title/ Position)	☐ Yes	☐ No
..... (Please indicate function entrusted to this individual from the attached definitions)				

DEFINITION OF A PEP

“**PEP or DPIP**” means a politically exposed person or domestic prominent or influential person (**DPIP**) which is a generic term referring to any individual who is or has been entrusted with a prominent public function which person can either be any of the following categories:

- A. Head of State, Government Ministers or Deputy Ministers, Senior Politicians and Government officials¹;
- B. A member of the Executive Council of a Province²;
- C. Senior Judicial officers³;
- D. An executive mayor of a municipality elected in terms of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)⁴;
- E. A leader of a political party registered in terms of the Electoral Commission Act, 1996 (Act No. 51 of 1996)⁵;
- F. The head, accounting officer or chief financial officer of a national or provincial department or government component, as defined in section 1 of the Public Service Act, 1994 (Proclamation No. 103 of 1994)⁶;
- G. The municipal manager of a municipality appointed in terms of section 54A of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), or a chief financial officer designated in terms of section 80(2) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003)⁷;
- H. The chairperson of the controlling body, board member, the chief executive officer, or a natural person who is the accounting authority, the chief financial officer or the chief investment officer of a public entity listed in Schedule 2 or 3 to the Public Finance Management Act, 1999 (Act No. 1 of 1999)⁸;
- I. Members of ruling royal families⁹;
- J. The chairperson of the controlling body, chief executive officer, chief financial officer or chief investment officer of a municipal entity as defined in section 1 of the Local Government: Municipal Systems Act, 2000 (Act

¹ <https://www.gov.za/about-government/leaders>

² <https://www.gov.za/links/provincial-government>

³ <https://www.judiciary.org.za>

⁴ <http://www.salga.org.za/Municipalities%20MCD.html>

⁵ <https://www.elections.org.za/pw/Parties-And-Candidates/Party-Contact-Information>

⁶ <https://www.gov.za/about-government/contact-directory/provincial-local-government>

⁷ <http://www.salga.org.za/Municipalities%20MCD.html>

⁸ <https://www.gov.za/about-government/contact-directory>

⁹ https://www.cogta.gov.za/?p_938

No. 32 of 2000)¹⁰;

- K. An ambassador or high commissioner or other senior representative of a foreign government based in the Republic¹¹.

¹⁰ <http://www.salga.org.za/Municipalities%20MCD.html>

¹¹ <https://www.dirco.gov.za/foreign/forrep/index.htm>

CONTRACT FORM - RENDERING OF SERVICES

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

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

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Bidder's Disclosure form;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

2

DATE:

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

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

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

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

Annexure A

GOVERNMENT PROCUREMENT GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

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| 2. Application | <p>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.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p> |
| 3. General | <p>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.</p> <p>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</p> |
| 4. Standards | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p> |
| 5. Use of contract documents and information; inspection. | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |
| 6. Patent rights | <p>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.</p> |
| 7. Performance security | <p>7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> |

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

16. Payment	16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC. 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract. 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier. 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
17. Prices	17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
18. Contract amendments	18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
19. Assignment	19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
20. Subcontracts	20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
21. Delays in the supplier's performance	21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract. 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract. 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority. 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard

the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

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.