THE FIBRE PROCESSING AND MANUFACTURING SECTOR EDUCATION AND TRAINING AUTHORITY

INVITATION TO TENDER: INTERNAL AUDIT SERVICES

TENDER NO: INTERNAL AUDIT/FPM/06-18

INTERNAL AUDIT SERVICES

Closing Date: 20/07/2018

TIME: 11:00 am

Bidder Name:..............................................................................................................

THE DETAILS AND CONTENTS OF THIS DOCUMENT ARE CONFIDENTIAL AND FOR CONSIDERATION AND RESPONSE BY THE RECORDED RECIPIENTS ONLY.
BID SUBMISSION

The FP&M SETA hereby invites suitably qualified bidders to submit tenders for internal audit services.

Completed tender submissions must be hand delivered / deposited into the Tender Box at the reception area of FP&M SETA Head Office, located at 1 Newtown Avenue, 3rd Floor, Killarney, Johannesburg for the attention of: “Manager: Supply Chain Management”.

No submissions sent by e-mail or facsimile will be accepted, and no late submissions will be accepted.

Bidders are requested to submit four submissions marked “Functionality or/and Financial” (one original, three copies) to:

The FP&M SETA - ATTENTION: Manager: Supply Chain Management, 1 Newtown Avenue, 3rd Floor, Killarney, Johannesburg, by no later than 11:00 am (eleven o'clock) on the 20 July 2018. Submissions not received on time and date specified will not be considered. All enquiries are to be directed to Supply Chain Management Office at:

Contact Details: (011) 403 1700 or Email: tenders@fpmseta.org.za and for technical enquiries contact: Mr Schalk Burger at, Contact details: (011) 403 1700 or Email: SchalkB@fpmseta.org.za.

Closing date and time for submission of tenders 20 July 2018 at 11:00 am

PROPOSAL GUIDELINE

Bidders are advised that their proposal should be comprehensive, concise, written in plain English, legible and simply presented. The proposal should include:

Technical/Functional Proposal – one original, three copies

- Introduction and executive summary;
- Company profile and brief CV’s of key personnel to be contacted or suitable human resources to undertake this project;
- Bidder must provide historical information relating to audit experience;
- Bid documents must be completed in full and sign all declaration of interest;
- Bidder must initial all pages of SBD forms;
- Auditing controls in place;
- Implementation plan, costing and timeframes for consideration and approval by the SETA;
- Reference letters of relevant work done;
- Original and Valid Tax clearance certificate;
- Company registration documents;
- Original or certified BBBEE certificate.

**Price/Financial Proposal – One original and three copies**
- Proposed total budget including vat;
- Detailed of cost/fee breakdown for services to be rendered.

Consortium/Joint Ventures must submit their consolidated tax clearance certificates and each member must submit a company profile.

Failure to comply with the specification and minimum requirements above will lead to disqualification of your bid.
1. **Introduction and Background**

The Fibre, Processing and Manufacturing SETA (FP&M) was established by the Minister of Higher Education and Training on 1 April 2011 to 31 March 2018 and the license was extended to 31 March 2020.

FP&M SETA is classified as a National Public Entity under section C of Schedule 3 of the Public Finance Management Act of 1999 (PFMA). The PFMA requires that the Internal Audit Function must be under the control and direction of the Audit Committee. The Internal Audit should report to the Audit Committee and have unrestricted access to the Chairperson of the Accounting Authority.

2. **Project Purpose**

To establish an independent and objective internal Audit Function in terms with Section 27 of the Treasury Regulations prescribed in terms of sections 76 of the PFMA. The appointed service provider is expected to carry out the mandate of the Internal Audit Function in terms of the SETA's Internal Audit Charter.

3. **Internal Audit Objectives**

The Internal Audit Function will be an objective assurance and consulting activity, which will assist the SETA to accomplish its objectives, by bringing a systematic approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The bidder must demonstrate the capability to perform the internal audits in accordance with the Institute of Internal Auditing Standards and Practices, and any relevant legislation. Bidders who have or are providing internal audit services are encouraged to submit bids.

4. **Scope of Internal Audit Work**

4.1 The successful bidder will be required to perform the following services:

- Financial audits;
- Compliance audits;
- Organisational performance audits;
- Operational audits;
- Performance information audits;
- IT audits;
- Risk management review;
- Corporate Governance review;
- Ad hoc services; and
- Investigation (Forensic) audit as and when required.

4.2 The scope of internal audit work entails testing and evaluating the adequacy and effectiveness of the SETA's system of internal control. This includes:

- Reviewing the risk register of the SETA on a regular/on-going basis;
• Establishing a three-year rolling strategy and a risk-based annual Internal Audit Operational Plan;
• Reviewing the reliability and integrity of financial and operating information, and the means to identify, measure, classify and report such information;
• Reviewing the systems established by management to ensure compliance with policies, plans, procedures laws and regulations that could have significant impact on operations and determine whether the SETA is in compliance;
• Reviewing the means for safeguarding assets and verifying the existence of assets;
• Reviewing the adequacy and effectiveness of internal control;
• Appraising the economy and efficiency with which resources are employed and identifying opportunities to improve operating performance;
• Reviewing the operations to ascertain whether the results are consistent with established objectives or goals and whether operations are being carried out as planned;
• Performing any ad hoc projects as may be required by Management and/or the Audit Committee;
• Liaise with external auditors on the SETA’s audits whenever necessary;
• Advise management of any internal controls to be implemented to mitigate the identified risk.

5. Key Performance Areas

<table>
<thead>
<tr>
<th>Key Responsibilities (What)</th>
<th>Activities (How)</th>
<th>Results indicators Why</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regularity audits (refer to paragraph 4)</td>
<td>Internal audits on all the entity’s activities as determined by the Annual Internal Audit Plan according to the following auditing process:</td>
<td>To advise management on compliance with laws, policies and best practices as well as the status of internal controls within the SETA.</td>
</tr>
<tr>
<td></td>
<td>• Planning the audit</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Examining and evaluating information</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Communicating results</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Follow up actions by management on findings and recommendations</td>
<td></td>
</tr>
<tr>
<td>Fraud prevention, detection and action</td>
<td>Assist with investigations in terms of the entity’s fraud strategy</td>
<td>To minimise fraud in the entity</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Type</td>
<td>Description</td>
<td>Purpose</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Ad hoc services</td>
<td>Audit issues as requested by Management and/or the Audit Committee</td>
<td>To report findings to Management in order to determine whether further actions are required.</td>
</tr>
<tr>
<td>Organisational performance audits</td>
<td>To determine whether resources at the SETA are applied effectively and economically</td>
<td></td>
</tr>
<tr>
<td>Performance information audits</td>
<td>Executing audits in terms of the audit plan</td>
<td>To determine whether plans are correctly implemented and targets being achieved.</td>
</tr>
<tr>
<td>Reporting</td>
<td>Reporting on all the activities of the Internal Audit Function to the Management and the Audit Committee Meetings on a regular basis Evaluation of outputs</td>
<td>In order for the Management and the Audit Committee to evaluate the efficiency of the Internal Audit Function. To ensure that management are furnished with correct and up to date information.</td>
</tr>
<tr>
<td>Advisory services</td>
<td>Verbal and written advice</td>
<td>Enhance the quality of internal audit and governance</td>
</tr>
</tbody>
</table>

a) The successful bidder’s progress and performance with the provision of internal audit services to the SETA will be monitored on a quarterly basis by the SETA’s Audit Committee.

6. **Extend of Work**

6.1 Performance of audit assignments will be as follows:

- Assignments are to be performed in accordance with the Institute of Internal Audit's International Standards for the Professional Practice of Internal Auditing. Such work shall further be subject to an external quality assurance review as may be required by the SETA;
- All audit reports and working papers will become the property of the SETA;
- The performance of each assignment shall be in accordance with the approved annual internal audit plan;
- In carrying out the work, the successful bidder must ensure that their staff maintains their objectivity by remaining independent of the activities they audit.

6.2 On a mutually agreed basis, the responsible partner/director shall meet with the Accounting Authority or its delegate to report on progress of the work;
6.3 For planning and conducting its work the internal auditor should seek to identify serious defects in the internal controls, which might result in possible malpractices. Any material defects must be reported immediately to the Audit Committee without disclosing these to any other members of the staff. This also applies to instances where serious fraud and irregularity is uncovered.

6.4 The successful bidder may be required to attend strategic workshops as may be required from time to time. The cost of attendance will be for the account of the SETA.

7. **Cost Proposal**

The bidder must submit a comprehensive and detailed line-item budget showing total cost of the services, as well as the hourly rates of personnel to be involved. The budget should show service activities proposed and budgeted hours per activity and per team member. All assumptions made in drawing the budget, including all cost factors such as travelling, must be detailed. The FP&M SETA reserves the right to negotiate the selection/prioritisation of deliverables in line with the contract price. The headings below provide a guideline for detailed costing:

<table>
<thead>
<tr>
<th>Activity/ Service</th>
<th>Designation</th>
<th>estimate of hours</th>
<th>Rate per hour</th>
<th>Total cost for (R)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Partner</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Manager</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Audit Clerk/ Administrator</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Junior Internal Auditor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Senior Internal Audit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Audit Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Similar detail should be provided for year 2.

"The bidder should estimate fees per annum for the 2-year cycle beginning ……………………… and ending …………………………;

a) The entities will pay audit fees as agreed upon in the engagement letter.
b) The proposal should also detail the following costs:
a. Travel rates (Audit Steering meetings will take place at the Head office based in Johannesburg and some audits to be conducted in the Durban Regional Office) A detailed actual expenditure breakdown is required for all travel and accommodation.
c) Any other costs not included in the budget, a detailed breakdown of actual expenditure and proof of such costs must be provided.
d) The bidder must indicate all costs including value added tax (VAT)
The proposal must be based on the estimation of the hours per audit as indicated in the table below:

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>Hours</th>
<th>Hours</th>
<th>Hours</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Year 1</td>
<td>Year 2</td>
<td>Year 3</td>
<td>Year 4</td>
</tr>
<tr>
<td>Audit hours (including</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit Committee meeting</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ad hoc services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total hours</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

To include details of estimated travel costs

8. Reporting Framework and Scheduling

The successful bidder will report to Audit Committee as per the agreed timeframes in terms of the delivery schedule for the project.

9. Timeframe

It is envisaged that the ERP services will be for a period until 31 March 2020.

10 Evaluation Criteria

All bidders that provides internal audit services will be evaluated according to the following:

- Functionality;
- TOR;
- PPPFA (Price and BBBEE preference points)

Proposals will be evaluated and points will be allocated and weighed on the following basis:

<table>
<thead>
<tr>
<th>KEY PERFORMANCE AREA</th>
<th>ELEMENT</th>
<th>WEIGHT</th>
<th>SCORING MATRIX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience of the firm in undertaking a project to implement an internal audit services</td>
<td>Proven experience and expertise in implementing an internal audit services (supply proof of three (3) signed and contactable comprehensive reference letters narrating similar work done). The signature date should be less than five (5) years old prior to the closing date of</td>
<td>20</td>
<td>1=No signed, contactable reference letters provided. 2=1 to 2 signed, contactable reference letters provided. 3=3 signed, contactable reference letters provided. 4=4 signed, contactable references provided. 5=5 or more signed and contactable references provided.</td>
</tr>
<tr>
<td>KEY PERFORMANCE AREA</td>
<td>ELEMENT</td>
<td>WEIGHT</td>
<td>SCORING MATRIX</td>
</tr>
<tr>
<td>----------------------</td>
<td>---------</td>
<td>--------</td>
<td>----------------</td>
</tr>
<tr>
<td></td>
<td>this request for proposal. Note: All references will be contacted to confirm if the work done was satisfactory.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Response to the scope of work – Methodology and Implementation Plan. (Implementation Plan, Costing &amp; Timeframes)</td>
<td>Including tasks, timeframes, budget allocation for each task and resource allocation.</td>
<td>30</td>
<td>1=No plan submitted. 2=Plan with either tasks or resource allocation. 3=Plan provided with tasks, timeframes, budget allocation for each task and resource allocation. 4=Plan provided with tasks, timeframes, budget allocation for each task and resource allocation and milestones of each phase. 5=Comprehensive Plan provided with tasks, timeframes, budget allocation for each task and resource allocation, milestones of each phase and post implementation support plan.</td>
</tr>
<tr>
<td>Demonstrated experience – detailed CV including reference summary for each key project personnel must be submitted</td>
<td>Capable human resources [five (5) or more CVs of suitably qualified team to be part of this project]. CVs should include individual certification and experience of each team member</td>
<td>30</td>
<td>1 year=1 Experience 2 years=2 Experience 3 years=3 Experience 4 years=4 Experience 5+ years=5 Experience</td>
</tr>
<tr>
<td>Experience in comparative projects in a SETA environment</td>
<td>• Execution of 5 or more comparative projects • Execution of 4 comparative projects</td>
<td>20</td>
<td>5 Points 4 Points</td>
</tr>
</tbody>
</table>

Page 9 of 36
Bidders that do not obtain a minimum score of 65 for functionality will be disqualified and will not be considered for further evaluation on price and BBBEE points.

Bidders who obtained a minimum score of 65 on functionality & presentation will be evaluated in terms of Price and Preference points (B-BBEE status level contributor). Evaluation will be conducted on 80/20 preferential procurement principles.

80 Points will be allocated to price and 20 Points will be allocated to the BBBEE status level.

BBBEE points in terms of the Preferential Procurement Policy Framework Act Regulations will be allocated as follows:

<table>
<thead>
<tr>
<th>B-BBEE Status Level of Contributor</th>
<th>Number of points (80/20 system)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>2</td>
<td>18</td>
</tr>
<tr>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>4</td>
<td>12</td>
</tr>
<tr>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Non-compliant contributor</td>
<td>0</td>
</tr>
</tbody>
</table>

11 Terms of Engagement

11.1 The successful bidder shall not take more than one (1) month from date of Bid award to render the required service unless otherwise indicated and agreed between the successful Bidder and FP&M SETA.

11.2 The Service Provider shall be available for consultation with the FP&M SETA representative.

11.3 The Service Provider shall manage as confidential all data, information and insights
gained in execution of work for the FP&M SETA.

11.4 FP&M SETA retains the right to negotiate with the successful Bidder for partial execution of the proposal.

11.5 FP&M SETA retains the right to require the Service Provider to obtain permission in writing from the FP&M SETA prior to replacement of individuals proposed for execution of this Bid.

11.6 Service Providers to accept professional liability for services rendered, including those rendered under sub-contract to the service provider.

11.7 All documentation and responses will be supplied and exchanged utilising standard Microsoft Office (Word, Excel and PowerPoint) products.

11.8 The successful bidder will be required to submit reports to the SETA on a regular basis.

11.9 Any attempt to gain information in a manner deemed to be fraudulent or disadvantageous to other respondents or any attempt to influence the outcome of the response evaluation will result in immediate disqualification from the bid process.

CONDITIONS OF THE TENDER

12 Contents of Submission

12.1. Proposals shall include all relevant information about the Bidder, which is thought appropriate to assist the FP&M SETA to assess its capabilities, capacity, outputs, value adding abilities, competitive advantage, etc.

12.2. The proposals presented are to be comprehensive and should describe the methodology to be used in executing the required services. Bidders should also indicate value added services expected to be provided to FP&M SETA.

12.3. The proposals presented are to be as comprehensive as possible and FP&M SETA reserves the right to request the Bidder to provide more details.

12.4. Bidders shall adhere to the conditions stipulated in the General Conditions of Contract as prescribed by the National Treasury.

12.5. Bidders must ensure that the complete bid document is submitted with all additional required information and any other documents that the bidder wishes to supply to substantiate or clarify specific aspects in the proposal.

12.6. Failure to submit the bid document and / or any required documentation may result in disqualification.

13 Broad-based Black Economic Empowerment (BBBEE)

13.1 In terms of the Preferential Procurement Policy Framework Act (PPPFA), Act 5 of 2000, amended in 2017, the 80/20 principle shall be applicable to this bid and points shall be
allocated as indicated under functionality. Sound evidence for points claimed must be attached so that points can be allocated.

(Claim BBBEE points on SBD 6.1 and attach original or certified BBBEE certificate for BBBEE points to be allocated)

14 Price and Pricing Structure

14.1 Bidders shall indicate the basis on which the services will be charged. In this regard the following information shall be provided:

14.2 Where a Bidder lacks in-house expertise and may have to outsource certain services, the detail and basis of charges of any such service that may be required must be outlined.

14.3 The Bidder shall reflect service discounts that they will offer throughout the contract duration.

14.4 Bidders submissions must reflect the detailed breakdown of the bid price as per the bill of quantities.

14.5 Prices must include VAT, if it is applicable and all other costs related to the execution of the required services.

14.6 The bidder agrees not to change the price with VAT or any other Tax subsequent to submitting the tender. This includes subsequent VAT registration.

14.7 All prices quoted are to be in SA Rand.

15 Oral Presentations

15.1 Oral presentation and demonstration will be required.

16 Compliance with General Conditions of Contract

16.1 No alteration, variation or amendment of the Contract (of which this Bid represents the offer) shall be permitted unless otherwise agreed to in writing. Should the prospective provider, in the case of non-compliance, wish to make any amendments to the conditions stipulated by the FP&M SETA in this Bid, then such proposed amendments shall be clearly stipulated by the prospective Bidder and where possible stating the increase or decrease in the cost involved by such proposal. The FP&M SETA reserves the right to reject such submissions.

16.2 Misrepresentation of facts will result in disqualification and cancellation of the Contract.

17 Acceptance of Submissions

17.1 No submission shall be deemed to have been accepted, unless and until a formal
appointment letter has been commissioned and executed. Submissions shall remain open for acceptance by the FP&M SETA for a period of 90 (ninety) days from the date on which they are returnable in terms of this Bid.

18 FP&M SETA Liability

18.1 The FP&M SETA does not bind itself to accept the lowest or any Bid proposal, nor to assign any reason for the rejection of a Bid proposal, nor shall it be responsible for or pay any expenses or losses that may be incurred by the prospective Bidders in the preparation and delivery of its submission.

19 Pricing

19.1 No change in the prices submitted shall be considered after receipt of response to the Bid submission within the 90 days’ validity.

20 Amplification of Submissions

20.1 The FP&M SETA may, after the opening of submissions, call on the prospective Bidder to amplify in writing any matter which is not clear in the prospective Bidder’s submission and such amplification shall form part of the original submission. In the event of the prospective Bidder failing to supply such information, the submission will be liable to rejection.

21 Cost of Proposal

21.1 Bidders shall bear all costs associated with the preparation and submission of their proposals, the FP&M SETA will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Bid.

22 Bid Documents

22.1 This document in its entirety serves as the complete Bid document. Proposals offering only part of the requirements will be rejected. The Bidder is expected to examine all corresponding instructions, forms, terms and specifications contained in this document. Failure to comply with these documents will be at the Bidder’s risk and may affect the evaluation of their proposal.

23 Documents Comprising the Proposal

23.1 In preparing the technical and price components of the submissions all references to descriptive material and brochures should be included in the appropriate response
paragraph, although material documents themselves may be provided as annexes to the proposal / response. Bidders are requested to focus on the provision of relevant information and to limit the amount of marketing and "boilerplate" material. The successful Bidder’s proposal may be incorporated in whole or in part in the final contract. Any information that the Bidder considers proprietary should be marked as such.

24 Information

24.1 Information that the Bidder considers proprietary, if any, should be clearly marked “proprietary” next to the relevant part of the text and it will be treated as such.

Accordingly

25 Period of Validity

25.1 Proposals shall remain valid for ninety (90) days after the date of proposal submission. A proposal valid for a shorter period may be rejected by the FP&M SETA on the grounds that it is non-responsive.

25.2 In exceptional circumstances, the FP&M SETA may solicit the Bidder’s consent to an extension of the period of validity. The request and the responses thereto shall be made in writing.

26 Format and Signing of Proposals

26.1 The Bidder shall prepare four copies of the proposal, clearly marking each “Original Proposal” and “Copy of Proposal” as appropriate. In the event of any discrepancies between them, the original shall govern. The four proposals shall be signed by the Bidder or a person or persons duly authorised to bind the Bidder to the contract.

27 Interlineations

27.1 A proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Bidder, in which case such corrections shall be initiated by the person or persons signing the proposal.

28 Performance Based Agreement

28.1 This is a performance based agreement that shall run from awarding the tender to the successful bidder till the completion of the tender.

29 Payment

29.1 The successful Bidder shall be paid upon submission of an invoice for each transaction of satisfactory work detailed in the scope.
30 Due Diligence

30.1 The FP&M SETA reserve the right to exercise due diligence to submitted tenders.

31 Compliance to Legislations

31.1 The successful bidder shall comply with all relevant prescripts or acts relevant or governing the contract.

32 Returnable Documents

32.1 Returnable Schedules / Documents required for bid evaluation purposes

<table>
<thead>
<tr>
<th>Returnable Schedules / Documents</th>
<th>Yes / No / N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Certified copy of Identity Documents of Shareholders / Directors / Members or Owners of the bidder</td>
<td></td>
</tr>
<tr>
<td>2. Entity Ownership Registration Documents (Where applicable)</td>
<td></td>
</tr>
<tr>
<td>3. Company Profile &amp; CV’s of key personnel</td>
<td></td>
</tr>
<tr>
<td>4. Original or certified copy of the BBBEE Certificate</td>
<td></td>
</tr>
<tr>
<td>5. Original/Valid Tax Clearance Certificate</td>
<td></td>
</tr>
<tr>
<td>6. Completed and signed SBD forms</td>
<td></td>
</tr>
<tr>
<td>7. Approach and Methodology</td>
<td></td>
</tr>
<tr>
<td>8. Functionality Envelope</td>
<td></td>
</tr>
<tr>
<td>9. Financial Envelope for price only</td>
<td></td>
</tr>
<tr>
<td>10. Summary of CSD registration</td>
<td></td>
</tr>
</tbody>
</table>
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/PUBLIC ENTITY)

BID NUMBER: Internal Audit/FPM/06-18 CLOSING DATE: 20 July 2018
CLOSING TIME: 11:00

DESCRIPTION: Internal Audit Services

The successful bidder will be required to fill in and sign a written Contract Form (SBD 7).

BID DOCUMENTS MAY BE POSTED TO: …………………………………………………………………………………………………………..

OR: …………………………………………………………………………………………………………………………………………………..

DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

………………………………………………………………………………………………………………………………………………………….

………………………………………………………………………………………………………………………………………………………….

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER …………………………………………………………………………………………………………………………………………

POSTAL ADDRESS ………………………………………………………………………………………………………………………………………

STREET ADDRESS ………………………………………………………………………………………………………………………………………

TELEPHONE NUMBER CODE ……. NUMBER ……………………………………………………………………………………………………

CELLPHONE NUMBER …………………………………………………………………………………………………………………………………

FACSIMILE NUMBER CODE ……. NUMBER ……………………………………………………………………………………………………

E-MAIL ADDRESS ………………………………………………………………………………………………………………………………………

VAT REGISTRATION NUMBER ………………………………………………………………………………………………………………………
HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2) YES or NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1) YES or NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)...........................☐

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); OR.............................☐

A REGISTERED AUDITOR ..................................☐

[TICK APPLICABLE BOX]

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED? YES or NO [IF YES ENCLOSURE PROOF]

SIGNATURE OF BIDDER ........................................................................................................

DATE ..................................................................................................................................

CAPACITY UNDER WHICH THIS BID IS SIGNED ........................................................................

TOTAL BID PRICE...........................................TOTAL NUMBER OF ITEMS OFFERED....................

______________________________________________________________________________

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Department: Supply Chain Management

Contact Person: Mr Lebogang Tsagae

Tel: 011 403 1700

Fax: .................................................................................................................................

E-mail address: Tenders@fpmseta.org.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Contact Person: Mr Schalk Burger

Tel: 011 403 1700

Fax: .................................................................................................................................

E-mail address: SchalkB@fpmseta.org.za
SBD 4

DECLARATION OF INTEREST

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

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

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

2.1 Full Name of bidder or his or her representative: …………………………………………………………………………………………………………………

2.2 Identity Number: ……………………………………………………………………………………………………………………………………………

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

…………………………………………………………………………………………………………………………………………

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

………………………………………………………………………………………………………………………………………

2.5 Tax Reference Number: ………………………………………………………………………………………………………………………………………

2.6 VAT Registration Number: ………………………………………………………………………………………………………………………………………

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

¹“State” means –
(a) Any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
(b) Any municipality or municipal entity;
(c) Provincial legislature;
(d) National Assembly or the national Council of provinces; or
(e) Parliament.
"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

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

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder / member: ……………………………
Name of state institution at which you or the person connected to the bidder is employed: ………………………………………………………..
Position occupied in the state institution: ……………………………

Any other particulars:

………………………………………………………………
………………………………………………………………
………………………………………………………………

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

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

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

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

…………………………………………………………………….
…………………………………………………………………….
…………………………………………………………………….

2.8 Did you or your spouse, or any of the company’s directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? YES / NO

2.8.1 If so, furnish particulars:

…………………………………………………………………….
…………………………………………………………………….
…………………………………………………………………….

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO
2.9.1 If so, furnish particulars


2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? YES/NO

2.10.1 If so, furnish particulars.


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

2.11.1 If so, furnish particulars:


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

<table>
<thead>
<tr>
<th>Full Name</th>
<th>Identity Number</th>
<th>Personal Income Tax Reference Number</th>
<th>State Employee Number</th>
<th>Employee Number / Persal Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4 DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS
DECLARATION PROVE TO BE FALSE.

.................................................. .................................................. ..........................................
Signature Date

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


GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2
a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or
b) Either the 80/20 preference point system will be applicable to this tender (delete whichever is not applicable for this tender).

1.3 Points for this bid shall be awarded for:
(a) Price; and
(b) B-BBEE Status Level of Contributor.

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

<table>
<thead>
<tr>
<th></th>
<th>POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRICE</td>
<td>80</td>
</tr>
<tr>
<td>B-BBBEE STATUS LEVEL OF CONTRIBUTOR</td>
<td>20</td>
</tr>
<tr>
<td>Total points for Price and B-BBEE must not exceed</td>
<td>100</td>
</tr>
</tbody>
</table>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.
DEFINITIONS

(a) “B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

(b) “B-BBEE status level of contributor” means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(c) “bid” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

(d) “Broad-Based Black Economic Empowerment Act” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(e) “EME” means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-based Black Economic Empowerment Act;

(f) “functionality” means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents. (g) “prices” includes all applicable taxes less all unconditional discounts; (h) “proof of B-BBEE status level of contributor” means:

1) B-BBEE Status level certificate issued by an authorized body or person;
2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
3) Any other requirement prescribed in terms of the B-BBEE Act;

(i) “QSE” means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

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

POINTS AWARDED FOR PRICE

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

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

\[
\begin{align*}
80/20 & \quad \text{or} \quad 90/10 \\
Ps & = \frac{80}{Pt - P_{min}} \\
P & = \frac{90}{P_{min}} \\
\end{align*}
\]

Where

\[
\begin{align*}
Ps & = \text{Points scored for price of bid under consideration} \\
Pt & = \text{Price of bid under consideration} \\
P_{min} & = \text{Price of lowest acceptable bid}
\end{align*}
\]
POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

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

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

BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: . = ........ (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

SUB-CONTRACTING

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

(Tick applicable box)

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
</table>

7.1.1 If yes, indicate:
i) What percentage of the contract will be subcontracted?...........%  

ii) The name of the subcontractor.................................................................................................................  

iii) The B-BBEE status level of the subcontractor..............................................................................................  

iv) Whether the sub-contractor is an EME or QSE *(Tick applicable box)*  

<table>
<thead>
<tr>
<th>Designated Group: An EME or QSE which is at least 51% owned by:</th>
<th>EME</th>
<th>QSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black people</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black people who are youth</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black people who are women</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black people with disabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black people living in rural or underdeveloped areas or townships</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooperative owned by black people</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black people who are military veterans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Any EME</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Any QSE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

---

**DECLARATION WITH REGARD TO COMPANY/FIRM**

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

8.2 VAT registration number..................................................................  

8.3 Company registration number.............................................................

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety
- Close corporation
- Company
- (Pty) Limited
  [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.................................................................................................................................
.................................................................................................................................
.................................................................................................................................
.................................................................................................................................
.................................................................................................................................
.................................................................................................................................
.................................................................................................................................
.................................................................................................................................
.................................................................................................................................
.................................................................................................................................
8.6 COMPANY CLASSIFICATION

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

[**Tick Applicable Box**]

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

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

8.8 I/we, the undersigned, who is / are duly authorized to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBEE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

i) The information furnished is true and correct;

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

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding process;

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

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

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

(e) forward the matter for criminal prosecution.
SBD 6.2

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.

1.2. Regulation 9. (1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.

1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

\[
LC = \left[1 - \frac{x}{y}\right] \times 100
\]

Where

- \(x\) is the imported content in Rand
- \(y\) is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of \(x\) must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.


1.6 A bid may be disqualified if –

(a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and

(b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

2. Definitions

2.1. “bid” includes written price quotations, advertised competitive bids or proposals;

2.2. “bid price” price offered by the bidder, excluding value added tax (VAT);

2.3. “contract” means the agreement that results from the acceptance of a bid by an organ of state;

2.4. “designated sector” means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

2.5. “duly sign” means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).

2.6. “imported content” means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

2.7. “local content” means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
2.8. “stipulated minimum threshold” means that portion of local production and content as determined by the Department of Trade and Industry; and

2.9. “sub-contract” means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

3. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

<table>
<thead>
<tr>
<th>Description of services, works or goods</th>
<th>Stipulated minimum threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>_____%</td>
</tr>
<tr>
<td></td>
<td>_____%</td>
</tr>
<tr>
<td></td>
<td>_____%</td>
</tr>
</tbody>
</table>

4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

YES    NO

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za.

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

<table>
<thead>
<tr>
<th>Currency</th>
<th>Rates of exchange</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Dollar</td>
<td></td>
</tr>
<tr>
<td>Pound Sterling</td>
<td></td>
</tr>
<tr>
<td>Euro</td>
<td></td>
</tr>
<tr>
<td>Yen</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

NB: Bidders must submit proof of the SARB rate(s) of exchange used.

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?

(Tick applicable box)

YES    NO

5.1. If yes, provide the following particulars:

(a) Full name of auditor: .................................................................
6. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PRESON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO. ..............................................................................................................................

ISSUED BY: (Procurement Authority / Name of Institution):

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

NB

1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thdti.gov.za/industrial development/ip.jsp. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below. Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, .............................................................. (full names), do hereby declare, in my capacity as ..........................................................(name of bidder entity), the following:

(a) The facts contained herein are within my own personal knowledge.

(b) I have satisfied myself that:

   (i) the goods/services/works to be delivered in terms of the above-specified bid
comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and

(ii) the declaration templates have been audited and certified to be correct.

(c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

<table>
<thead>
<tr>
<th>Bid price, excluding VAT (y)</th>
<th>R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imported content (x), as calculated in terms of SATS 1286:2011</td>
<td>R</td>
</tr>
<tr>
<td>Stipulated minimum threshold for local content (paragraph 3 above)</td>
<td></td>
</tr>
<tr>
<td>Local content %, as calculated in terms of SATS 1286:2011</td>
<td></td>
</tr>
</tbody>
</table>

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: ___________________________ DATE: __________

WITNESS No. 1 ___________________________ DATE: __________

WITNESS No. 2 ___________________________ DATE: __________
DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

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

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

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

| 4.4  | Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract? | Yes □ | No □ |
| 4.4.1 | If so, furnish particulars: |

**SBD 8**

**CERTIFICATION**

I, THE UNDERSIGNED (FULLNAME)……………………………………………….
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

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

.................................................................................. .................................
Signature    Date

..................................................................................
Position    Name of Bidder

Js365bW
CERTIFICATE OF INDEPENDENT BID DETERMINATION

1This Standard Bidding Document (SBD) must form part of all bids¹ invited.

2Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a pe se prohibition meaning that it cannot be justified under any grounds.

3Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
   a. disregards the bid of any bidder if that bidder, or any of its directors have abused the institution’s supply chain management system and or committed fraud or any other improper conduct in relation to such system.
   b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

4This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

I, the undersigned, in submitting the accompanying bid:

________________________________________________________________________

(Bid Number and Description)

in response to the invitation for the bid made by:

________________________________________________________________________

(Name of Institution)

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

I certify, on behalf of:__________________________________________________________that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;

2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;

3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;

4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;

5. For the purposes of this Certificate and the accompanying bid, I understand that the word “competitor” shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

   (a) has been requested to submit a bid in response to this bid invitation;
   (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
   (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

(a) prices;
(b) geographical area where product or service will be rendered (market allocation);
(c) methods, factors or formulas used to calculate prices;
(d) the intention or decision to submit or not to submit, a bid;
(e) the submission of a bid which does not meet the specifications and conditions of the bid; or
(f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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

…………………………………………………  …………………………………………………
Signature                                      Date

…………………………………………………  …………………………………………………
Position                                       Name of Bidder