



**National
Research
Foundation**

INVITATION TO BID

BID DESCRIPTION

APPOINTMENT OF A PANEL OF REGISTERED AUDITORS TO CONDUCT AUDITS ON INTERNATIONALLY FUNDED PROJECTS, IN ACCORDANCE WITH INTERNATIONAL STANDARDS ON AUDITING ISSUED BY THE INTERNATIONAL AUDITING AND ASSURANCE STANDARDS BOARD (IAASB) FOR A PERIOD OF FIVE (5) YEARS.

Bidder Name:	
Number:	NRF/RIISA NORW/40/2023-24
Closing Date	19 April 2024
Closing Time:	11:00 am
Electronic Bid Submission Email Address	Size of the email (document): 20MB max bids@nrf.ac.za
Bids Naming	Split documents into: 1. Technical Proposal 2. Pricing Schedule

Enquiries are directed in writing to:

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FRAUD ALERT!

It is common for scammers to call bidders pretending to be NRF's employees and offering to swing tenders your way for a fee. Do not fall for it, it is a scam!

The NRF would never offer payment or any other consideration in return for the favourable consideration of a bid. Please report any suspected acts of fraud or corruption to the following toll-free number - 0800 701 701 or SMS 39772.

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INTRODUCTION

INTRODUCTION TO THE NRF

The National Research Foundation Act as amended, Act 19 of 2018, establishes the National Research Foundation (“NRF”) as the juristic legal entity that will contract with the awarded bidder.

As a government mandated research and science development agency the NRF funds research, the development of high-end Human Capacity and critical research infrastructure to promote knowledge production across all disciplinary fields. The goal of the NRF is to create innovative funding instruments, advance research career development, increase public science engagement and to establish leading-edge research platforms that will transform the scientific landscape and inspire a representative research community to aspire to global competitiveness. The NRF promotes South African research and innovation interests across the country and internationally, and together with research institutions, business, industry and international partners we build bridges between research communities for mutual benefit that contributes to National Development.

Please visit the NRF website (<https://www.nrf.ac.za>) for more information.

BACKGROUND TO RIISA

The core purpose of RIISA of the NRF is to respond to part of the NRF legislative mandate as stated in the following extract from the “Object of the Foundation” per the NRF Act – “supporting, promoting, and advancing research and human capacity development, through funding, to facilitate the creation of knowledge, innovation and development in all fields of science and technology, including humanities, social sciences and indigenous knowledge”. RIISA leads and primarily performs the statutory responsibility as stated in Object (a) of the NRF Act. RIISA is also expected to coordinate the development of Programme 3’s strategic direction, policy framework, Annual Performance Plan, all reports, activities, targets and monitoring of performance across the NRF through coordination, cooperation, and standardisation.

The scope of RIISA is organised as follows:

Human Capacity Development:

Funding postgraduate students and researchers – access to equipment and research infrastructure (acquisition and cost of access).

Excellent research and knowledge generation:

Anchored on the Research Agenda aligned to STI Decadal Plan Priorities, such as Societal Grand Challenges Priority industry sectors, Geographic Advantage and Science Missions – with the focus on knowledge and innovation outputs.

Institutional Research Capacity:

Strategic investment for individual institutions, group of institutions, local and global networks such as South African Research Chairs Initiative (SARChI), Centres of Excellence (CoEs), Community of Practices (CoPs) and National Research Institutes (NRIs) – taken together, the focus of these strategic investments is to improve South Africa’s international research and innovation competitiveness, while responding to social, economic and transformation imperatives of the country. This includes production and application of knowledge and innovation outputs, which address pertinent and high priority research problems that require large and long-term investments as well as integrated, inter and multi-disciplinary teams.

PART A – BID REQUIREMENTS

SERVICES REQUIREMENT SPECIFICATIONS

The NRF requires registered auditor(s) to conduct an audit and issue an audit report on various projects, following but not restricted to the following standards:

- ISA 800/805 (Revised) – Special Considerations – Audits of single financial statements and specific elements, accounts, or items of a financial statement.
- International Standard on Related Services 4400 (Revised) – Agreed-Upon Procedures Engagements.
- Statutory audits of annual and consolidated accounts
- IAASB-Quality-Management-ISQM-1-Quality-Management-for-Firms.
- IAASB-Quality-Management-ISQM-2-Engagement-Quality-Reviews.
- Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA).
- Relevant International Auditing Standards issued by International Auditing and Assurance Standards Board (IAASB).

The NRF wishes to appoint a panel of up to five (5) auditors per category. The appointment will be made on a rotational basis and a quotation will be requested from the appointed panellist(s) per category. The categories are as follows:

- Category A: external audit services for internationally funded contracts of \leq R50 Million;
- Category B: external audit services for internationally funded contracts of $>$ R50 Million;
- Category C: auditors to conduct financial audits on the projects of the awarded grant holders linked institutions.

Category A and B

In order to be appointed as a panellist in either (Category A or B), the auditor must first indicate which category they are applying for and must meet the minimum requirements under each category. The main differentiator between panellists in Category A and B is the value of the contracts to be audited, which is in line with experience requirements.

Below are unique examples of the different project financial audit requirements, as prescribed by various funders as part of the contractual obligations; which should be used as guidance, but not limited to, on the various types of contract audits that can be expected.

Contract project audit requirement 1

- Prepare an audit in accordance with ISA 805 – Audits of Single Financial Statements and Specific Elements, Accounts, or Items of a Financial Statement.
- A management report must also be prepared on the audit findings together with the compilation of an audit report with an opinion.

Contract project audit requirement 2

The external auditor to compile an audit on a project:

- The audit report will comprise of the independent auditors' report (conducted in terms of ISA 800/805) and the auditors opinion.
- The agreed upon procedures ISRS 4400 will need to be tested in relation to the terms of reference as part of the signed contract and documented.
- Management report that discloses audit findings and weaknesses identified must also be prepared.

Contract project audit requirement 3

The external auditor to compile an audit on a project:

- The auditor is expected to document the terms of reference which will be agreed upon between the auditor and NRF, thereafter signed off. The terms of reference guidelines are usually provided by the funders.
- To produce an independent report of factual findings on costs declared, as part of the financial statement. This report will comprise of agreed-upon procedures ('the Procedures') to be performed by the auditor and the standard factual findings ('the Findings') to be confirmed by the Auditor.
- The auditor must be qualified to carry out statutory audits of annual and consolidated accounts according to national regulations
- Issue a Certificate on the Financial Statements (CFS).

The project team, will provide Scope Of Work as and when the need for audit arises; as part of the request for quotation.

Category C

Certain international contracts require financial audits to be conducted on the respective project of the grant holder linked institution during the tenure of the project, as part of the project monitoring and evaluation exercise. Grant disbursements, to the grant holders linked institutions, are made across the different countries on the African continent; of which virtual and physical presence will be required while conducting the audits.

The category C panellists, are subjected to meeting the minimum requirements under this category and can either be unique auditors or auditors from either Category A or B (of which will be limited to 5). The auditors will be required to provide assurance as part of the audits conducted in Category A or B.

In each audit work to be performed, the appointment of the auditor (under Category C); will be made in such a manner so to ensure complete independence, objectivity and that there is no conflict of interest under the respective project.

The detailed Scope Of Work per project will be communicated to the panellists under this category as and when external audit services are required, in the form of request for quotation.

INDICATION OF VALUE AND TRANSACTIONS FOR CATEGORY A AND B

The below is an indication of the value and quantity of transactions incurred, on average by the projects, over a financial year.

Category A: external audit services for internationally funded contracts of <=R50 Mil;

Project Description	Income for the year	Total Income Receipts	No# of transactions relating to expenditure
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15 disbursed grants, on a yearly basis, to local Higher Education Institutions, Research councils and International Research institutions/organisations.	R15 000 000	2	<50
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Category B: internationally funded contracts of >R50 Mil

Project Description	Income for the year	Total Income Receipts	No# of transactions relating to expenditure
80 disbursed grants, on a yearly basis, to local Higher Education Institutions, Research councils and International Research institutions/organisations	R40 000 000	6	<200

Auditors must indicate which category they are bidding for (either Category A or B). The auditor must meet all the minimum requirements to be considered under each Category. A single year quote must be produced, for category A or B, in accordance to the scope of *Contract project audit requirement 1* (above); for comparability purposes. Refer to SBD 3.3

Category C: auditors to conduct financial audits on the projects of the awarded grant holders linked institutions

Auditors must indicate the category they are bidding for (i.e. Category C).

No quote is required under this category, however the auditor must meet all the minimum requirements stipulated under this Category.

Pricing for category C, will only be requested from panellists as and when the need arises.

QUALIFICATIONS TO BID

The selection of qualifying bidders for the price competition is made on meeting/complying with the following mandatory requirements. The Bid Evaluation Committee will evaluate the bidder's ability to deliver on the bid on these requisite documents with supporting detail evidence that substantiate their responses.

Registered auditor in South Africa:

Proof of registration with the Independent Regulatory Board of Auditors (IRBA) for the firm and members

Member of a Professional Accounting Organisation:

Proof of registration with a recognised accounting association for the firm and members i.e. South African Institute of Chartered Accountants (SAICA).

Capacity of the firm:

Proof (summary) of the capacity of the audit firm with a minimum of

- Size of firm
- Number of years in business
- International affiliations
- Details and summary of partners (of firm) and their experience must be provided.

Category A

Auditors under this category must have more than five (5) years' experience auditing internationally funded projects:

1. ISA 800/805 requirements:
 - 1.1 Provide a summary of projects audited in accordance to ISA800/805 engagements, in the past 5 years, in the public sector and in accordance with the requirements of the Public Finance Management Act. Only focus on significant projects of high value.
2. Provide a summary of work in conducting statutory audits of annual accounts and consolidated accounts of national regulations with a minimum of three (3) projects in the past five (5) years. Only focus on the most recent projects.
3. Provide a list of internationally funded projects which were audited on a yearly basis, in the past 5 years. Only focus on significant projects of high value.
4. Provide a minimum of three(3) written reference letters, not older than 3 years, on different project audits that were internationally donor funded.

Category B

Auditors under this category must have more than ten (10) years' auditing internationally funded projects:

1. ISA 800/805 requirements:
 - 1.1 Provide a summary of projects audited in accordance to ISA800/805 engagements, in the past 10 years, in the public sector and in accordance with the requirements of the Public Finance Management Act. Only focus on significant projects of high value.
2. Provide a summary of work in conducting statutory audits of annual accounts and consolidated accounts of national regulations with a minimum of five (5) projects in the past five (5) years. Only focus on the most recent projects.
3. Provide a list of internationally funded projects which were audited on a yearly basis, in the past ten (10) years. Only focus on significant projects of high value.
4. Provide a minimum of five (5) reference letters, not older than 3 years, on different project audits that were

internationally donor funded.

Category C

Auditors under this category must have more than two (2) years in conducting audits outside of South African boarders or in African countries:

1. A summary of project audits conducted outside South African boarders (but within the African continent) in the past. A minimum of two (2) summarised projects which are most recent.
2. A minimum of two (2) reference letters, from institutions/entities, on different project audits conducted outside SA (but within the African continent).
3. A list of projects audited outside SA boarders in the past two (2) years.

To note:

A summary, at the minimum, refers to: the name of the project, short description, period which the audit was conducted, amount/value of project, standards used when auditing, name of funder(s) and any other relevant information.

A list, at the minimum, refers to: name of the entity, name of the project, project description and amount.

Proposed Project Team:

Details and summary of the project team (whom will be auditing the projects) and their experience . There needs to be consistency in the audit team with a few old members retained in each project audit conducted by the firm.

Quality Management:

A summary of the quality procedures applied to this type of work.

IAASB-Quality-Management-ISQM-1-Quality-Management-for-Firms

IAASB-Quality-Management-ISQM-2-Engagement-Quality-Reviews

Ethical:

Code of ethics for professional accountants issued by the International Ethics Standards Board for Accountants,, confirmation to be attached

The bidder must confirm that there are no interests with the NRF, has clean business practises, and has determined its bid independently from others as reflected on its submitted SBD 4

Due Diligence:

The bidder must confirm that it is registered on the central supplier database and its tax affairs are in order as reflected on its SBD 1.

Pricing:

The bidder must provide a quote for each applicable category listed in the statement of services.

The bidder must provide the completed price schedule SBD3.3 as set out in this document.

The bidder provides its statement of its specific goals. The bidder provides evidence of its specific goals where these support the RIISA specific goals set out in the SBD 6.1 and the preference points being claimed.

CONTRACT PERIOD

The contract period for the audits is from June 2024 to May 2029. The project audits undertaken towards the end of the specified period

needs to be finalised and closed-out and should not be restricted by the contract expiry period.

The contract period for this bid is dependent on the date of appointment by the NRF.

CONTRACT MANAGEMENT

1 NRF Project Manager

- 1.1 The NRF appoints a project manager and notifies the panel members in writing of the name and contact details of the appointed project manager.

2 Panel Members' Contract Manager

- 2.1 Each panel member appoints a lead audit partner and an administrative contract manager to manage the contract and the rotating audits under it. Each panel member notifies NRF (RIISA) in writing of the name and contact details of the appointments.

3 Contract Communication

- 3.1 The NRF communicates in writing including through email.
- 3.2 The NRF maintains all contract documentation, and communications and correspondence, etc. for record purposes.
- 3.3 The NRF will issue award letters to the successful category service providers, with no contract value. The service providers will be expected to produce a quote and undertake audit work as and required by the project team.

4 Retention of Audit Staff

- 4.1 The appointed panel member to notify NRF (RIISA) of any change in the original project team to ensure efficiency through the audits over the contract period.
- 4.2 The appointed panel member will retain the lead partner and audit manager for the contract period. Where there is need to change, NRF will be notified and must agree to the proposed new structure before it is implemented.

5 Rotation of Project Work amongst Panel Members

5.1 Category A and B

- 5.1.1 The appointment will be made on a rotational basis and the quotations will be requested on a rotational basis from the appointed panellists.
- 5.1.2 The NRF reserves the right to ensure that there is complete independence, objectivity and no conflict of interest in the auditing services provided on any given project.

5.2 Category C

- 5.2.1 Each service provider will be requested to provide a quote, based on the scope of work to be undertaken.
- 5.2.2 As audits under category C are based on the work done on Category A and B. Category C is meant to provide assurance on work done by Category A or B, thus the appointment of the auditor for the specific work will be done in such a manner so to ensure independence, objectivity and that there is no conflict of interest on any given project. Panellist can be unique auditors or either Panellists from Category A or B; can be considered provided that the minimum requirements are met. Unique auditors will be considered first, prior to category A or B panellists.

6 Project Audit Meetings

- 6.1 Upon acceptance of quote and issuing a purchase order, the project team will set up initial audit meetings with the auditor to kick start the audit.
- 6.2 Further meetings will be arranged during the course of the audit in order to finalise the possible audit findings and conclusion of the audit.

PERFORMANCE LEVEL (GENERAL CONDITION OF CONTRACT CLAUSE NO: 22)

MANAGING SERVICE LEVELS

If the appointed panel members fail to meet any performance level agreed to, the resolution process is as stated below:

- a) Promptly correct the failure and begin meeting the set performance levels;
- b) Advise NRF (RIISA) as to the extent requested by NRF (RIISA) of the status of remedial efforts being undertaken with respect to such performance level failure; and
- c) Take preventive measures to prevent the recurrence of the performance level failure.

STATEMENT OF PERFORMANCE LEVELS

Service/Goods being Measured	Measurement Methodology	Penalty/Bonus and level applicable from
Audit delay	Commencement agreed as per quote. The audit work should begin within 2 weeks of receiving PPO. Completion of project audits within time frames	Where the audit is delayed by the service provider, by more than 2 weeks, from the approved & agreed upon timelines. Proactive engagement and course of action needs to be communicated with the NRF's project team, so to manage the delivery to the funders.
Quality of reporting	Audit reports meet the requirements specified as per each funding contract and are agreed upfront by the rotating panel member and the NRF project team.	Reports that are not provided in the agreed format will not be accepted by the NRF, and payment will be delayed until the reports meet the required standards. Where audit reports are criticised by the funders, the auditor must resolve the issues in a speedy manner (turnaround of less than 5 days). NRF will recover from the panel member that is liable where NRF suffers penalties from the funders.
Quality of Services Rendered Monitoring	The panel member, after each audit project, will provide a customer questionnaire on which the level of services will be rated on.	No penalty/bonus applicable. It affects the likelihood of continued future business in instances where issues are not addressed or no improvements are made.

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

In this document words in the singular also mean in the plural and vice versa, words in the masculine mean in the feminine and neuter, words "department" means organs of state inclusive of public entities and vice versa, and the words "will/should" mean "must".

The National Research Foundation cannot amend the National Treasury's General Conditions of Contract (GCC). The National Research Foundation compiles separate Special Conditions of Contract (SCC) relevant to this bid where applicable supplementing the General Conditions of Contract. Where there is conflict, the provisions of the Special Conditions of Contract shall prevail.

GCC 1 Definitions - 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 anything 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 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.

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

- 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” mean 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 if 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.
- GCC2 Application
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

shall apply.

GCC 3 General

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

3.2 With certain exceptions (National Treasury's eTender website), 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

GCC 4 Standards

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

SCC4 The services rendered shall conform to the standards mentioned in the bidding documents and specifications.

GCC 5 Use of contract documents and information

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 made to any such employed person is in confidence and shall extend only as far as may be necessary for purposes of such performance.

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

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

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

SCC5A Copyright and Intellectual Property

Intellectual property refers to creation of the mind, such as inventions; literary and artistic works; designs; and symbols, names, images used in commerce; and includes copyright (a legal term describing the rights that creators have over their literary and artistic works including books, music, paintings, sculpture and films, to computer programs, databases, advertisements, maps and technical drawings); trademark (a legal term describing a sign capable of distinguishing the goods or services of one enterprise from those of other enterprises); and patents (a legal terms describing an exclusive right granted for an invention providing the patent owner with the right to decide how - or whether - the invention can be used by others).

Background intellectual property is defined as the intellectual property pertaining to this contract and created and owned by any of the contracted parties to this contract prior to the effective date of this contract.

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

Contract intellectual property is defined as intellectual property created by the parties to this contract for and in the execution of the contract.

All background intellectual property (existing prior to this contract) invests in and remains the sole property of the contracted parties to this contract. Both parties disclose openly such intellectual property ownership to the parties in writing at the commencement of this contract.

The supplier grants the purchaser a fully paid up, irrevocable, and non-exclusive licence to use its background intellectual property for the exploitation of this contract to enable the purchaser to obtain the full benefit of the contracted deliverables for this contract.

The parties agree that all right, title, and interest in contract intellectual property created during the execution of this contract invests with the purchaser unless where agreed in writing to a different allocation of the ownership of the contract intellectual property with such allocation being an appendix to this contract.

Both parties to this contract shall keep the intellectual property created during this contract confidential and shall fulfil its confidentiality obligations as set out in this document.

The supplier agrees to assist the purchaser in obtaining statutory protection for the contract intellectual property at the expense of the purchaser wherever the purchaser may choose to obtain such statutory protection.

The supplier shall procure where necessary the signatures of its personnel for the assignment of its respective contract intellectual property to the purchaser or as the purchaser may direct, and to support the purchaser or its nominee, in the prosecution and enforcement thereof in any country in the world.

The supplier irrevocably appoints the purchaser to be its true and lawful agent in its own name, to do such acts, deeds, and things and to execute deeds, documents, and forms that the purchaser, in its discretion, requires in order to give effect to the terms of this clause.

SCC5B

Confidentiality

Each party shall be careful and diligent as not to cause any unauthorised disclosure or use of the confidential information, in particular, during the consistency of the Contract and after termination of the Contract. Without the prior consent of the other party, each party will keep confidential and will not

- Disclose the confidential information, directly or indirectly, to any person or entity;
- Use, exploit or in any other manner whatsoever apply the confidential information for any other purpose whatsoever, other than for the execution of the contract and the delivery of the deliverables or
- Copy, reproduce, or otherwise publish confidentiality information except as strictly required for the execution of the contract.

The parties shall ensure that any employees, agents, directors, contractors, service providers, and associates which may gain access to the confidential information abide by the undertakings in this clause both during the term of their associations with the parties and after termination of their respective associations with the parties, not to

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

- Disclose the confidential information to any third party, or
- Use the confidential information otherwise than as may be strictly necessary for the execution of the contract,
- The parties shall take all such steps as may be reasonably necessary to prevent the confidential information from falling into the hands of any unauthorised third party.

The undertakings set out in this clause shall not apply to confidential information, which the parties are able to prove:

- Was independently developed or in the possession of the recipient of the confidential information prior to its involvement with the other party ;
- Is now or hereafter comes into the public domain other than by breach of this contract by any of the parties;
- Was lawfully received by the recipient from a third party acting in good faith having a right of further disclosure and who do not derive the same directly or indirectly from the other party, or
- Required by law to be disclosed by the recipient, but only to the extent of such order and the recipient shall inform the other party of such requirement prior to any disclosure.

Each party shall within one (1) month of receipt of a written request from the other party to do so, return to the party all material embodiments, whether in documentary or electronic form, of the confidential information including but not limited to:

- All written disclosures;;
- All written transcripts of confidential information disclosed verbally; and
- All material embodiments of the contract intellectual property.

The parties acknowledge that the confidential information was made available solely for the execution of the contract and for no other purpose whatsoever and that the confidential information would not have been made available, but for the obligations of confidentiality agreed to herein.

Except as expressly herein provided, this contract shall not be construed as granting or confirming, either expressly or impliedly any rights, licences or relationships by furnishing of confidential information by either party pursuant to this contract.

Each party acknowledges that the unauthorised disclosure of confidential information may cause harm to the other party. Each party agrees that, in the event of a breach or threatened breach of confidentiality, the other party is entitled to seek injunctive relief or specific performance, in order to obtain immediate remedies. Any such remedy shall be in addition to and not in lieu of any other remedies available at law, including monetary

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damages.

SCC5C Copyright and Intellectual Property

The supplier hereby gives the purchaser permission, in terms of the Protection of Personal Information Act 4 of 2013, to process, collect, receive, record, organise, collate, store, update, modify, retrieve, alter, consult, use, disseminate, distribute, merge, link, erase or destroy personal information received. By submitting a bid, the third party gives its voluntary explicit consent to the terms of this special condition.

GCC6 Patent rights

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

GCC7 Performance security

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

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

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

7.3.1 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

7.3.2 cashier's or certified cheque.

7.4 The performance security will be discharged by the purchaser and returned to the supplier within 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.

GCC8 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 purchaser or an organization acting on behalf of the purchaser.

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.

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

- 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 supplier shall defray the cost in connection with these inspections, tests, or analyses.
- 8.6 Supplies and services 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 analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies are 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 because of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.
- GCC9 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.
- SCC No special condition applicable, unless specified elsewhere in this document.
- GCC10 Delivery and Documentation
- 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 submitted by the supplier specified in SCC.
- SCC No special condition applicable, unless specified elsewhere in this document.
- GCC11 Insurance
- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

SCC The supplier carries insurance of 3% of the contract value or R 2 million for public liability, product liability, and professional indemnity, whichever is greater.

GCC12 Transportation

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

SCC No special condition applicable, unless specified elsewhere in this document.

GCC13 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:

13.1.1 Performance or supervision of on-site assembly and/or commissioning of the supplied goods;

13.1.2 Furnishing of tools required for assembly and/or maintenance of the supplied goods;

13.1.3 Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

13.1.4 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

13.1.5 Training of the purchaser's personnel, at the supplier's plant and/or on-site, conducted 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.

SCC In the event that this document makes provision for such service elsewhere in this document, it is only valid if confirmed through the issue of a written purchase order that specifies, where applicable, quality, quantity, description, unit price, and delivery date.

GCC14 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:

14.1.1 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

14.1.2 In the event of termination of production of the spare parts:

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

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

14.1.2.1 Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

GCC15 Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models and those 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.

SCC No special condition applicable, unless specified elsewhere in this document.

GCC16 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.

SCC 16 Payment is made 30 days after receipt of invoice or claim by the purchaser from the supplier which period is automatically extended by any delay occasioned by the supplier such as failure to supply a copy of the delivery note, if applicable; and/or failure to provide proof of fulfillment of other obligations stipulated in the contract

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

GCC17	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.
SCC	No additional special conditions other than stated in the price section in this document.
GCC18	Contract amendment
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.
GCC19	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.
GCC20	Subcontract
20.1	The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract 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
GCC21	Delays in 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.

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.
- GCC22 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.
- GCC23 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:
- 23.1.1 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;
- 23.1.2 If the supplier fails to perform any other obligation(s) under the contract; or
- 23.1.3 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 Authority will, at the discretion of the Accounting 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 Authority actively associated.

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

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:

23.6.1 the name and address of the supplier and / or person restricted by the purchaser;

23.6.2 the date of commencement of the restriction

23.6.3 the period of restriction; and

23.6.4 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 ten (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.

GCC24 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

GCC25 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

GCC26 Termination for insolvency

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- 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.
- GCC27 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,
- 27.5.1 the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- 27.5.2 the purchaser shall pay the supplier any monies due the supplier.
- SCC27 The appointment of a mediator and the procedure shall be agreed between the parties. Regardless of the outcome of a mediation the parties shall bear their own costs concerning the mediation and equally share the costs of the mediator and related expenses.”
- GCC28 Limitation of liability
- 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- 28.1.1 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
- 28.1.2 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.
- GCC29 Governing language

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

- 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.
- GCC30 Applicable law
- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- GCC31 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
- GCC32 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
- GCC33 National Industrial Participation Programme
- 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.
- GCC34 Prohibition of restrictive practices
- 34.1 In terms of Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is/are or a contractor(s) was/were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has/have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3¹ If a bidder(s) or contractor(s), has/have been found guilty by the Competition Commission of the restrictive

¹ Research

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

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

EVALUATION OF BIDDER'S EVIDENCE OF QUALIFYING TO DELIVER THE CONTRACT

The bidder must provide the following mandatory documentary evidence demonstrating their ability to execute this contract. **A bidder failing to adequately provide any of the mandatory documents is automatically disqualified.**

Bidder's technical qualification: The NRF only considers bidders that have the technical qualifications for the nature of the required services/goods. The onus is on the bidder to provide proof, unless indicated to the contrary, with the minimum listed below: **Mandatory Documents (M) and Technical Eligibility Criteria (T)**

Evidence Description	RFP Section Reference	Reference to RFP	GO/ NO GO	Reference to Bidder's document
Mandatory Documents (M) – Complaint RFP Response				
Completed and signed SBD 4	M	Pages 37 39	Go/ No Go	
		Verified that the bidder has declared their interest with this bid and is accepted		
		Verified that the bidder has no unethical practises		
		Verified that the bidder has not been restricted in any form (company and/or directors)		
Completed and signed SBD 6.1	M	Pages 39 - 43	Go/ No Go	
		Is the bidder claiming preference point for the price competition?		
Completed SBD 3.3	M	Page 32 - 34	Go/ No Go	
		Is the bidder price schedule in a separate envelope?		
Completed and signed SBD 1	M	Page 43	Go/ No Go	
		Has the bidder completed and signed the SBD 1?		

An applicant failing to have an Overall Score of a "GO" on above mandatory documents is regarded as non-responsive and is automatically disqualified

INDICATE WHICH CATEGORY/IES YOU ARE BIDDING FOR:

Category A	
Category B	

#	Meet Specification Minimum	Weight	Bid Section Reference	GO / NO GO	Reference to Bidder's document
<u>1a</u>	Did the bidder submit the firm's and members' proof of registration or accreditation with the Independent Regulatory Board of Auditors (IRBA)?	Mandatory	Page 4 - 8	GO / NO GO	
<u>1b</u>	Did the bidder submit the firm's and members' proof of registration or accreditation with a professional body South African Institute of Chartered Accountants (SAICA)?	Mandatory	Page 4 - 8	GO / NO GO	
<u>2a</u>	Has the bidder submitted proof (summary) of the capacity of the audit firm outlining; the size of the firm; the number of years in business; international affiliations. Details and summary of partners (of firm) and their experience must be provided.	Mandatory	Page 4 - 8	GO / NO GO	
<u>3a</u>	Details and summary of the project team (whom will be auditing the projects) and their experience.	Mandatory	Page 4 - 8	GO / NO GO	
4a	International affiliations Category A: <ul style="list-style-type: none">- Has the bidder submitted a summary of different internationally funded granting projects which were audited by the firm in the past five (5) years, minimum of three (3) internationally funded projects. Only focus on significant projects of high value Category B: <ul style="list-style-type: none">- Has the bidder submitted a summary of different internationally funded granting projects which were audited by	Mandatory	Page 4 - 8	GO / NO GO	

	<p>the firm in the past ten (10) years, minimum of five (5) internationally funded projects. Only focus on significant projects of high value</p> <p>Category C:</p> <ul style="list-style-type: none"> - Has the bidder submitted a summary of projects which were audited by the firm in the past two (2) years, outside South Africa border's (but within the African continent). Minimum of two (2) projects. 				
4b	<p>Reference letters:</p> <p>Category A:</p> <ul style="list-style-type: none"> - A minimum of three (3) written reference letters, not older than three (3) years, on different project audits that were internationally donor funded. <p>Category B:</p> <ul style="list-style-type: none"> - A minimum of five (5) written reference letters, not older than three (3) years, on different project audits that were internationally donor funded. <p>Category C:</p> <ul style="list-style-type: none"> - A minimum of two (2) reference letters, from institutions/entities, on different project audits conducted outside SA (but within the African continent). 	Mandatory	Page 4 - 8	GO / NO GO	
5a	<p>Specification of work</p> <p>Category A:</p> <ul style="list-style-type: none"> - Provide a summary of projects audited in accordance to ISA800/805 engagements, in the past 5 years, in the public sector and in accordance with the 	Mandatory	Page 4 - 8	GO / NO GO	

	<p>requirements of the Public Finance Management Act. Only focus on significant projects of high value.</p> <ul style="list-style-type: none"> - Provide a summary of work in conducting statutory audits of annual accounts and consolidated accounts of national regulations with a minimum of three(3) projects in the past five(5) years. - Provide a list of internationally funded projects which were audited on a yearly basis, in the past 5 years. Only focus on significant projects of high value. <p>Category B:</p> <ul style="list-style-type: none"> - Provide a summary of projects audited in accordance to ISA800/805 engagements, in the past 10 years, in the public sector and in accordance with the requirements of the Public Finance Management Act. Only focus on significant projects of high value. - Provide a summary of work in conducting statutory audits of annual accounts and consolidated accounts of national regulations with a minimum of five(5) projects not older than three(3) years. - Provide a list of internationally funded projects which were audited on a yearly basis, in the past 10 years. Only focus on significant projects of high value. <p>Category C:</p> <ul style="list-style-type: none"> - Provide a list of projects which were audited on a yearly basis, in 				
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	the past two(2) years outside of SA borders (but within the African continent). Only focus on significant projects of high value.				
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THE BID PREPARATION

Clarification

If the respondent wishes to clarify aspects of this request or the acquisition process, they write to the contact officials listed under the enquiries section above. The NRF distributes the response to a clarification request to all respondents that have communicated their intention to bid (i.e. briefing session attendance register) within 2 working days of receipt of the query. The NRF does not provide the origin of the request to any party.

Response preparation costs

The NRF is not liable for any costs incurred by a bidder in the process of responding to this invitation, including on-site presentations.

Counter proposals

No counter proposals are accepted.

Two envelope system

The NRF, in the interests of transparent procurement, utilises the two-envelope system to minimise any form of price bias in the technical selection phase. All responses must be submitted in two sealed envelopes/boxes; the first envelop/box shall have the technical, compliance and BBBEE response and the second envelop/box shall only have the financial response. Bidders must ensure that they do not indicate any financial information in the first envelop/box.

Bidders are required to package their response/Bid as follows:

- Envelope 1pdf: Compliance Response including bid forms and the Technical Response.
- Envelope 2pdf: Financial Proposal and Bid Submission Form

Central Supplier Database registration

The NRF is legislatively only allowed to contract with third parties registered on the National Treasury's Central Supplier Database. Third parties include their Master Registration Number (Supplier Number) for evaluation purposes. The NRF utilises the third parties' Master Registration Number conduct due diligence through the Central Supplier Database as part of the due diligence pre-award process inclusive of tax compliance verification.

Collusion, fraud and corruption

Any effort by the bidder to influence evaluation, comparisons, or award decisions in any manner will result in the rejection and disqualification of the bidder concerned.

Fronting

The NRF supports the Government's broad based black economic empowerment recognising that real empowerment is through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent, and legally compliant manner. Against this background, the NRF condemns any form of fronting. The NRF's evaluation committees conduct or initiate the enquiries/investigations to determine the accuracy of the third parties representations. The third parties have the onus of proving that fronting does not exist. Where the NRF identifies a potential breach may exist, the NRF notifies the third parties of the allegation. The third parties have a period of 7 days from date of notification to provide evidence that such potential breach does not exist. The NRF, upon confirmation of fronting, will invalidate the contract, apply for the third parties to be restricted from conducting business with the public sector for a period not exceeding 10 years, and exercise any other remedies the NRF may have against the concerned third party.

Disclaimers

The NRF has produced this document in good faith. The NRF, its agents, and its employees and associates do not warrant its accuracy or completeness; make no representation, warranty, assurance, guarantee or endorsements to any third parties concerning the document. The NRF has no liability towards the responding third parties in connection therewith.

General definitions

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

“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;

“Bid” means a written offer in a prescribed or stipulated form in response to an invitation by the National Research Foundation for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals.

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

“Contract” means the entire bid document inclusive of scope of work, specification, price conditions, price quote table, service delivery conditions, performance conditions with their key performance indicators, and general conditions when attached to the Standard Bidding Document 7 (SBD 7.1) which has been signed by the awarded bidder and the National Research Foundation;

“Functionality” means the ability of a bidder to provide goods and/or services in accordance with specifications as set out in these bid documents;

“Proof of B-BBEE status level of contributor” means:

B-BBEE Status level certificate issued by an authorized body or person;

A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;

Any other requirement prescribed in terms of the B-BBEE Act.

“Equipment” means the operational unit including spares, replacement components, consumables, sub-systems, firmware, and software that delivers the specified output.

“NRF” means the National Research Foundation and it is used interchangeable with its business units managing the contract being Research Innovation Support and Advancement (RISA)

THE SELECTION PROCESS

Stage 1 – Verification of the ability of a bidder to provide the services in accordance with specifications and conditions as set out in the bid documents.

Responsive to submission requirements

A Bid that meets all the submission requirements in the bid document is a responsive bid that proceeds to the next stage. The NRF’s evaluation committee will disqualify non-responsive submissions.

Meeting technical specifications

The NRF’s evaluation committee will disqualify responsive submissions that do not meet the minimum technical specifications set out in this document.

The bidder will be disqualified as they did not meet the minimum technical specifications.

Due Diligence Research

NRF will conduct due diligence on a bidder by contacting the references submitted to verify the bidder’s capability to provide the goods/services required.

Stage 2 – Price competition

The NRF’s evaluation committee assesses compliant bidders from the technical evaluation stage on their pricing and BBBEE accreditation. The NRF’s evaluation committee compares each bidder’s pricing quote on an equal and fair comparison basis equitable to all bidders, taking into account all aspects of the bid’s pricing requirements. The NRF’s

evaluation committee ranks the qualifying bids on points scored on the basis of both Price and B-BBEE levels as indicated on SBD 6.1 in accordance with the PPPFA.

Stage 3 – Award and Contract Signing

The bid evaluation committee recommends to the Bid Adjudication Committee for subsequent approval by the Delegated Authority the bidder with the highest combined score for the contract award subject to the final verification of the bidder’s tax status as set out in the SBD 1 through the CSD.

Cancellation of the bid prior to award

The NRF cancels this bid invitation prior to making an award:

- a) Due to changed circumstances there is no need for the specified procurement in the document, or
- b) No bids meet the minimum required specification, or a material irregularity occurred in the bid process, or
- c) Where the price is too low/high in comparison to the pre-bid defined market price range with no bidder prepared to negotiate the price into the determined market price range.

PART B – PRICING

SBD 3.3: PRICING DETAIL	
Pricing Special Conditions	
1	Pricing Schedule: In terms of <u>General Conditions of contract clause 17.1</u> , the price schedule remains unchanged for the duration of the contract with the NRF accepting no changes, extensions, or additional ad hoc costs to the pricing conditions of the contract with the exception of any price adjustments authorised in the Special Conditions of Contract for pricing set out below:
2	Firm Quantities over the Contract Period: The NRF requires firm set quantities during the current period with the time of delivery being determined during the contract period.
3	Estimated quantities over the Contract Period: The NRF may require further quantities during the current period with the actual quantity and time of delivery being determined when such quantities are needed. For bidding purposes and to establish the contract ceiling price, the NRF provides estimated quantities of what its requirements and estimated timing during the contract period for bidders to establish their pricing. The NRF does not provide guarantees or commitments that it will order this entire amount during the contract’s life. The NRF, through the signed contract, guarantees its procurement of the specified goods and/or services is from the contracted party only.
4	Placement of written purchase orders for actual quantities ordered: The NRF manages the execution of this contract through the issue of written purchase orders – stipulating quantity, description, delivery date, and the unit price as set out in this contract - for the contracted supplies. The NRF, when issuing the written purchase order, guarantees that the funding is available.
5	Contract Ceiling Price: With these estimates in the bid contract, the contract ceiling price includes both the firm quantities and the potential future quantities within the contract ceiling price. The NRF manages the contract within the contract ceiling price by paying only for the verified deliveries/performances in terms of the clauses of this contract. The cumulative value of each of these invoices at the expiry of the contract is the actual total contract price.
6	Price Adjustments: In terms of <u>General Conditions of Contract clause 17.1</u> , the price adjustments with the rules for application are set out below as special conditions of <u>Contract Clause 17.1</u> . Price adjustments and their corresponding rules are for the management of price risks on the basis of the NRF and the contracted bidder sharing the risk equally.
7	Price quoted is South African Rands in terms of General Conditions of contract clause 16.4
8	Price Quotation Basis Price quoted is fully inclusive of all costs including delivery to the specified NRF price delivery point and includes value- added tax, income tax, unemployment insurance fund contributions, and skills development levies in terms of General Conditions of contract clauses 12, 32.1 and 32.2.

SBD 3.3: PRICING DETAIL

	<u>Price Delivery Point:</u> In cases where different delivery points influence the pricing, the bidder submits a separate pricing schedule for each delivery point.
9	<u>Detail Pricing Support:</u> Detailed information e.g. costed bill of quantities is optional where not stated in the price schedule below and is provided as an annexure to the details included in this SBD 3
10	<u>Application of Preference Points:</u> Pricing is subject to the addition of Preference Points as stipulated below - Standard Bidding Document 6.1 Preference claim form.

PRICING SCHEDULE (Professional Services)		SBD 3.3	
DESCRIPTION/ (Audit fees)		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 (excluding incidental expenses).		
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
	Partner/director		
	Senior Manager		
	Manager/ supervisor		
	Audit staff		
5	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
	Category A		
	Category B		
5 1	Travel expenses (specify rate/km and total km, etc.). Only actual costs are recoverable. The audits will be conducted at the NRF Office in Meiring Naude, Pretoria. Proof of expenditure must accompany certified invoices. DESCRIPTION OF EXPENSE TO BE INCURRED	RATE PER KM	QUANTITY AMOUNT
			R
			R
			R
			R
		TOTAL	R
5 2	Other expenses: (please specify, e.g., ONLY three-star hotel, bed and breakfast, telephone cost, reproduction costs etc.). Only actual costs are recoverable. The audits will be conducted in a hybrid model, online and at the NRF Office in Meiring Naude, Pretoria. Based on these particulars, certified invoices will be checked for	RATE	QUANTITY AMOUNT

	correctness. Proof of expenditure must accompany certified invoices. DESCRIPTION OF EXPENSE TO BE INCURRED			
				R
				R
				R
				R
		TOTAL	R	
6	Estimated man days to be spent on the audit.	No# of days		
7	Period required for commencement with project after acceptance of the bid.	No# of days		
8	Are the rates quoted firm for the full period of the contract (i.e. 12 months)	YES / NO		
9	If not for the full period, the firm should provide details of the basis on which the adjustments will be applied for, for example consumer price index		

PART C - RETURNS

INVITATION TO BID (SBD 1)	
Bid number	NRF/RIISA NORW/40/2023-24
Closing date and time	
The NRF recognises the date and time as recorded on its systems for closure purposes.	
SUMMARY OF BID REQUIREMENTS	
Number of electronic documents for contract signing	1
Two envelope system	Yes
Price validity period from date of closure	One hundred and fifty (150) days

SUPPLIER INFORMATION			
Name of Bidder			
Postal Address			
Street Address			
Telephone Number			
Code		Number	
Cell Phone Number			
Code		Number	
Facsimile Number			
Code		Number	
E-Mail Address			
VAT Registration Number			
Tax Compliance Status	Tax Compliance System PIN	OR	Central Supplier Database No. MAAA
B-BBEE Status Level	Tick Applicable Box.	B-BBEE Status Level	Tick Applicable Box.

SUPPLIER INFORMATION			
Verification Certificate	<input type="checkbox"/> Yes <input type="checkbox"/> No	Sworn Affidavit	<input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE status level verification certificate/sworn affidavit (for EMEs & QSEs) must be submitted in order to qualify for preference points for B-BBEE – also refer to the SBD 6.1]			
Are you the accredited representative in South Africa for the goods/services/works offered?	<input type="checkbox"/> Yes <input type="checkbox"/> No [If yes enclose proof]	Are you a foreign-based supplier for the goods/services/works offered?	<input type="checkbox"/> Yes <input type="checkbox"/> No [If yes, answer the questionnaire below]
Is the entity a resident of the Republic of South Africa (RSA)?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Does the entity have a branch in the RSA?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Does the entity have a permanent establishment in the RSA?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Does the entity have any source of income in the RSA?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Is the entity liable in the RSA for any form of taxation?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
If the answer is “No” to all of the above, then it is not a requirement to register for a tax compliance status system pin code from the South African Revenue Service (SARS).			
BID SUBMISSION			
1.	Bids must be delivered by the stipulated time to the correct address. Late bid will not be accepted for consideration.		
2.	All bids must be submitted on the officially provided forms provided – (not to be re-typed) or in the manner prescribed in the bid document.		
3.	This bid is subject to the specifications and special conditions of contract pertaining to this bid, the Preferential Procurement Policy Framework Act, 2000 and the Preferential Procurement Regulations, 2017, the General Conditions of Contract (GCC), and any other legislative requirements if applicable to this bid. These are included in this document thereby forming the contract between the NRF and the appointed/awarded bidder.		
4.	The successful bidder will be required to fill in and sign the contract signature form (SBD7) for this contract.		
TAX COMPLIANCE REQUIREMENTS			
1.	Bidder must ensure compliance with their tax obligations.		
2.	Where the bidder is registered on the Central Supplier Database (CSD), a CSD number must be provided		
3.	Bidders are required to submit their unique personal identification number (PIN) issued by SARS to enable the organ of state to verify the taxpayer’s profile and tax status. Application for tax compliance status (TCS) pin is made via e-filing through the SARS website www.sars.gov.za .		
4.	Bidders may also submit a printed TCS certificate together with the bid, available via e-filing through the SARS website www.sars.gov.za .		
5.	In bids where consortia/ joint ventures/ sub-contractors are involved, each party must submit a separate TCS certificate/PIN/CSD number.		
6.	No bids will be considered from persons in the service of the state, companies with directors who are persons in the service of the state, or close corporations with members’ persons in the service of the state.		

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:	
If you are presently employed by the State, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, did you attach proof of such authority to the Bid document?	
If No, furnish reasons for non-submission of such proof as an attached schedule	
(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the Bid.)	
Did you or your spouse or any of the company's directors/ trustees /shareholders /members or their spouses conduct business with the State including any business units of the National Research Foundation in the previous twelve months?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If so, furnish particulars as an attached schedule	
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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If so, furnish particulars as an attached schedule	
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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If so, furnish particulars as an attached schedule	

BIDDER'S DISCLOSURE		SBD 4
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 interest ² 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.	

² 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.

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 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 consortium³ 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 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.

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 DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

PREFERENCE POINTS CLAIMED (SBD 6.1)

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

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

PREFERENCE POINTS CLAIMED (SBD 6.1)

(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 PREFERENCE POINT SYSTEMS

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

80/20

PREFERENCE POINTS CLAIMED (SBD 6.1)

$$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

$$P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) \quad \text{or} \quad P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = Price of highest acceptable tender

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.)

PREFERENCE POINTS CLAIMED (SBD 6.1)

NRF will use the B-BBEE status level scoring table

Preference points are allocated to both procurement and income-generation based on the two different thresholds in terms of the table below:

The specific goals allocated points in terms of this tender: B-BBEE Status Level of Contributor	Number of points allocated (80/20 system)	Number of points claimed (80/20 system) (To be completed by the tenderer)
1	20	
2	18	
3	14	
4	12	
5	8	
6	6	
7	4	
8	2	
Non-compliant	0	

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;

PREFERENCE POINTS CLAIMED (SBD 6.1)

- 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.

BID SIGNATURE (SBD 1)

I hereby undertake to supply all or any of the goods, works, and services described in this procurement invitation to the NRF in accordance with the requirements and specifications stipulated in this Bid Invitation document at the price/s quoted. I confirm that I have satisfied myself as to the correctness and validity of my offer/bid in response to this Invitation, cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk. My offer remains binding upon me and open for acceptance by the NRF during the validity period indicated and calculated from the closing time of Bid Invitation. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me in terms of this Bid Invitation as the principal liable for the due fulfilment of the subsequent contract if awarded to me.

I declare that during the bidding period did not have access to any NRF proprietary information or any other matter that may have unfairly placed our bid in a preferential position in relation to any of the other bidder(s).

I confirm that I am duly authorised to sign this offer/ bid response.

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED (Proof of authority must be submitted e.g. company resolution)