



PSiRA
Private Security Industry Regulatory Authority

**REQUEST FOR PROPOSALS FOR APPOINTMENT OF A SERVICE
PROVIDER FOR PROVISION OF INTERNAL
AUDIT SERVICES FOR A PERIOD OF 36 MONTHS**

[PSiRA/2023/RFB/09]

Date Issued: [19 January 2024]

Closing Date and Time: [20 February 2024 at 11:00]

**Non-Compulsory Virtual Briefing Session: 02 February
2024 at 10:00**

**Briefing session link: [https://events.teams.microsoft.com/event/b058acd1-
bd7f-4eeb-8651-66705c3769d0@3ebbb76c-63ea-4470-ac2b-f6370b3b7690](https://events.teams.microsoft.com/event/b058acd1-bd7f-4eeb-8651-66705c3769d0@3ebbb76c-63ea-4470-ac2b-f6370b3b7690)**

Bid Validity Period: [120 days]

TENDER BOX ADDRESS:

PSiRA Head Office: 420 Witch-Hazel Avenue, Block B – Eco Glades 2 Office Park, Highveld
Ext 70, Centurion.



CHECKLIST OF COMPULSORY RETURNABLE SCHEDULES & DOCUMENTS/REQUIREMENTS

YES	NO	DOCUMENTATION
<input type="checkbox"/>	<input type="checkbox"/>	SBD 1: Invitation to Bid
<input type="checkbox"/>	<input type="checkbox"/>	SBD 3: Pricing Schedule
<input type="checkbox"/>	<input type="checkbox"/>	SBD 4: Declaration of Interest
<input type="checkbox"/>	<input type="checkbox"/>	SBD 6.1: Preference Claim Forms in terms of Preferential Procurement Regulations, 2022
<input type="checkbox"/>	<input type="checkbox"/>	General Conditions of Contract (All pages to be initialled and last page signed by the bidder)
<input type="checkbox"/>	<input type="checkbox"/>	Terms of Reference (All pages to be initialled and last page signed by the bidder)
<input type="checkbox"/>	<input type="checkbox"/>	Submission of valid certificate of registration from The Institute of Internal Auditors.

Sealed and clearly marked bids indicating the bid Reference No. i.e PSiRA/2023/RFB/XX must be deposited in the PSiRA Head Office tender box located at **420 Witch Hazel Avenue, Eco Glades, Block B2, Eco Park, Centurion, Pretoria**- before the closing date and time.



The purpose of this document is to provide guidance to service providers on how to compile a compliant bid proposal.

Bids/Forms will be considered to be fully completed when signed and the following are specified/ reflected and submitted:

- SBD 1: Invitation to Bid**
- Supplier information.
 - Signed on page 2.

- SBD 3.3: - Pricing Schedule**
- Total bid price must be reflected on the form.
 - Company name reflected on the form.
 - Persons who will be involved in the project and rates applicable.
 - Phases according to which the project will be completed, cost per phase and man-days to be spent.
 - Period required for commencement with project after acceptance of bid.
 - An indication that the bid price is fixed or not, if not for the full period, provide details.
 - Estimated man-days for completion of project.

- SBD 4: - Declaration of interest**
- All questionnaires must be answered on:
- Paragraph 2: 2.1 and 2.1.1.
 - Paragraph 2.2 and 2.2.1.
 - Paragraph 2.3 and 2.3.1
 - Paragraph 3
 - Signed, dated, position specified, and name of bidder specified.

- SBD 6.1: Preference Claim Forms in terms of Preferential Procurement Regulations 2022**
- Paragraph 4.1: Completion of table 1.
 - Declaration with regards to company/firm (paragraph 4.2, 4.3 and 4.4).
 - Signature(s) of tenderer(s), surname and name, date and address.

Terms of Reference (All pages to be initialled and last page signed by the bidder)

General Conditions of Contract (All pages to be initialled and last page signed by the bidder)

Submission of valid certificate of registration from The Institute of Internal Auditors.

TERMS OF REFERENCE

APPOINTMENT OF A SERVICE PROVIDER FOR PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF 36 MONTHS

1. BACKGROUND

The Private Security Industry Regulatory Authority was established in terms of Section 2 of the Private Security Industry Regulatory Act (56 of 2001) in 2002. The strategic mandate of PSiRA originates from the Act and the regulations issued in terms of the Act. In a nutshell, the primary objectives of PSiRA are to regulate the Private Security Industry and to exercise effective control over the practice of the occupation of security service providers in the public and national interest and in the interest of the private security industry itself.

In terms of Section 51(I) (a) (ii) of Public Finance Management Act (1 of 1999) as amended with Treasury Regulations 27.2.2, the Accounting Authority must ensure that PSiRA has and maintains a system of Internal audit under the control and direction of the Audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77 of the aforementioned Act.

2. PURPOSE

The purpose of this bid is to appoint a qualified service provider for the provision of internal audit services for a period of 36 months.

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve on the Authority's operations. It helps the Authority to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The Internal Audit Service is responsible for giving assurance to Council, through the Audit and Risk Committee, and the Director, on the arrangements for risk management, control and governance, and value for money. It also assists management by evaluating and reporting to them effectiveness of these arrangements. It remains the duty of management, not the internal auditor, to operate these arrangements.

3. ORGANISATIONAL STATUS OF INTERNAL AUDIT

Internal Audit will report to the Audit and Risk Committee and provide advisory services to the Director of PSiRA. Internal Audit will help to promote and ensure:

- (a) The independence of internal audits.
- (b) Broad audit Coverage.
- (c) Adequate consideration of audit reports.
- (d) The implementation of audit recommendations.

4. SCOPE OF WORK OF INTERNAL AUDIT

- 4.1. Internal Audit must be an independent appraisal function within PSiRA, which provides management with a systematic review and evaluation of operations for determining efficiency, economy and effectiveness of policies, practices and control.
- 4.2. The objective of internal auditing is to add value by assisting Council, Audit and Risk Committee and Management in effectively discharging their responsibilities, including the promotion of effective internal control at reasonable costs.
- 4.3. The scope of internal audit work entails evaluating the adequacy and effectiveness of the organization systems of internal control. This includes:
 - (a) Reviewing the reliability and integrity of financial and operating information and the means used to identify measures, classify, and report such information.
 - (b) Reviewing the systems and processes established by management to ensure compliance with those policies, plans, procedures, laws, and regulations that

could have a significant impact on the operations and determine whether the organization is in compliance.

- (c) Reviewing the means of safeguarding assets and verifying the existence of assets.
- (d) Review the Annual Financial Statements of PSiRA before submission to National Treasury and the Auditor General of South Africa.
- (e) Appraising the economy and efficiency with which resources are employed and identifying opportunities to improve operating performance.
- (f) Reviewing operations or programmes to ascertain whether results are consistent with established objectives and goals, whether the operations or programmes are being carried out as planned on the APP.
- (g) Assist with the development of corporate documentation.
- (h) Review of IT Governance.
- (i) Review of IT financial system.
- (j) Reporting to Audit and Risk Committee in writing quarterly on the scope of reviews of good governance and any significant findings.
- (k) Performing any ad hoc projects as may be required by management and /or Audit and the Risk Committee.
- (l) Liaise with external auditors on the institutions audits whenever necessary.
- (m) Review the three-year strategic and annual auditing plan based on the results of the risk review and executes audits in accordance with these risks-based audit plans.

5. ROLES OF INTERNAL AUDIT SERVICES

The audit service will be an outsourced function. The role of internal audit service shall consist of:

- (a) The performance of the following assignments:
 - i. Review and update the Internal Audit Charter.
 - ii. Risk Assessment.
 - iii. Three Year Internal Audit Coverage Plan.

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- iv. Performance Information audit.
 - v. Financial auditing.
 - vi. Review of Annual Financial Statements.
 - vii. Compliance auditing.
 - viii. IT auditing; and
 - ix. Follow up auditing.

The performance of such other assignments as the Audit and Risk Committee may (from time to time) authorize, which will constitute an addition to the scope of services in point 5 above.

6. ALL INCLUSIVE INTERNAL AUDIT SERVICE

PSiRA would prefer to conclude an agreement with a bidder who is able to provide a complete internal audit service. The successful bidder will be expected to be available at all times during the tenure of contract. The successful bidder will have access to all information of PSiRA and such information shall be kept be confidential.

7. DESCRIPTION AND EXTENT OF WORK

a) Performance of audit assignments

The successful bidder will perform in the following Performance Areas:

Table 1: Key Responsible Areas and Activities

Key Responsibilities (What)	Activities (How)	Results indicators (Why)
Compliance and operational audits	Perform audits on all the institutions by the Annual Internal Plan according to the following process: <ul style="list-style-type: none"> • Planning the audit. • Examining and 	To report to the management on the status of controls that ensures compliance with laws, regulations and policies and recommend



	<p>evaluating information.</p> <ul style="list-style-type: none">• Communicating results.• Follow up actions by management on findings and recommendations.	<p>improvement on operation activities.</p>
Ad hoc investigations	<p>Investigate issues as requested by Management and/or the Audit and Risk Committee.</p>	<p>To report the findings to the Management and leadership team in order to determine whether further actions are required.</p>
Performance Information audits	<p>Provide assurance with regard compliance with performance requirements.</p>	<p>To determine whether resources of PSiRA are applied effectively and efficiently.</p>
Reporting	<p>Reporting on all the activities of Internal Audit Function to the Management and the Audit and Risk Committee.</p>	<p>Issue internal audit report on each engagement and produce quarterly internal audit report for Audit and Risk Committee.</p> <p>In order for Management and the Audit Committee to evaluate the efficiency and effectiveness of the Internal Audit Function.</p>



Each assignment should consist of the following tasks:

- i) Audit preparation.
- ii) Preliminary survey.
- iii) Review of internal controls.
- iv) Audit testing.
- v) Development of findings and recommendations.
- vi) Obtaining management responses; and
- vii) Reporting.
- viii) All procedures and working papers must be made available to PSiRA as well as the Audit and Risk Committee on request within one working day,

b) Assessments

The client satisfaction survey will be completed by management and Audit and Risk Committee assessing the effectiveness of the internal Audit.

c) Timing of assignments

The Audit and Risk Committee shall approve the three-year coverage plan before implementation.

d) Quality assurance reviews of the work

The successful bidder shall ensure that all the work conforms to the Standards for the Professional Practice of Internal Auditing (Institute of Internal Auditors).

e) Independence and objectivity of Audit Staff in carrying out the work.

The successful bidder must ensure that their staff maintains objectivity by remaining independent of the activities they audit.

f) Declaration of Interest

The successful bidder must ensure that their staff signs the declaration of interest before commencing with any assignment.

g) Monitoring progress of assignments

On a quarterly basis, the successful bidder shall meet with Audit and Risk Committee to report on the progress of work.

h) Report of audit results

The report(s) on findings and recommendations shall be sent to the Director and the Deputy Director: Finance and Administration (CFO) (Auditee) responsible for implementing those recommendations for their review and comment. Within 10(ten) working days of sending the report(s), the successful bidder shall meet with the CFO to discuss the findings and obtain written responses to recommendations together with implementation dates. If the findings have not been addressed these shall then be incorporated into relevant report. The structure of the report is to be as follows:

- Introduction.
- Audit objectives and scope.
- Background.
- Executive summary.
- Findings, recommendations and management response (including implementation dates).
- Conclusion; and methods of proceeding.
- Timing of the report should be aligned to the Authority's reporting.

i) Fraud and irregularities

In planning and conducting its work, the successful bidder must seek to identify serious irregularities, which might result in possible fraud; any such irregularities must be reported immediately to the Director of PSiRA as well as the Audit and Risk Committee without disclosing these to any other members of the staff.

j) Authorized delegate(s)

Nothing as stipulated in these terms of reference may be amended without the

written confirmation of the Audit and Risk Committee.

8. EVALUATION CRITERIA

Criterion 1 –Compulsory Requirements

Bidders will first be evaluated in terms of the minimum requirements / gatekeepers. Bidders who do not fulfil all the requirements or do not submit the required documents will be disqualified. Those who fulfil all the minimum requirements or have submitted the required documents will be further evaluated on criterion 2 which is the functionality.

8.1. COMPULSORY/MANDATORY REQUIREMENTS

The Tender must be submitted in the prescribed format. Standard bidding documents should be filled. These standard bidding documents include the following:

- a. SBD1 – Invitation to Bid.
- b. SBD 3.3 – Pricing Schedule (**Pricing must be firm including VAT for the duration of contract**)
- c. SBD 4 – Declaration of Interest.
- d. SBD 6.1 – Preference Points Claim Form.
- e. General Conditions of Contract (ALL pages to be initialled by the bidder and last page must be signed).
- f. Terms of reference (ALL pages to be initialled by the bidder and last page must be signed).
- g. Valid certificate of registration from The Institute of Internal Auditors.

8.1.1. CONDITIONS OF TENDER

- All forms must be completed and signed. Incomplete and unsigned forms/bids will be disqualified.
- Failure to comply with the mandatory requirements will lead to disqualification.
- Failure to initial each page of the TOR and the GCC will lead to disqualification.

- Failure to sign the TOR and the GCC will lead to disqualification.
- The use of correction fluid is strictly prohibited and will lead to disqualification.

9. CRITERION 2 – FUNCTIONALITY

Functionality is worth **100** points. The minimum threshold is **70** points. Bidders who score less than **70** points on functionality will therefore be disqualified. Those who score more than **70** points will be further evaluated in terms of price and specific goals.

CRITERIA	WEIGHT
COMPANY STRUCTURE	20
<p>Bidders must submit a recent company profile indicating the number of years' experience in providing internal audit services in the public sector.</p> <p>Company Profile (10)</p> <ul style="list-style-type: none"> ✓ 10 points for company profile indicating 6 years and above of experience in providing internal auditing services in the public sector. ✓ 5 points for company profile indicating 0-5 years of experience in providing internal auditing services in the public sector. ✓ 0 points for no submission of a company profile. <p>The organogram must indicate a list of partners, senior managers, and specialists.</p> <p>Organogram (10)</p> <ul style="list-style-type: none"> ✓ 10 points for an organogram indicating a list partners, senior managers and specialists. ✓ 5 points for an organogram indicating a list partners and senior managers /specialists. ✓ 0 points for no submission of an organogram/submission of an organogram with no list of partners, senior managers and specialist. 	
INTERNAL AUDIT PROJECT PLAN	20
<p>Bidders must submit a detailed 3-year project plan of activities to achieve the objectives of the outsourced internal audit function. This should cover short, medium and long-term objectives.</p>	



- ✓ 20 points for submission of a detailed project plan with activities, timelines, and reporting.
- ✓ 0 point(s) for no submission of a detailed project plan or submission of a project plan with no activities/ timelines/reporting.

INTERNAL AUDIT METHODOLOGY

20

Bidders must submit an internal audit methodology. The bidder's approach to performing an internal audit, including the internal audit methodology and Quality Assurance processes to deliver the services in accordance with the terms of reference.

- ✓ 20 points for the technical approach that provides an **Innovative strategy** that address PSiRA requirements as stipulated in the terms of reference. Technical approach to performing an **internal audit**, including the **audit methodology, nature, timing and extent of audit procedures to be performed.**
- ✓ 15 points for the technical approach that is **flexible to accommodate possible changes** that could appear during execution, the workplan is also comprehensive and easily understandable. The approach addresses PSiRA requirements as stipulated in the terms of reference. Technical approach to performing an internal audit, including the audit methodology, nature, timing and extent of audit procedures to be performed are **tailored to address PSiRA's needs.**
- ✓ 10 points for the approach does not address all the requirements as stipulated in the terms of reference. Technical approach to performing an internal audit, including the audit methodology, nature, timing and extent of audit procedures to be performed are **generic and not tailored for PSiRA's needs.**
- ✓ 5 points for the technical approach that **fails to deal with the critical aspects of the project as outlined in the terms of reference.** Technical approach, methodology and/or workplan is unlikely to satisfy project objectives or requirements.
- ✓ 0 points for no submission of an internal audit methodology.





INSTITUTIONAL CAPACITY AND EXPERIENCE OF INTERNAL AUDIT TEAM MEMBERS	25
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Bidders must submit a list of team members dedicated to the internal audit assignment with CVs, proof of qualifications and proof of registration with a relevant professional body"**List of team members (5)**

- ✓ 5 points for submission of a list of a minimum of 5 audit project team members with clear job roles.

Audit Executive (5)

- ✓ 5 points for submission of a CV of an audit executive with 5 or more years of experience as an audit executive, relevant certified qualification(s), and proof of registration with a relevant professional body

Audit Manager (5)

- ✓ 5 points for submission of a CV of an audit manager with 5 or more years of experience as an audit manager, relevant certified qualification(s), and proof of registration with a relevant professional body.

Team Members (10)

- ✓ 10 points for submission of CVs and certified qualifications of a minimum of 3 audit team members, 2 of which must have a minimum of 2 years relevant experience.

NB: The qualifications must be certified (date stamp must not be older than 6 months)

REFERENCE LETTERS	15
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Bidders must submit 4 signed contactable reference of Internal Audit assignments previously conducted in the public sector(s). The reference letters must be on the referee's letterhead and must not be older than 36 months from date of closure of the bid.

- ✓ 15 points for 4 more compliant reference letters.
- ✓ 10 points for 3 compliant reference letters.
- ✓ 5 points for 2 compliant reference letters.





✓ 0 points for 1 or less compliant reference letter or submission of irrelevant reference letters	
✓	
TOTAL POINTS	100

11. CRITERIA 3: PREFERENCE POINTS SYSTEM

- i. All bidders who achieve a minimum qualifying score on criteria 2: technical evaluation will further be evaluation in terms of price and specific goals as specified below:

CRITERIA	POINTS
Price	80
Specific Goals	20
Total points	100

- ii. Specific goals for this tender and points that maybe claimed are specified below:

SPECIFIC GOALS
<p>Size of the company (5)</p> <ul style="list-style-type: none"> ✓ 5 points for EME ✓ 3 points for QSE ✓ 1 point for GE
<p>Black Ownership (7)</p> <ul style="list-style-type: none"> ✓ 7 points for 100% black owned ✓ 5 points for 75%- 99% black owned ✓ 3 point 50% - 74% black owned ✓ 1 point 1% - 49% black owned ✓ 0-point 0% black owned
<p>Black women ownership (6)</p> <ul style="list-style-type: none"> ✓ 6 points for 75% - 100% black women owned. ✓ 4 points for 51% - 74% black women owned. ✓ 2 point for below 51% black women owned.





People with disabilities (2)	
Total	20

iii. Price Calculation 80/20

The following formula will be used to calculate the points out of 80 for price in respect of an invitation for a tender with a rand value of equal to or below R50 Million, inclusive of all applicable taxes.

The following formula will be used to calculate the points for price.

$$Ps = 80 \left[\frac{1 - (Pt - Pmin)}{Pmin} \right]$$

Where:

- Ps = Points scored for price of bid under consideration
Pt = Rand value of bid under consideration
Pmin = Rand value of lowest acceptable bid

10. COMPLIANCE

- 10.1. The proposal must either conform to the minimum requirements as set out in this document, or it must be stated clearly, how it deviates from these requirements and why. Proposals strictly sticking to specifications are preferred. Offers exceeding the minimum requirements of the specifications are acceptable.
- 10.2. This document will be a binding contract between the successful service provider and PSiRA once the proposal has been accepted by the organisation.
- 10.3. Pricing proposal must firm, include all costs inclusive of VAT.

11. PSiRA RIGHTS

Notwithstanding anything else in this Request for Proposal (RFP), and without limiting its rights at law or otherwise, PSiRA reserves the right, in its absolute discretion at any time:





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- a. Cancel or call for new Tenders.
 - b. To appoint more than one bidder or contractor.
 - c. Reject any Tender received after the Closing Time.
 - d. Consider and accept or reject any alternative tender.
 - e. Alter the structure and/or the timing of this RFP or the Tendering Process.
 - f. Reject any Tender that does not comply with the requirements of this RFP.
 - g. Terminate the participation of any Bidder or any other person in the Tendering Process.
 - h. Vary or extend any time or date specified in this RFP for all or any Bidder or other persons.
 - i. Cease to proceed with or suspend the Tendering Process prior to the execution of a formal written contract.
 - j. Require additional information or clarification from any Bidder or any other person or provide additional information or clarification.
 - k. **PSiRA is not obliged to accept the lowest or any bid thereof and reserves the right to withdraw this bid.**

12. GENERAL INFORMATION

- a. Bid documentation will be made available from National Treasury E-Tender Website, ready to be downloaded by bidders.
- b. All compulsory forms contained in the bid documentation must be completed and signed in full.
- c. Proof of Registration with the National Treasury Central Supplier Database (CSD) must be provided.
- d. Received bids will be opened in public on the closing date at 11h30.
- e. Bids should be submitted at the correct address, before or on the closing date and time. No late bids will be accepted under any circumstance.
- f. Only original bid documents will be accepted. No e-mailed or posted copies will be accepted (**one original, one copy and USB**).



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- g. Bidders may make use of courier services and must confirm bid acknowledgement with SCM office.
 - h. Sealed and clearly marked bids indicating the Bid Reference No. i.e. **PSiRA/202X/RFB/XX must be deposited in the PSiRA Head Office tender situated at 420 Witch Hazel Avenue, Eco Glades, Block B2, Eco Park, Centurion, Pretoria**

13. CONCLUSION

This RFP is issued in good faith and prospective bidders will ensure the following:

- a. No part of the RFP may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Tender. This RFP related or any Intellectual Property Rights (IP) in this RFP and any other documents remain Propriety to PSiRA and must be promptly returned to PSiRA upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived therefrom.
- b. Where there is a need to distribute or disclose information, the bidder will write to PSiRA and seek approval in writing from PSiRA failing which the Bid may be rejected and, if required PSiRA may institute civil action.
- c. PSiRA will not entertain any correspondence, communication, or disclosures after the closing date.
- d. Bidders participate in this RFP at their own cost and PSiRA will not be held liable or accountable for any costs or damages or whatever impact the bidder may have encountered in the process of this RFP.

14. INSTRUCTIONS TO BIDDERS

- a. The bidder is required to confirm that it will hold its proposal valid for 120 days from the closing date of the tender, during which time it will remain without change, their proposed rates and prices as well as proposed personal.

- b. Bidders are required to submit 2 indexed hard copy (1 original and 1 copy) and 1 USB containing the original proposal (bidders must ensure that the documentation on the USB are the same as the one submitted as a hard copy document).
- c. All queries must send to Supply Chain Department: bids@psira.co.za

15. REPORTING OF INCIDENTS

Bidders are encouraged to report any incidents of • fraud • corruption • theft • misconduct or •unethical behaviour to the PSiRA Fraud Hotline. Contact number 0860 333 036| Email: psira@behonest.co.za

16. CONTACT PERSONS

The contact persons for this assignment

Technical Enquiries:

Ms. Nonkululeko Sibiya | Email: bids@psira.co.za

Bidding Procedures Enquiries:

Ms. Tsakani Maluleke | Tel: 012 003 0686 | Email: bids@psira.co.za

Ms. Nonkululeko Sibiya

(Chairperson)

Bid Specification Committee



Signature

12/12/2023

Date



PSiRA
Private Security Industry Regulatory Authority

Private Security Industry Regulatory Authority
420 Witch-Hazel Avenue, Block B-Eco Glades 2 Office Park, Highveld Ext 70
Tel. 086 10 (PSiRA) 77472
Int. +27 12 337 5500
Fax no.: 086 242 7180 / 086 246 7750
Email: info@psira.co.za
Website: www.psira.co.za

Name of Bidder

Bidder's Signature

Date



PSiRA
Private Security Industry Regulatory Authority



PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE PRIVATE SECURITY INDUSTRY REGULATORY AUTHORITY (PSiRA)					
BID NUMBER:	PSiRA/2023/RFB/09	CLOSING DATE:	20 FEBRUARY 2024	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF 36 MONTHS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
PSiRA HEAD OFFICE: 420 WITCH HAZEL AVENUE					
BLOCK B - ECO GLADES 2 OFFICE PARK					
HIGHVELD EXT 70					
CENTURION					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Ms. Tsakani Maluleke		CONTACT PERSON	Ms. Nonkululeko Sibiya	
TELEPHONE NUMBER	012 003 0686/0524		TELEPHONE NUMBER	012 003 0686/0524	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	bids@psira.co.za		E-MAIL ADDRESS	bids@psira.co.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
CONTACT PERSON					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
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) AND IF NOT REGISTER AS PER 2.3 BELOW.					

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

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

DATE:

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.: PSiRA/2023/RFB/09
CLOSING TIME 11:00	CLOSING DATE: 20 FEBRUARY 2024

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

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

APPOINTMENT OF A SERVICE PROVIDER FOR PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF 36 MONTHS

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....
3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)
4. PERSON AND POSITION

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

.....	R-----	----- days
.....	R-----	----- days
.....	R-----	----- days
.....	R-----	----- days

TOTAL: R.....

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

6. Period required for commencement with project after acceptance of bid
7. Estimated man-days for completion of project
8. **Are the rates quoted firm for the full period of contract?** ***YES/NO**

Name of Bidder:

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

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

Any enquiries regarding bidding procedures may be directed to the –

Private Security Industry Regulatory Authority (PSiRA)

Department: Supply Chain Management Office

Contact Person: Ms. Tsakani Maluleke

Tel: 012 003 0686/0524

Email Address: bids@psira.co.za

Or for technical information –

Contact Person: Ms. Nonkululeko Sibiya

Tel: 012 003 0686/0524

Email Address: bids@psira.co.za

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

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

2.2.1 If so, furnish particulars:

.....
.....

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

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

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

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

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

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

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

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

.....
Signature Date

.....
Position Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

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

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

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

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Size of the company	5	
Black ownership	7	
Black women ownership	6	
People with disabilities	2	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

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

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

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

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

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

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

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

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

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

12. Transportation

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

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

18. Contract amendments

- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34 Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3

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

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Signature

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Date

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Position

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Name of bidder