



REQUEST FOR PROPOSALS

REQUEST FOR PROPOSALS FOR THE APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER FOR THE PROVISION OF INTERNAL AUDIT AND RISK MANAGEMENT SERVICES FOR A PERIOD OF TWELVE (12 MONTHS)

RFP 006-25/26

NAME OF BIDDER:
CSD REG NO.:
TEL NUMBER :
AMOUNT: (Vat Incl)

Prepared for:

Nkomazi SEZ SOC Ltd

Building 4,
45 Samora Machel Drive,
Mbombela Square,
Mbombela, 1200

Email Address: info@nkomazisez.gov.za

SCM enquiries: Mr B Khoza
bkhoza@nkomazisez.gov.za

CLOSING DATE: 04 NOVEMBER 2025

@12H00

TERMS OF REFERENCE
REQUEST FOR PROPOSALS FOR THE APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER FOR THE PROVISION OF INTERNAL AUDIT AND RISK MANAGEMENT SERVICES FOR A PERIOD OF TWELVE (12) MONTHS

1. BACKGROUND

The Nkomazi Special Economic Zone (SEZ) is mandated to drive industrial development, investment promotion, and sustainable economic growth within its designated area. To achieve these objectives, the SEZ is required to adhere to several legislative and regulatory frameworks that promote accountability, transparency, and sound corporate governance.

In line with these frameworks, the Nkomazi SEZ must ensure real financial growth and sustainability, the achievement of clean and unqualified audit outcomes, and the continuous improvement of its financial management capability maturity. The relevant legislation and regulations provide for, among others:

- The promotion of sound financial management practices.
- The efficient and effective management of all revenue, expenditure, assets, and liabilities of the organisation; and
- The clear assignment of responsibilities to officials entrusted with financial and risk management functions.

To strengthen governance, oversight, and risk management processes, the NSEZ seeks to appoint a qualified and experienced professional service provider to render **Internal Audit and Risk Management Services**. The appointed service provider will assist the organisation in ensuring compliance with applicable legislation, identifying and mitigating key risks, improving internal controls, and enhancing overall operational efficiency and effectiveness.

2. PURPOSE

The purpose of this Request for Proposals (RFP) is to appoint a suitably qualified and experienced professional service provider to provide **Internal Audit and Risk Management Services** to the Nkomazi Special Economic Zone (NSEZ) for a period of twelve (12) months.

The primary objectives of the appointment are to:

- Support the NSEZ in strengthening governance, risk management, and internal control systems;
- Ensure compliance with the Public Finance Management Act (PFMA), National Treasury Regulations, and other applicable prescripts.
- Provide independent and objective assurance on the adequacy and effectiveness of internal controls, governance processes, and risk management frameworks.
- Assist management in identifying, assessing, and mitigating strategic, operational, financial, and compliance risks;
- Promote continuous improvement in business processes, financial management capability, and performance reporting; and
- Contribute towards achieving clean audit outcomes and sustainable organisational performance.

3. SCOPE OF WORK

- The appointed professional service provider will be expected to render comprehensive Internal Audit and Risk Management Services to the Nkomazi Special Economic Zone (SEZ). The services must be delivered in accordance with the standards and guidelines of the Institute of Internal Auditors (IIA), and the applicable provisions of the Public Finance Management Act (PFMA) and National Treasury Regulations.

The scope of work will include, but is not limited to, the following key activities:

A. Internal Audit Services

- Develop a Three-Year Rolling Internal Audit Plan and Annual Operational Plan, aligned to the NSEZ's strategic and risk objectives.
- Conduct audits as per the approved plan, covering financial, operational, performance, information technology, and compliance areas.
- Evaluate the effectiveness of governance, internal controls, and risk management processes.
- Prepare and present audit reports with findings, root causes, recommendations, and management action plans.
- Follow up on the implementation of internal and external audit recommendations.
- Provide periodic progress reports to the Audit and Risk Committee (ARC) and management; and
- Support management in promoting a culture of ethical conduct and accountability.

B. Risk Management Services

- Review and enhance the NSEZ's Risk Management Framework, policies, and procedures;
- Facilitate the identification, assessment, and prioritization of strategic, operational, financial, and compliance risks;
- Develop and maintain an up-to-date Organisational Risk Register.
- Conduct regular risk reviews and provide risk management reports to the Audit and Risk Committee and management.
- Support management in embedding risk management processes into strategic planning and decision-making;
- Assist in developing risk response strategies and mitigation plans; and
- Provide risk awareness training and capacity-building sessions for management and staff.

C. Governance and Advisory Support

- Provide advisory support to strengthen governance, compliance, and control environments.
- Assist with preparation of reports and documentation required by the Audit and Risk Committee.

- Support management in achieving continuous improvement and maintaining clean audit outcomes; and
- Ensure alignment of internal audit and risk management activities with the NSEZ's strategic objectives.

D. Deliverables

- Approved Three-Year and Annual Internal Audit Plans;
 - Internal audit reports with findings and recommendations.
 - Risk Management Framework and updated Risk Register;
 - Quarterly progress and risk reports to management and the Audit and Risk Committee; and
 - A final annual summary report on the overall state of governance, risk, and controls.
- The NSEZ would also like to promote broad-based transformation and development of small and medium firms in this industry and as such will appoint firms in the following categories. The bidder must indicate, in the table below, with an (X) the relevant category:

FIRM CATEGORIES	DEFINITION	PLEASE MARK WITH AN (X)
Category 1: Small Firms	A firm with an annual turnover of not more than R35 million	
Category 2: Medium Firms	A firm with an annual turnover greater than R35 million but below R85 million	
Category 3: Large Firms	A firm with an annual turnover greater than R85 million	

Note: *The bidder must submit their latest Financial Statements as proof of their annual turnover as confirmed by an independent accountant. Small businesses with no financial history must submit a letter from their independent accounting firm confirming their financial status and / or projections.*

4. DURATION AND REPORTING

Contract Duration

The appointment of the professional service provider will be for a period of twelve (12) months from the date of appointment. The contract may be reviewed or extended at the sole discretion of the Nkomazi Special Economic Zone (NSEZ), subject to satisfactory performance, organisational needs, and the availability of budget.

Reporting Structure

The appointed service provider will report functionally to the Chief Financial Officer (CFO) or a delegated representative.

5. EVALUATION CRITERIA

• THE ADJUDICATION METHOD

A two-stage tender evaluation and awarding process will be used to adjudicate the tender documents that will be submitted by potential bidders. The stages are described as being;

- Stage 1 - Functionality.
- Stage 2 – Price and Preferential Points System

NB: All bidders should at least obtain a minimum of 70% in Stage 1 (functionality) to qualify for Stage 2 (Price Evaluation)

Price Points	=	80
Specific Goals	=	<u>20</u>
TOTAL	=	100

SPECIFIC GOAL POINTS BREAKDOWN AS PER THE PPR 2022

SPECIFIC GOALS	POINTS ALLOCATED OUT OF 20	PREFERENCE DOCUMENTATION TO BE SUBMITTED BY BIDDERS TO VALIDATE THEIR CLAIM FOR POINTS
Black ownership: An EME or QSE which is at least 51% owned by black people	4	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Women ownership: An EME or QSE which is at least 51% owned by women	4	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Youth ownership: An EME or QSE which is at least 51% owned by youth (up to 35 years of age)	4	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Disability: An EME or QSE which is at least 51% owned by people with disability	4	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded) • Medical certificate • SASSA registration or confirmation of disability from a relevant authority
Locality: Located in the Mpumalanga Province	4	• Municipal rates account OR • Letter from Councilor/Traditional Authority confirming residence or Lease Agreement

NB: Non – submissions. No points will be claimed if the bidders failed to submit the required documents

Nkomazi SEZ reserves the right to:

- Where applicable, negotiate the final fee or rates with the preferred bidder.
- NSEZ reserves the right to consider the guidelines and prescribed hourly remuneration rates for consultants as provided in the **National Treasury**

Instruction 01 of 2013/2014: Cost Containment Measures, where relevant, and the Cost Containment letter issued by National Treasury on 31 August 2023.

6. FUNCTIONALITY ASSESSMENT

Only bidders that have met the pre-qualification will be evaluated for functionality. Bidders will be required to achieve a minimum of 70% for Functionality in order to qualify to proceed to next phase, which is Price and Preferential Points System Evaluation. An assessment of Functionality will be based on the evaluation criteria noted in the table below:

FUNCTIONALY	REQUIRED EVIDENCE	WEIGHT	MAX VALUE (1-5)
1. Experience			
(a) Number of clients (contactable references) that the bidder has successfully serviced in the past 3 years.			
5 or more reference letters of relevant experience	Experience in experience in internal audit services in the past three (3) years or more, bidders must attach reference letters on client’s letter head with contactable references in order to be allocated points. <i>The bidder must provide details of recent Internal Audit work that they have executed.</i> <i>Appointment letters, schedule of completed projects with references and company profile to be attached - Minimum of 5 projects</i> <i>The bidder must demonstrate that it has assisted their client(s) to improve their AG(SA) audit outcome. - Provide a confirmation letter from the client.</i>	40	5
4 reference letters of relevant experience			4
3 reference letters of relevant experience			3
0 to 2 reference letters of relevant experience			0
2. Expertise and Capacity of the project team			
(a) Engagement Director with experience in internal audit services.			

>10 years' experience	Engagement Director of the project must be a certified internal auditor and member of the Institute of Internal Auditors (IIA) .CV and certified copy of qualification of the Engagement Director depicting at least three (3) years' experience in leading similar projects and with experience in internal audit services. (Registration certificates of the team member must be attached as proof.)	20	5
5 to 10 years' experience			4
3 to 4 years' experience			3
(b) Project Team with experience in internal audit services.			
5 and more team members	The bidder must have in its current employ Internal Auditors that have experience in the Internal Audit profession, and as part of its proposal, the following: • Organogram which has the following personnel: a) Audit partner/ director b) Audit Manager/ team leader c) Audit Senior/ Supervisor d) Audit Junior e) Specialists (Tax, IT, Technical) • CVs and certified qualifications of the Internal Auditors: The CVs must clearly highlight qualifications, areas of experience/ competence relevant to the Internal Audit profession. • Proof of affiliation of the bidder and personnel with relevant professional bodies - Institute of Internal Auditors, SAICA, ISACA, etc. Certificates are to be attached.	10	5
4 team members			4
3 team members			3

3. Methodology			
- Methodology and approach cover the minimum requirements of this project with clear timelines and deliverables - Inadequate Methodology and Approach	The methodology and approach to include the full scope of work described in the work specification. The methodology should highlight all the planned activities, the sequence of executing the works and the completion timeframes of the activities.	20	5
			3
			2
4. Locality			
- Based in Mpumalanga Province = 10 - Outside Mpumalanga = 0		10	
TOTAL		100	

NB: No points will be claimed where required information/proof is not attached.

Each criterion will be evaluated on a scale of 0 to 5 which shall be scored as indicated in the table below:

$$\text{Criterion Points scored} = \frac{\text{score (0 to 5)}}{5} \times \text{Weight of the Criterion}$$

Response	Score	Minimum assessment criteria
No response	0	The bidder does not include the relevant information required in the bid document.
Very poor	1	The bidder submits <u>relevant</u> information but is either incomplete or <u>lacks significance</u> in addressing the expected response.
Poor	2	The bidder submits <u>relevant</u> information but is either incomplete or <u>somewhat lacking</u> in addressing the expected response.
Adequate	3	The bidder provides <u>sufficient information</u> as expected that addresses the required response adequately.
Very good	4	The bidder provides <u>more than sufficient</u> information which demonstrates superior (more than adequate/average) experience and knowledge to address the required response.
Excellent	5	The bidder provides more than sufficient information which demonstrates superior (more than adequate/average) experience and knowledge to address the required response. In addition, the bidder provides <u>innovative solutions and/or approaches</u> to address the identified problem(s).

Only bidders that have met the pre-qualification will be evaluated for functionality. Bidders will be required to achieve a minimum of 70% for Functionality to qualify to proceed to next phase, which is Price and Preferential Points System Evaluation.

MANDATORY REQUIREMENTS

All the submitted bids will be assessed for compliance with the mandatory requirements as listed below:

TABLE A: MANDATORY REQUIREMENTS

MANDATORY REQUIREMENTS (Failure to meet the requirements below), the bidder will be disqualified)	
1	In case of a Joint Venture, an original or original certified copy of the joint/partnership agreement must be attached;
2	Fully completed pricing schedule /Proposal
3	Fully completed, signed Standard bidding documents (SBD4; SBD6.1)
4	Letter of authority to sign the bidding documents;
5	Certified copies of Directors' or Shareholders' Identity documents;
6	Proof registration on Central Supply Database (Detailed report);
7	Letter of approval by the Executive Authority to do business if the entity has a member(s) who is/are Government employees;
8	Bidders who submit information that is fraudulent, factually untrue or inaccurate will be disqualified.
9	Proof of affiliation of the bidder and personnel with relevant professional bodies - Institute of Internal Auditors, SAICA, ISACA, etc.

6. PRICING SCHEDULE

PRICING SCHEDULE BREAKDOWN - 6A

<u>Item</u>	<u>Key personnel</u>	<u>Position</u>	<u>Estimated time in hours (for evaluation purposes)</u>	<u>Rate per hour</u>	<u>Total (time x rate)</u>
1			500	R	R
2			500	R	R
3			500	R	R
4			500	R	R
5			500	R	R
6			500	R	R
7			500	R	R
8			500	R	R
SUB - TOTAL FEES (1)					

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PRICING SCHEDULE

PRICING SCHEDULE BREAKDOWN – DISBURSEMENTS – 6B

No	Item description	Average rate per kilometer	Estimated km's (for evaluation purposes)	total (km's x rate)
1.	Travelling expenses		R	
2.	Other Travelling expenses claimed must be supported by proof/receipt of such travelling expense e.g. Tollgate fees			NIL
3.	Other Accommodation expenses claimed on the invoice must be supported by proof/receipt from the Hotel or Guest House			NIL
SUB - TOTAL DISBURSEMENTS (2)				

PRICING SCHEDULE SUMMARY – 6C

SUB-TOTAL FOR FEE (1)

R.....

SUB-TOTAL DISBURSEMENTS (2)

R.....

SUB-TOTAL PRICE (excl VAT)

R.....

ADD 15% VAT

R.....

TOTAL TENDER PRICE (incl VAT)

R.....

Tender Offer (in words):

.....

Name:

Signed:

Date:

Capacity: Company name:

7. CONFIDENTIALITY

This bid and all information in connection therewith shall be held in strict confidence by interested parties and usage of such information shall be limited to preparation of the bid.

8. ENQUIRIES

Enquiries related to this bid may be addressed via email or before the closing date

All Supply Chain Management enquiries must be directed to:

Mr B Khoza
Nkomazi SEZ
072 327 5768
bkhoza@nkomazisez.gov.za

9. CLOSING DATE AND TIME

Time: 12h00 pm South African Time (GMT +2.00)

Date: 04 November 2025

10. METHOD AND PLACE OF SUBMISSION

All the Bid documents together with the supporting documents must be submitted in sealed envelope, marked with the Name of the bidder, Bid number, Bid description, and closing date, and be deposited in the tender box as per closing the date and time per the bid above. The address is as follows:

MEGA Head Office
Supply Chain Management Unit
MEGA OFFICE PARK
02 Eastern Boulevard, Riverside
MBOMBELA
1200

All bidders are requested to submit the documents in two [2] formats,
Namely: one [1] original and [2] memory stick

SECTION 2: RESPONDENT INFORMATION

SECTION 2: RESPONDENT INFORMATION

(To be completed by Respondent)

Respondent Information

1. Name of company: _____

2. Company registration number: _____

3. Address of company:

Postal Address:

Street Address:

Company's internet address: _____

4. Contact person:

Name:

Designation:

Telephone number:

Fax number:

5. Names of the directors of your company:

Name:

Designation:

6. Total number of Employees:

7. Declaration:

The information supplied in this document is correct and complete to the best of my knowledge and accurately reflects the capability of:

(Company name):

Signature:

Date:

Name:

This bid is signed in my capacity as:

SECTION 3: TERMS AND CONDITIONS

SECTION 3: TERMS AND CONDITIONS
(To be read very carefully by respondent)

Special conditions for the bid

1. INTERPRETATION AND DEFINITIONS

1.1 Definitions

The expressions defined below shall have the meaning hereby assigned to them unless inconsistent with the context of a particular proposal, agreement, contract or order.

1.1.1 “Entity”: Nkomazi Special Economic Zone

1.1.2 “Closing date”: the date and hour specified in the document

2. BID INVITATION

2.1 Bid Preparation

All costs in the preparation, presentation and demonstration will be on account of the interested parties. All supporting documentation and manuals submitted in response to this bid will become “company’s” property unless otherwise stated by the interested parties at the time of submission.

2.2 Confidentiality

The information obtained through this bid will be regarded as confidential; however, NSEZ does not accept liability for any information that may become public.

2.3 Samples

Interested parties may, as part of their response, submit samples, brochures or documentation of the products supplied by the interested parties. Samples, brochures and documentation submitted will be returned to the interested parties only on request.

2.4 Background checks

NSEZ reserves the right to request all relevant information, agreements and other documents to verify information supplied in the bid response. The bidder hereby gives consent to NSEZ to conduct background checks on the bidding entity and any of its directors/ partners / trustees / shareholders / members

3. BID

3.1 Document requiring completion and return

Interested parties must complete and submit the following documents as part of their response:

- a. Prescribed bid document
- b. Completed and signed SBD documents (SBD 4, 6.1)
- c. General conditions of contract
- d. Any information required in this bid

4. PREPARATION OF THE BID

4.1 Language of documents

The bid and all correspondence and documents related to the bid exchanged by the interested parties and NSEZ shall be written in English.

5. SUBMISSION OF THE BID

5.1 Address and marking of bid

All bids must be:

- a) Enclosed in a plain envelope or wrapping and clearly marked with the bid number specified on the document.
- b) Lodged to ensure that they are received not later than the closing time and date specified for their receipt in accordance with directives issued with the document.

5.2 Number of copies required

The interested parties must submit 1 original copy and 1 soft copy (CD/memory stick).

5.3 Closing date

All bids close on the date and time indicated in the document.

5.4 Late submissions

Bids are late if they are received at the address indicated in the document after closing time and date. NSEZ will not consider any late bid(s).

DECLARATION OF INTEREST

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

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

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

2.1 Full Name of bidder or his or her representative:

.....

2.2 Identity Number:

.....
...

2.3 Position occupied in the Company (director, shareholder etc):

.....

2.4 Company Registration Number:

.....

2.5 Tax Reference Number:

.....

2.6 VAT Registration Number:

.....

* “State” means –

(a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

(b) any municipality or municipal entity;

(c) provincial legislature;

(d) national Assembly or the national Council of provinces; or

(e) Parliament.

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

YES / NO

2.7.1 If so, furnish the following particulars:

Name of person / director / shareholder/ member:

Name of state institution to which the person is connected:

.....

Position occupied in the state institution:

.....

Any other particulars:

.....

.....

.....

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

YES / NO

2.8.1 If so, furnish particulars:

.....

.....

.....

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

.....

.....

.....

.....

.....

.....

2.9.1 If so, furnish particulars.

.....

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

YES / NO

2.10.1 If so, furnish particulars.

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

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

YES / NO

2.11.1 If so, furnish particulars:

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

YES /NO

YES /NO

YES / NO

DECLARATION

I, THE UNDERSIGNED

(NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 TO 2.11.1
ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME IN TERMS OF PARAGRAPH
23 OF THE GENERAL CONDITIONS OF CONTRACT 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	
Enterprise owned by Black people	4
Enterprise owned by Women	4
Enterprise owned by Youth	4
Enterprise owned by Disabled	4
Enterprise owned by SMME's-QSE and EME Nkomazi Local Municipality	4
Total points for Price and SPECIFIC	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:

80/20	or	90/10	
$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$	or	$Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$	

Where

- Ps = Points scored for price of tender under consideration
- Pt = 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:

$$P_S = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } P_S = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprise owned by Black people	N/A	4	N/A	
Enterprise owned by Women	N/A	4	N/A	
Enterprise owned by Youth	N/A	4	N/A	
Enterprise owned by Disabled	N/A	4	N/A	
Enterprise owned by SMME's-QSE and EME Nkomazi Local Municipality	N/A	4	N/A	

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.

RECEIVED PR (12)	SIGNATURE(S) OF TENDERER(S)	
	SURNAME AND NAME:	
	DATE:	
	ADDRESS:	

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