

5/2/2/1- DARLRRD 0052(2020/2021)

**APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS.**

**CLOSING DATE: 18 DECEMBER 2020 @ 11:00**

**TECHNICAL ENQUIRIES** : Ms Boitumelo Sephoti  
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EMAIL : [Boitumelo.Sephoti@drdlr.gov.za](mailto:Boitumelo.Sephoti@drdlr.gov.za)

**BID RELATED ENQUIRIES** : Mr. Abie Olyn/ Mr P Makhado/ Mr McKenzy Manana  
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[mckenzy.manana@drdlr.gov.za](mailto:mckenzy.manana@drdlr.gov.za)

**TECHNICAL PROPOSAL – PART 1 OF 2**

## LA 1.1



### agriculture, land reform & rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA

**Chief Directorate:** Supply Chain and Facilities Management Services: **Sub-Directorate:** Demand and Acquisition Management Services: **Enquiries:** Mr Pfarelo Makhado: **Tel:** (012) 312 9518

YOU ARE HEREBY INVITED TO BID TO THE DEPARTMENT OF RURAL DEVELOPMENT  
AND LAND REFORM

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**BID NUMBER:** 5/2/2/1- DARLRRD 0052(2020/2021)

**CLOSING TIME:** 11H00

**CLOSING DATE:** 18 December 2020

BIDS RECEIVED AFTER THE CLOSING TIME AND DATE AS A RULE WILL NOT BE  
ACCEPTED FOR CONSIDERATION

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1. Kindly furnish us with a bid for services shown on the attached forms.
2. Attached please find the General Contract Conditions (GCC), Authority to sign the Standard Bidding Documents (SBD) on behalf of an entity, Authority of Signatory, SBD1, SBD 2, SBD 3.3, SBD4, SBD 5, SBD6.1, SBD 8, SBD9 , Credit Instruction forms, terms of reference.
3. Bidders must ensure that they register with the National Treasury Central Supplier Database (CSD) and attach/provide the reference numbers on the SBD 1 form of the bid document.
4. If you are a sole agent or sole supplier you should indicate your market price after discount to your other clients or if that is not possible your percentage net profit before tax, in order to decide whether the price quoted is fair and reasonable.
5. The attached forms must be completed in detail and returned with your bid. Bid document must be submitted in a sealed envelope stipulating the following information: Name and Address of the bidder, Bid number and closing date of bid. ***(failure to comply will disqualify your proposal)***

Yours faithfully

**SIGNED**  
**BIDS MANAGEMENT**  
**DATE: 27 November 2020**

LA 1.3

## MAP TO BIDDER BOX (B BOX)

**5/2/2/1- DARLRRD 0052(2020/2021) CLOSING DATE: 18 DECEMBER 2020 AT 11:00**

**YOU ARE HEREBY INVITED TO BID TO THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA (DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT)**

**BIDS RECEIVED AFTER THE CLOSING TIME AND DATE ARE LATE AND WILL AS A RULE NOT BE ACCEPTED FOR CONSIDERATION.**

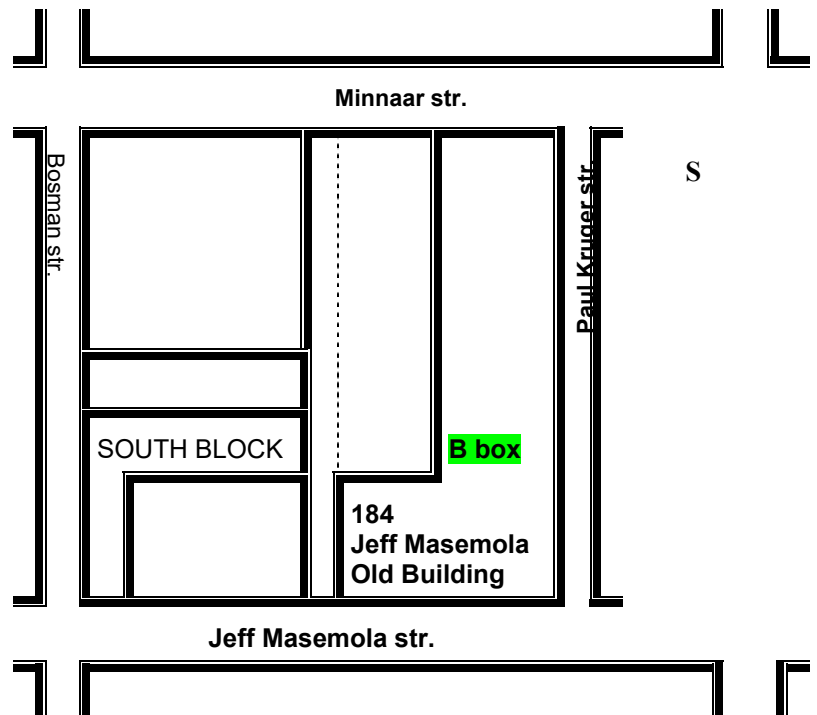
**THE SBD 1 FORM MUST BE SIGNED IN THE ORIGINAL AND WITH BLACK INK**

**SUBMIT ALL BIDS ON THE OFFICIAL FORMS – DO NOT RETYPE.**

**The Bid documents must be deposited in the Bid box which is identified as the “Bid/tender box.”**

**DEPARTMENT OF AGRICULTURE,  
LAND REFORM AND RURAL  
DEVELOPMENT  
Acquisition Management  
(BIDS)  
THE OLD BUILDING 184  
JEFF MASEMOLA STREET, PRETORIA,  
0001**

**THE BID BOX OF THE OFFICE OF THE  
DEPARTMENT OF AGRICULTURE, LAND  
REFORM AND RURAL DEVELOPMENT IS  
OPEN 24 HOURS A DAY, 7 DAYS A  
WEEK. THE BID BOX WILL BE CLOSED  
AT 11H00 WHICH IS THE CLOSING TIME  
OF BIDS.**



**BIDDERS SHOULD ENSURE THAT BIDS ARE DELIVERED TIMEOUSLY TO THE CORRECT ADDRESS**

**SUBMIT YOUR BID IN A SEALED ENVELOPE**

**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](http://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**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,



**security**

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 (NIP) Programme** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 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.

PART A  
INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (RURAL DEVELOPMENT AND LAND REFORM)</b>					
BID NUMBER:	5/2/21- DARLRD 0052(2020/2021)	CLOSING DATE:	18 DECEMBER 2020	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS.				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT					
184 JEFF MASEMOLA STREET					
PRETORIA					
0001					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr. Abie Olyn	CONTACT PERSON	Ms Boitumelo Sephoti		
TELEPHONE NUMBER	012 312 9518	TELEPHONE NUMBER	(012) 312 9211/9275		
FACSIMILE NUMBER		FACSIMILE NUMBER			
E-MAIL ADDRESS	<a href="mailto:abie.olin@drdlr.gov.za">abie.olin@drdlr.gov.za</a>	E-MAIL ADDRESS	<a href="mailto:Boitumelo.Sephoti@drdlr.gov.za">Boitumelo.Sephoti@drdlr.gov.za</a>		
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
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
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
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**

<b>1. BID SUBMISSION:</b>	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	<b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
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: .....

## **AUTHORITY TO SIGN THE STANDARD BIDDING DOCUMENTS (SBD) ON BEHALF OF AN ENTITY.**

“Only authorized signatories may sign the original and all copies of the tender offer where required.

In the case of a **ONE-PERSON CONCERN** submitting a tender, this shall be clearly stated.

In case of a **COMPANY** submitting a tender, include a copy of a **resolution by its board of directors** authorizing a director or other official of the company to sign the documents on behalf of the company.

In the case of a **CLOSED CORPORATION** submitting a tender, include a copy of a **resolution by its members** authorizing a member or other official of the corporation to sign the documents on each member’s behalf.

In the case of a **PARTNERSHIP** submitting a tender, **all the partners shall** sign the documents, unless one partner or a group of partners has been authorized to sign on behalf of each partner, in which case **proof of such authorization** shall be included in the Tender.

In the case of a **JOINT VENTURE** submitting a tender, include **a resolution** of each company of the Joint Venture together with a resolution by its members authorizing a member of the Joint Venture to sign the documents on behalf of the Joint Venture.”

**Accept that failure to submit proof of Authorization to sign the tender shall result in a Tender Offer being regarded as non-responsive.**

### AUTHORITY OF SIGNATORY

Signatories for companies, closed corporations and partnerships must establish their authority **BY ATTACHING TO THIS FORM, ON THEIR ORGANISATIONS'S LETTERHEAD STATIONERY**, a copy of the relevant resolution by their Board of Directors, Members or Partners, duly signed and dated.

An **EXAMPLE** is shown below for a COMPANY:

<b>MABEL HOUSE (Pty) Ltd</b>	
<b>By resolution of the Board of Directors taken on 20 May 2000,</b>	
<b>MR A.F JONES</b>	
<b>has been duly authorised to sign all documents in connection with</b>	
<b>Contract no CRDP 0006, and any contract which may arise there from,</b>	
<b>on behalf of <i>Mabel House (Pty) Ltd.</i></b>	
<b>SIGNED ON BEHALF OF THE COMPANY:</b>	<b>(Signature of Managing Director)</b>
<b>IN HIS CAPACITY AS:</b>	<b>Managing Director</b>
<b>DATE:</b>	<b>20 May 2000</b>
<b>SIGNATURE OF SIGNATORY:</b>	<b>(Signature of A.F Jones)</b>
<b>As witnesses:</b>	
1.	.....
2.	.....
Signature of person authorised to sign the tender: .....	
Date: .....	

## TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).



# Application for a Tax Clearance Certificate

### Purpose

Select the applicable option .....Tenders  Good standing

If "Good standing", please state the purpose of this application

Two empty text input boxes for stating the purpose of the application.

### Particulars of applicant

Name/Legal name (Initials & Surname or registered name)										
Trading name (if applicable)										
ID/Passport no					Company/Close Corp. registered no					
Income Tax ref no					PAYE ref no	7				
VAT registration no	4				SDL ref no	L				
Customs code					UIF ref no	U				
Telephone no	C O D E		N U M B E R		Fax no	C O D E		N U M B E R		
E-mail address										
Physical address										
Postal address										

### Particulars of representative (Public Officer/Trustee/Partner)

Surname										
First names										
ID/Passport no					Income Tax ref no					
Telephone no	C O D E		N U M B E R		Fax no	C O D E		N U M B E R		
E-mail address										
Physical address										

Particulars of tender (If applicable)

Tender number

Estimated Tender amount R  ,

Expected duration of the tender  year(s)

Particulars of the 3 largest contracts previously awarded

Date started	Date finalised	Principal	Contact person	Telephone number	Amount

Audit

Are you currently aware of any Audit investigation against you/the company?.....

If "YES" provide details

Appointment of representative/agent (Power of Attorney)

I the undersigned confirm that I require a Tax Clearance Certificate in respect of  or .

I hereby authorise and instruct  to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

-  -

Date

Name of representative/agent

agent

Declaration

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

-  -

Date

Name of applicant/Public Officer

Notes:

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
  - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
  - without just cause shown by him, refuses or neglects to-
    - furnish, produce or make available any information, documents or things;
    - reply to or answer truly and fully, any questions put to him ...
 As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.
- Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.



## SBD 4

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
  - the bidder is employed by the state; and/or
  - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
  - 2.1 Full Name of bidder or his or her representative: .....
  - 2.2 Identity Number:.....
  - 2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member):  
.....
  - 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:  
.....
  - 2.5 Tax Reference Number: .....
  - 2.6 VAT Registration Number: .....
  - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

<sup>1</sup>"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.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

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

2.7.1 If so, furnish the following particulars:

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

Any other particulars:  
.....  
.....  
.....

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

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

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

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

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

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

2.8.1 If so, furnish particulars:

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

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

2.9.1 If so, furnish particulars.

.....

.....  
.....

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

2.10.1 If so, furnish particulars.  
.....  
.....  
.....

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

2.11.1 If so, furnish particulars:  
.....  
.....  
.....

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

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Persal Number

**4 DECLARATION**

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

November 2011

This document must be signed and submitted together with your bid

## THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME

### INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

### 1 PILLARS OF THE PROGRAMME

- 1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NIP obligation. This threshold of US\$ 10 million can be reached as follows:
- (a) Any single contract with imported content exceeding US\$10 million.  
or
  - (b) Multiple contracts for the same goods, works or services each with imported content exceeding US\$3 million awarded to one seller over a 2 year period which in total exceeds US\$10 million.  
or
  - (c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US\$10 million.  
or
  - (d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$10 million.
- 1.2 The NIP obligation applicable to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30 % of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a *pro-rata* basis.
- 1.3 To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners or suppliers.

- 1.4 A period of seven years has been identified as the time frame within which to discharge the obligation.

## **2 REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY**

- 2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of **R10 million** (ten million Rands), submit details of such a contract to the DTI for reporting purposes.

- 2.2 The purpose for reporting details of contracts in excess of the amount of R10 million (ten million Rands) is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in paragraphs 1.1.(b) to 1.1. (d) above.

## **3 BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)**

- 3.1 Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.

- 3.2 In order to accommodate multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R10 million (ten million Rands), to contact and furnish the DTI with the following information:

- Bid / contract number.
- Description of the goods, works or services.
- Date on which the contract was accepted.
- Name, address and contact details of the government institution.
- Value of the contract.
- Imported content of the contract, if possible.

- 3.3 The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr Elias Malapane within five (5) working days after award of the contract. Mr Malapane may be contacted on telephone (012) 394 1401, facsimile (012) 394 2401 or e-mail at [Elias@thedti.gov.za](mailto:Elias@thedti.gov.za) for further details about the programme.

## **4 PROCESS TO SATISFY THE NIP OBLIGATION**

- 4.1 Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:
- a. the contractor and the DTI will determine the NIP obligation;
  - b. the contractor and the DTI will sign the NIP obligation agreement;

- c. the contractor will submit a performance guarantee to the DTI;
- d. the contractor will submit a business concept for consideration and approval by the DTI;
- e. upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
- f. the contractor will implement the business plans; and
- g. the contractor will submit bi-annual progress reports on approved plans to the DTI.

4.2 The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid number .....	Closing date:.....
Name of bidder.....	
Postal address .....	
.....	
Signature.....	Name (in print).....
Date.....	

Js475wc

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2017**

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

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

1.2

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

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

	<b>POINTS</b>
<b>PRICE</b>	80
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	20
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

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

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





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

**5. BID DECLARATION**

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

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

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

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

**7. SUB-CONTRACTING**

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

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted.....%

ii) The name of the sub-contractor.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME or QSE

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are youth	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are women	<input type="checkbox"/>	<input type="checkbox"/>

Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name \_\_\_\_\_ of  
company/firm:.....

8.2 VAT \_\_\_\_\_ registration  
number:.....

8.3 Company \_\_\_\_\_ registration  
number:.....

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as  
indicated in paragraph 1 of this form;

- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

WITNESSES
1. ....
2. ....

.....
SIGNATURE(S) OF BIDDERS(S)
DATE: .....
ADDRESS .....
.....
.....

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

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

4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**SBD 8**

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME).....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION  
FORM IS TRUE AND CORRECT.**

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

Js365bW

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_

(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_

(Name of Institution)

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

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder



6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

Js914w 2



# DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM

## SUPPLIER MAINTENANCE:

BAS  PMIS  LOGIS  WCS   CONTRACTOR CONSULTANT

OFFICE: .....

Head Office Only	
Captured By:	_____
Date Captured:	_____
Authorised By:	_____
Date Authorised:	_____
Supplier code:	_____
Enquiries. :	_____
Tel. No.:	_____

### The Director General : I DEPT OF RURAL DEVELOPMENT AND LAND REFORM

I/We hereby request and authorise you to pay any amounts, which may accrue to me/us to the credit of my/our account with the mentioned bank.

I/we understand that the credit transfers hereby authorised will be processed by computer through a system known as "ACB - Electronic Fund Transfer Service", and I/we understand that not additional advice of payment will be provided by my/our bank, but that the details of each payment will be printed on my/our bank statement or any accompanying voucher. (This does not apply where it is not customary for banks to furnish bank statements).

I/we understand that the Department will supply a payment advice in the normal way, and that it will indicate the date on which the funds will be made available on my/our account.

This authority may be cancelled by me/us by giving thirty days notice by prepaid registered post. Please ensure information is validate as per required bank screens .

I/We understand that bank details provided should be exactly as per the records held by the bank.

I/We understand that the Department will not assume responsibility for any delayed payments, as a result of incorrect information supplied.

Company / Personal Details	
Registered Name	_____
Trading Name	_____
Tax Number	_____
VAT Number	_____
Title:	_____
Initials:	_____
First Name:	_____
Surname:	_____
Postal and Street Address Detail of the Company / Individual	
Postal Address	_____
Street Address	_____
Postal Code	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
New Detail	
<input type="checkbox"/> New Supplier information	<input type="checkbox"/> Update Supplier information
Supplier Type:	<input type="checkbox"/> Individual <input type="checkbox"/> Department <input type="checkbox"/> Partnership <input type="checkbox"/> Company <input type="checkbox"/> Trust <input type="checkbox"/> CC <input type="checkbox"/> Other ( Specify )
Department Number	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

**Supplier Account Details**

**This field is compulsory and should be completed by a bank official from the relevant bank**

Account Name

Account Number

Branch Name

Branch Number

Account Type  Cheque Account  
 Savings Account  
 Transmission Account  
 Bond Account  
 Other (Please Specify)

ID Number

Passport Number

Company Registration Number

\*CC Registration

**\*Please include CC/CK where applicable**

Practise Number

**Bank stamp**

It is hereby confirmed that this details have been verified against the following screens  
**ABSA-CIF** screen  
**FNB-** Hogans system on the CIS4/CUPR  
**STD** Bank-Look-up-screen  
**Nedbank-** Banking Platform under the Client Details Tab

**Contact Details**

Business

Area Code  Telephone Number  Extension

Home

Area Code  Telephone Number  Extension

Fax

Area Code  Fax Number

Cell

Cell Code  Cell Number

Email Address

Contact Person:

<input type="text"/>	<input type="text"/>
Supplier Signature	Departmental Official
<input type="text"/>	<input type="text"/>
Print Name	Print Name
<input type="text"/>	<input type="text"/>
<input type="text"/>	Rank
<input type="text"/>	<input type="text"/>

**Adress of Rural Development and Land Reform Office where form is submitted from**

Date (dd/mm/yyyy)

Date (dd/mm/yyyy)

**NB: All relevant fields must be completed**



## agriculture, land reform & rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA

CHIEF DIRECTORATE INTERNAL AUDIT  
Private Bag X833, Pretoria, 0001; 388 Thabo Sehume Street, Pretoria, 0002  
Tel: 012 - 312 8362; E-mail: karen.delarouviere@drdlr.gov.za; Website: www.drdlr.gov.za

# **TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS**

## **1. INTRODUCTION**

- 1.1. The Department of Agriculture, Land Reform and Rural Development (DALRRD) would like to invite Service Providers to submit bid proposals to deliver Information Technology (IT) audit projects and provide certified IT auditors and a Network Security Specialist to primarily focus on best practices and efficiencies with regard to Network Operations. The Service Provider is required to deliver these IT audit projects on behalf of the Chief Directorate (CD): Internal Audit of the DALRRD at National Office as per the 2020/2021 Annual Internal Audit Plan.

## **2. OBJECTIVE**

- 2.1. To appoint a Service Provider to provide IT audit services in relation to four IT Audit projects, scheduled in terms of the approved 2020/2021 DALRRD Annual Internal Audit Plan.
- 2.2. NB: This bid does not constitute the outsourcing of the Internal Audit function to the selected Service Provider; or co-sourcing of the entire Internal Audit Plan.

## **3. BACKGROUND**

- 3.1. The Annual Internal Audit Plan of the DALRRD was approved by the Audit Committee on 29 September 2020. In order to achieve all planned audits, the CD: Internal Audit requires the services of certified IT auditors with IT application and general controls, System Development Life Cycle skills, Project Management skills, and a Network Security Specialist; as well as to conduct the IT audit projects as set out below.

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3.2. The four IT Audit projects to be delivered from 4 January 2021 to 31 May 2021 are:

**a) IT audit project of the Network Security**

The Information Technology audit will be performed at the Office of the Chief Information Officer within the Branch: Corporate Support Services. The IT audit project will review the adequacy and effectiveness of internal controls implemented by management pertaining to network security at the DALRRD.

**b) Disaster Recovery**

The Information Technology Audit will be performed at the CD: Deeds Registration ICT within the Branch: Deeds Registration. The IT Audit Project will assess adequacy and the effectiveness of disaster recovery controls.

**c) Tswelopele Application System**

The Information Technology Audit will be performed at the Branch: Office of the Director General. The IT Audit Project will consist of application control and/or post-implementation review.

**d) SPLUM Toolkits**

The Information Technology Audit will be performed at the Branch: Spatial Planning and Land Use Management (SPLUM). The IT Audit Project will consist of both an application control review and a general control review.

3.3. The IT auditors will only be utilised exclusively on the specified IT audit projects.

**4. OBJECTIVE AND SCOPE OF WORK REQUIRED**

The objective and scope of the respective IT Audit projects is defined below.

**4.1 IT audit project of the Network Security Review**

**4.1.1 Objective**

To perform the adequacy and effectiveness of the network security controls implemented at the DALRRD to prevent unauthorised access and control data flows from and to department's networks.

**4.1.2 Scope**

## **TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS**

The network security review will focus on the use of security techniques and related management procedures (e.g., firewalls, security appliances, network segmentation, intrusion detection) to determine the effectiveness of network security controls implemented at DALRRD.

### **4.2 Disaster Recovery**

#### **4.2.1 Objective**

To evaluate DALRRD's ability to recover in the event of a disaster as well as to provide independent assurance of the effectiveness of the disaster recovery processes.

#### **4.2.2 Scope**

The review will focus on the DALRRD's business continuity plan, policies, standards, guidelines, procedures, laws and regulations that address maintaining continuous business services. This will include, but is not limited to:

- Disaster recovery procedures.
- Recovery Strategy and plan.
- Disaster recovery and resumption.
- Disaster Recovery plan maintenance.

### **4.3 Tswelopele application review**

#### **4.3.1 Objective**

To evaluate if the project management and system development life cycle processes had been adequately designed and implemented, operating effectively, project output was monitored and transpired according to plans and that the solution meets business expectations.

#### **4.3.2 Scope**

##### *Post-implementation review*

The post-implementation review will focus on evaluating the implemented controls pertaining to the Tswelopele/Decision Register related business processes and application system.

##### *Information Technology General Control review*

The Information Technology General Controls (ITGC) audit will focus on controls and security by addressing the following IT control objectives:

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- Access to programs and data:

To assess whether only authorised access is granted to programs and data upon authentication of a user's identity.

- Computer operations:

To assess whether there is effective management of data processing, adequate maintenance of hardware and processing problems are identified and resolved completely and accurately to maintain the integrity of data. In addition, to ensure that back up processes and disaster recovery are adequate.

#### **4.4 SPLUM Toolkits**

##### **4.4.1 Objective**

To review the adequacy and effectiveness of the application system in order to ascertain whether it produces timely, accurate, complete and reliable information outputs, as well as ensuring confidentiality, integrity, availability and reliability of data.

##### **4.4.2 Scope**

###### *Application system design control review*

The application system design controls review will focus on controls that help to ensure proper authorisation, completeness, accuracy and validity of transactions, maintenance and other types of data input by addressing the following IT control objectives:

- Controls over the input of transactions;

To evaluate whether the procedures and controls reasonably guarantee that (i) the data received for processing are genuine, complete, not previously processed, accurate and properly authorised, and (ii) data are entered accurately and without duplication.

- Controls over processing;

To evaluate whether the procedures and controls reasonably ensure complete and accurate processing of input and generated data in that:

- Transactions processing is accurate;
- Transactions processing is complete;
- Transactions are unique (i.e. no duplicates);
- All transactions are valid; and
- The computer processes are auditable.



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- Controls over output;

To evaluate whether the procedures and controls reasonably ensure that computer output is complete, accurate and correctly distributed in that all output is:

- Produced and distributed on time;
- Fully reconciled with pre input control parameters;
- Physically controlled at all times, depending on the confidentiality of the document; and
- Errors and exceptions are properly investigated and acted upon.

- Controls over standing data and master files;

To evaluate whether the procedures and controls reasonably ensure the integrity and accuracy of master and standing data files.

- Controls to restrict access to assets and records.

To evaluate whether the procedures and controls reasonably enable:

- Protection against unauthorised amendments of data; and
- Confidentiality and availability of data.

*ITGC review*

The ITGC audit will focus on controls and security by addressing the following IT control objectives:

- Program development:

To assess whether systems are developed, configured, and implemented to achieve management's application control objectives.

- Program changes:

To assess whether changes to programs and related infrastructure components are requested, authorised, performed, tested and implemented to achieve management's application control objectives.

- Access to programs and data:

To assess whether only authorised access is granted to programs and data upon authentication of a user's identity.

- Computer operations:

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To assess whether there is effective management of data processing, adequate maintenance of hardware and processing problems are identified and resolved completely and accurately to maintain the integrity of data. In addition, to ensure that back up processes and disaster recovery are adequate.

**5. AUDIT PROJECT DURATION**

The Service Provider, required to perform the IT Audit projects, will be expected to perform these audit projects within a **total of 2 250 person hours** and over a period of five months. The breakdown of the hours allocated to the four audit projects is:

<b>IT Audit Project</b>	<b>In-house Hours</b>	<b>Outsource / Insource Hours</b>	<b>Total Hours</b>
IT audit project of the Network Security	200	700	900
Disaster Recovery	100	300	400
Tswelopele Application System	150	450	600
SPLUM Toolkits	200	800	1000
<b>Total Hours</b>	<b>650</b>	<b>2 250</b>	<b>2 900</b>

NB: Service Providers must take note that all audit team resources provided must utilise 2 250 hours combined in order to provide four IT Audit projects.

The audit projects have been planned for period 2 and 3 on the approved Annual Internal Audit plan for 2020/2021 and will commence on 4 January 2021 to 31 May 2021. The outsourced services for inclusion in audit teams will be required from the period 4 January 2021 to 31 May 2021 and the above projects will run concurrently over a period of five months. Additionally, the Service Provider will be expected to transfer expert knowledge in respect of Network Security during the IT Audit project (Network Security. In this regard a knowledge transfer plan and report must be provided.

**6. AUDIT PROJECT DELIVERY REQUIREMENTS**

**6.1 Audit Software**

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6.1.1. The Service Provider must complete IA methodology templates which will be provided at the start of the audit projects.

6.1.2. The Service Provider must have TeamMate+ installed on their machines.

6.1.3. The populated templates / working papers will be uploaded onto TeamMate+ by the Service Provider.

## **6.2 Project Management**

6.2.1 The Service Provider will be expected to perform the following regarding the four IT audit projects:

- Planning of the audit;
- Execution of the audit;
- Reporting of the audit; and
- Closure of the audit project.

All audit related information must be uploaded on TeamMate+ by the Service Provider and provided to Director: IT Audit for review on weekly basis.

Each IT Audit project must be managed by the Service Provider's assigned audit specialist / project manager considering the audit project phases above. Managing of the audit projects will include all forms of quality assurance of the work delivered by the audit team. IT Audit project management will include managing the DALRRD IT Audit resource(s) assigned to the Network Security audit project.

## **6.3 Audit Methodology**

6.3.1 The Service Provider will be expected to comply with the DALRRD Internal Audit methodology, which has been aligned to the Institute of Internal Auditors (IIA) Standards. DALRRD templates must be used.

## **6.4 Deliverables per audit project**

Deliverables per audit project must consist of at least the following:

6.4.1 Performing the Engagement

- ENL Annexure D;
- Minutes of entrance meeting;
- Audit Planning Memorandum, inclusive of the project plan;
- System description;

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- Risk Matrix/Gap Analysis;
- Audit programs; and
- Audit working papers and record of work performed.

**6.4.2 Communication of results**

- Audit finding sheets containing findings, root causes, impact, recommendations and management action plans;
- Reporting (Audit Report as defined in paragraph 6.4.3);
- A comprehensive set of the audit working paper files (physical and electronic versions), the ownership of which will pass to the DALRRD Internal Audit upon completion of the project; and
- An electronic file containing all electronic data for the audit project; as well as the physical signed documents and the scanned in version thereof.

**6.4.3 Audit Reports**

The Service Provider will deliver an Internal Audit report and an executive summary Audit Committee report per audit project. These reports will be discussed with management as specified.

Reports can only be distributed to the nominated parties once DALRRD Internal Audit has reviewed and accepted the deliverables.

The Service Provider shall prepare an Audit Committee Report and presentation for distribution three (3) weeks in advance of the Audit Committee meeting for the audit projects.

**6.4.4 Fraud and Irregularities reporting**

In planning and conducting its work, the Service Provider should seek to identify serious defects in internal controls, which might result in possible malpractices. Any such defects must be reported immediately to the Chief Audit Executive (CAE) and reported in the applicable audit reports. This also applies to instances where serious fraud and irregularities are uncovered.

**6.4.5 The report structure should include at least the following:**

- Introduction;
- Audit objective and scope;

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- Background;
- Audit methodology;
- Rating methodology;
- Summary of adequacy and effectiveness of controls / processes;
- Distribution;
- Overall Conclusion;
- Executive summary of findings;
- Detailed findings, root causes of findings, impact of findings, recommendations and management response (including action plans, responsible parties and implementation dates); and
- Audit Committee report will include an Audit Committee summary.

**6.5 Continuity and Profile of Service Provider**

6.5.1 The Service Provider must guarantee the presence of the Service Provider audit specialists on this assignment throughout the duration of the contract, unless agreed otherwise with and approved by the DALRRD CAE in writing. If a Service Provider specialist has to leave the project, with the agreement of the DALRRD CAE, a period of at least 2 weeks is required during which the current Service Provider specialist must work parallel with the replacement appointed, to enable a handover of work performed and transfer of knowledge. The Service Provider should not allocate a specialist to the DALRRD audit project if they are aware at the time of allocation of the person to the project, that the person would not be available for the full period of the contract. The DALRRD IA team will contact the resources submitted on the proposal and confirm if they gave permission for their names to be used. If the specialist is substituted by the Service Provider without the prior written consent of the DALRRD CAE, the DALRRD shall not be liable for payment of the specialist's time spent on the project. The DALRRD shall not be liable for payment of any unproductive or duplicated time spent by an IT audit specialist on the assignment as a result of service provider staff changes.

6.5.2 In the event that the auditor/specialist used in the BID needs to be replaced, the Service Provider should provide a replacement with similar or more qualifications and experience. Failure to provide the relevant replacement for the auditors/Specialists, the DALRRD reserves the right to terminate the contract.

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS**

**6.6 Independence and objectivity of Service Provider**

6.6.1 The Service Provider must ensure that the Service Provider specialists assigned to the project will maintain his / her objectivity by remaining independent of the activities audited.

**6.7 Progress Reporting**

6.7.1 On a weekly and monthly basis, the Service Provider Audit Project Manager shall prepare and submit a progress report to the DALRRD Director: IT Audit. Weekly Progress meetings will be conducted and must be attended by the audit project managers.

**6.8 Quality of the audit work performed**

6.8.1 The Service Provider shall be responsible to ensure the integrity of audit work performed and all the deliverables defined in paragraph 6.4. All deliverables must be subjected to IT Audit Director's review subsequent to the Service Provider's own quality checks and completion of the Quality Assurance (QA) checklists. The Service Provider shall ensure that all work conforms to the International Standards for the Professional Practice of Internal Auditing (ISPPA). All deliverables (the complete Audit Working Paper File) will be subjected to a quality assurance by the DALRRD Internal Audit Project Office or another delegated entity prior to acceptance.

The quality assurance will be conducted in accordance with the Institute of Internal Auditors (IIA) Standards. A self-assessment quality evaluation report will be issued for each of the deliverables identified in paragraph 6.4 for each of the audit project deliverables. DALRRD Internal Audit will only accept the deliverables once the quality assurance review process defined above was performed and it in general conforms to the IIA Standards, and any other specific quality standards that may be agreed to.

6.8.2 DALRRD Internal Audit management will perform reviews on all the deliverables of the Service Provider as defined in paragraph 6.4 to verify the Service Provider' adherence to the defined scope, quality of deliverables, understanding of the DALRRD business environment, and evidence of self-assessment quality reviews.

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS**

**6.9 Delivery approach**

The Service Provider will be required to propose how they intend to deliver the IT Audit Projects to meet the requirements as set out in this section of the Terms of Reference. The approach should highlight (but not limited to):

- The engagement model, single service provider or consortium, use of contractors (please note that sub-contracting will not be accepted);
- IT Audit projects managed by the service provider which should include planning, monitoring and reporting;
- Administration of these IT audit projects such as resource management, time management with a specific focus on how the service provider intends to obtain and retain the specialist expertise whom would be required for certain times in the audit project delivery and not necessary for the entire period;
- How the service provider propose to communicate and interact in respect of managing the IT audit projects (excluding the IA methodology which must be followed);
- How the service provider intends to ensure the quality of audit work and deliverables, i.e. which QA structure will be applied by the service provider to ensure that the audit teams meet quality criteria;
- How the service provider will ensure that the timelines will be adhered to; and
- The process that the service provider will follow to ensure knowledge transfer is delivered as part of one of the IT Audit projects.

**6.10 IT Audit Project Delivery Initiation and Timelines**

The following initial action will be required:

- Immediately upon signing of the Service Level Agreement (SLA), the Service Provider shall meet with the Director IT Audit to discuss the work, roles and responsibilities and confirm the engagement and delivery model;
- The Service Provider will be required to provide a complete resource list and date of joining of resources in order to arrange office accommodation and access arrangements; and

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- The Service Provider will discuss and agree the administration of the audit projects to be delivered as well as the utilisation of Internal Audit methodology and templates.

The table below defines the respective IT Audit project Phases and estimates of effort per phase as well as the estimated date of delivery considering the start of the projects to be 4 January 2021.

<b>Phases</b>	<b>Deliverables</b>	<b>Effort estimation of total</b>	<b>Duration</b>
Phase 1 Planning	ENL Annexure D (with auditees) Audit Project Memorandum (with CAE) Project plan / schedule Pre-Audit Survey System Description GAP Analysis Audit Program	10%	4 weeks
Phase 2 Execution	Performing the audit per audit program	20%	12 weeks
	Signed Finding sheets	30%	
Phase 3 Reporting	Final Internal Audit Report	15%	6 weeks
	Final Audit Committee Report	15%	
	Final Audit Committee Presentation	5%	
Phase 4 Closure	Finding registers, completion of all audit work files in electronic format and physical signed off documents	5%	2 weeks

The finalisation of audit deliverables will be aligned to the Audit Committee meeting schedule.

## **7 MANDATORY REQUIREMENTS**

**Failure to adhere to the following conditions will disqualify the bidder's proposal:**

7.1 BBBEE level 1 to 8 (attach proof).



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7.2 **Compliance with all Tax Clearance requirements:** Attach Valid Tax Clearance Certificate/ Compliance Tax Status Pin, Central Supplier Database Number, where consortium/joint ventures/ sub-contractor are involved, each party to the association must submit separate Tax Clearance requirements; and

7.3 Attach a resolution letter authorizing a particular person to sign the bid documents.

**8 PRICING SCHEDULE**

- A costing schedule per hour, per specialist is attached as SBD 3.3. All bidders are required to indicate their all-inclusive rate per hour as per SBD 3.3.
- All monetary amounts must be in South African Rand and VAT must be included.

**9 REQUIREMENTS FOR SERVICE PROVIDER SPECIALISTS AND TEAM COMPOSITION**

**9.1 Audit Specialist Team Qualification**

9.1.1 For the four IT Audit Projects, the allocated Audit Project Managers must each be in the possession of a B. Com Internal Auditing *or* B.Sc. Information Systems degree or equivalent and Certified Information Systems Audit (CISA) professional qualification, as a mandatory requirement. The Audit Project Managers must be identified by names for each of the IT Audit Projects. It would be acceptable if one Audit Project Manager manages more than one IT Audit Project, but not all four. At least two Audit Project Managers must be specified and be full time assigned.

9.1.2 IT auditors that are proposed to form part of the IT audit team are required to each be in the possession of a B. Com Internal Auditing *or* B.Sc. Information Systems degree or equivalent as a mandatory requirement. A CISA qualification for these proposed auditors will be advantageous. These proposed IT auditors must be clearly named for each IT Audit Project.

9.1.3 At least one specialist of the Service Provider audit team must demonstrate competency in Network Security specifically relating to Information Technology. A professional qualification as Certified Ethical Hacker or equivalent is a mandatory requirement. It will not be required that this specialist also holds a CISA qualification. The proposed specialist must be clearly identified.

9.1.4 All resources provided must sign acknowledgement letter to confirm that they gave permission for their names to be used.

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**9.2 Audit Specialist Team Composition and experience**

9.2.1 Due to the specialisation of the IT audit projects and the requirement that specialists must work independently; the minimum mandatory experience of each specialist assigned to the audit project must be at least 5 years' experience in the related areas of speciality.

9.2.2 The audit team composition must provide expertise through a proven track record in the areas of:

- a) System Development Life Cycle, General and application controls (mandatory for all proposed audit specialists excluding the Network Security specialist listed in b below).
- b) Network Security (one proposed specialist is mandatory).
- c) Knowledge in Geographic Information System Mapping environment (Advantageous).

9.2.3 The proposed audit project managers must have a minimum of *six years'* experience in managing IT Audits.

**9.3 Curricula Vitae**

9.3.1 The bid response must include a curricula-vitae in respect of the persons to be used on the project of the 2020/2021 DALRRD Annual Internal Audit Plan, under the following headings:

- Personal and contact details;
- Tertiary and other qualifications (provide full particulars, including date obtained and relevant institution; and specifically professional certification(s));
- Type and duration of previous experience, with particular reference to that which is appropriate or relevant to the project;
- Special skills, with particular reference to that which is appropriate or relevant to the project; and
- Specialists proposed for the projects should meet the requirements defined in paragraph 9.1 and 9.2 above.

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**9.4 Track Record of Service Provider/s**

9.4.1 The Service Provider/s should indicate a minimum of three references of similar assignments conducted indicating the type, complexity and the timeline of the audit assignments.

**10 EVALUATION CRITERIA**

This bid shall be evaluated in two stages. On first stage, bids will be evaluated on functionality, second stage in accordance with 80/20 preference points system as stipulated above.

**10.1 First Stage-Evaluation of Functionality**

The evaluation of the functionality will be evaluated individually by Members of Bid Evaluation Committee in accordance with the below functionality, criteria and values.

The applicable values that will be utilized when scoring each criterion range from **1 being poor, 2 being average, 3 being good, 4 being very good and 5 being excellent**

<b>CRITERIA</b>	<b>GUIDELINES FOR CRITERIA APPLICATION</b>	<b>WEIGHTS</b>
<b>Delivery Approach</b>	A comprehensive proposed approach for delivery of the IT Audit outsourced projects to meet the requirements as specified in section 6.9 must be attached.	20
<b>Audit Specialist Team Competency</b>	The team composition, qualification, experience as demonstrated in their detailed CVs in conformance to section 9 of this Terms of Reference. <b>Attach copy of a certificate and CV's clearly indicating a detailed profile of the previous work experience.</b>	50
<b>Company's Capability (experience and track record of service provider)</b>	Bidder must demonstrate extensive experience over the last five years in providing IT Audit project services (Refer to in the proposal and attach at least 3 references/testimonials from customers of similar work undertaken (the proposal should list names, addresses, telephone numbers, fax numbers and e-mail addresses of businesses for which work has been accomplished and briefly describe the type of service and delivery provided).	30

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS**

<b>CRITERIA</b>	<b>GUIDELINES FOR CRITERIA APPLICATION</b>	<b>WEIGHTS</b>
<b>TOTAL POINTS ON FUNCTIONALITY OUT OF 100</b>		<b>100</b>

*Should the Service Provider proposal not meet the minimum score of seventy five (75) out of one hundred (100) points for functionality it will not be considered further.*

**10.2 Second Stage - Evaluation in terms of 80/20 Preference Points System**

Only bids that achieve the minimum qualifying score for functionality will be evaluated further in accordance with the 80/20 preference points system.

**10.3 Calculation of points for price**

The PPPFA prescribes that the lowest acceptable bid will score 80 points for price. Bidders that quoted higher prices will score lower points for price on a pro-rata basis.

**10.4 Calculating of points for B-BBEE status level of contribution**

Points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table 5 below:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of Points (80/20 system)</b>
<b>1</b>	<b>20</b>
<b>2</b>	<b>18</b>
<b>3</b>	<b>14</b>
<b>4</b>	<b>12</b>
<b>5</b>	<b>8</b>
<b>6</b>	<b>6</b>
<b>7</b>	<b>4</b>
<b>8</b>	<b>2</b>

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS**

<b>Non-compliant contributor</b>	<b>0</b>
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Bidders must submit original and valid B-BBEE Status Level Verification Certificate or certified copies thereof. To claim the B-BBEE points in accordance with the above table of B-BBEE Status Level of Contributor, Bidders must submit any of the following proof of B-BBEE Status Level Verification Contributor;

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

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

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

NB: Bidders who do not submit B-BBEE Status level verification certificates or are non-compliant contributors to B-BBEE, do not qualify for preference points for B-BBEE, but will not be disqualified from the bidding process. They will score points out of 80 for price only zero (0) points out 20 for B-BBEE.

A trust, consortium or joint venture will qualify for points for the B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated BBEE scorecard is prepared for every separate bid. Any bid that is qualified by the bidder's own conditions will automatically be disqualified

Any suggestions during the progress meetings, once accepted by both parties, shall form part of the contract. It is expected that the consultant will regularly affect all recommended amendments before the plan or document is resubmitted to relevant stakeholders. The Department Agriculture, Rural Development and Land Reform reserves the right not to award the bid to any service provider, or to various Service Providers.

## **11 TIME FRAME AND IMPLEMENTATION**

**11.1** The commencement date of the appointed Service Provider will be immediately after the signing of the SLA, the security screening as defined in paragraph 12.7 and the order issuing date for a period of 2 250 hours.

**11.2** The audit projects will be delivered over two cycles; however, within a single audit project life cycle of planning, fieldwork and reporting. All deliverables as defined in paragraph 6.4 above must be completed during this time. **It should be noted that the completion target dates are not negotiable.**

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS**

**12 TERMS AND CONDITIONS OF BID**

- 12.1** Awarding of the request for bid will be subject to the Service Provider's acceptance of National Treasury General Conditions of Contract. No additional terms and conditions from the Service Provider will be accepted.
- 12.2** The DALRRD reserves the right not to award the request for bid.
- 12.3** In the event that the auditor/specialist used in the BID needs to be replaced, the Service Provider should provide a replacement with similar or more qualifications and experience. Failure to provide the relevant replacement for the auditor / specialist the DALRRD reserves the right to terminate the contract.
- 12.4** No material or information derived from the provision of the services under the contract may be used for any purposes other than those of the DALRRD except where authorised by the DALRRD in writing to do so.
- 12.5** Copyright in respect of all documents and electronic data, prepared or developed for the purpose of the project by the Service Provider, shall be vested in the DALRRD.
- 12.6** The Service Provider agrees to keep confidential all records and information of, or related to the audits obtained in any manner whatsoever by the Service Provider, and not to disclose such records or information to any third party without the DALRRD's prior written consent. The Service Provider will be expected to sign a confidentiality agreement with the DALRRD before commencement of the audit.
- 12.7** The Service Provider may also not apply the audit management methodology of the DALRRD outside of the DALRRD during or after completion of the projects at the DALRRD.
- 12.8** The Service Provider, Sub-contractor (Directors, members of close corporation and employees) involved with the contract or having access to information relating to the contract/ DALRRD and any contract workers to be appointed shall sign an Oath of Secrecy and be prepared to go through the process of Security Clearance or background checks as determined by the DALRRD prior to the start of the audit projects.
- 12.9** The audit resources provided by the appointed Service Provider shall be given instructions during the performance of the audit and shall report to the Project Management Team consisting of the following persons:
- The DALRRD CAE; and
  - The DALRRD Director: IT Audit.

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12.10 Although the reporting lines as specified above shall be adhered to, the Service Provider will project manage the delivery of the audit project over its entire life cycle in accordance with the Internal Audit methodology aligned to the IIA Standards.

The Service Provider will enter into an SLA with the DALRRD, which will include amongst others:

- Period of agreement;
- Audit Project objectives and scope;
- Project plan;
- Form and format of documentation;
- Managing the audit project service delivery;
- Reporting relationship;
- Method of communication;
- Deliverables and terms of deliverables;
- Audit Committee reporting;
- Reviews and Quality of work;
- Cost and fee payment;
- Financial penalties;
- Uncompleted work;
- Confidentiality;
- Security;
- Disputes and breaches; and
- Termination of contract.

**12.10** This Terms of Reference and the response from the Service Provider will form part of the SLA. A draft SLA will be sent together with the acceptance letter to the successful Service Provider. The SLA must be finalised within five (5) working days thereafter and signed by both parties before an order will be issued.

### **13 FINANCIAL PENALTIES**

**13.1** Financial penalties as set out in the National Treasury General Conditions of Contract will be imposed for deliverables and/or target dates not met as well as for deliverables

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS**

not meeting the deliverable criteria in terms of form and/or format and/or content quality in a manner as specified in the SLA.

**14 METHOD OF PAYMENT**

**14.1** Payment in respect of deliverables will take place in terms of an agreed project plan, subject to approval of the deliverables by the DALRRD CAE and certification of the invoice by the DALRRD CAE or a person designated by her. Evidence of deliverables completed should be submitted with the invoices before payment will be effected.

**14.2** Invoices must clearly indicate the number of hours spent on the project, the deliverables associated with the hours spent and to what extent the objectives were achieved. It must be emphasised that payment will be based on deliverables completed, and not on time spent on the project. If the Service Provider spends more time on the project than anticipated, or utilise more resources than planned for, such additional hours of resources will be for the Service Provider's own account.

**14.3** No travel and accommodation and other disbursement cost will be payable.

**14.4** Invoices must be forwarded to:

Director Logistics Management

The Department of Agriculture, Land Reform and Rural development

**Postal Address:**

Private Bag X833  
PRETORIA, 0001

**Physical Address:**

Room 32D Ground Floor, Old Building  
184 Jeff Masemola Street  
Pretoria Central, 0002

**15 COMMUNICATION**

**15.1 PUBLICATION**

- Tender bulletin;
- National Treasury e-Portal;
- DALRRD website; and
- For twenty-one (21) days.



**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS**

**15.2 CONTACT PERSON**

	<b>Technical</b>	<b>Supply Chain Management</b>
Name:	Ms Boitumelo Sephoti	Mr Abie Olyn
Title:	Director: IT Audit	Bids management
Contact No.:	(012) 312 9211/9275	(012) 312 9518
Email:	<a href="mailto:Boitumelo.Sephoti@drdlr.gov.za">Boitumelo.Sephoti@drdlr.gov.za</a>	<a href="mailto:abie.oly@drdlr.gov.za">abie.oly@drdlr.gov.za</a>

**Delivery Approach, Audit Specialist Team Competency & Capability**

1. A comprehensive approach for delivery of the IT Audit outsourced projects to meet the requirements as specified in section 6.9 of Terms of Reference must be attached. (20)

<p><b>Poor</b> (score 1)</p>	<p><b>Approach does <u>not</u> outline the requirements as specified for:</b> Engagement model, project management, administration, communication, quality assurance, delivery within timelines, knowledge transfer.</p>
<p><b>Average</b> (score 2)</p>	<p><b>Approach <u>inadequately</u> and poorly address requirements for:</b> Engagement model, project management, administration, communication, quality assurance, delivery within timelines, knowledge transfer.</p>
<p><b>Good</b> (score 3)</p>	<p><b>Approach adequately address <u>most</u> of the requirements for:</b> Engagement model, project management, administration, communication, quality assurance, delivery within timelines, knowledge transfer.</p>
<p><b>Very Good</b> (score 4)</p>	<p><b>Approach adequately specified <u>all</u> requirements for:</b> Engagement model, project management, administration, communication, quality assurance, delivery within timelines, knowledge transfer, <b>and is acceptable for implementation.</b></p>
<p><b>Excellent</b> (score 5)</p>	<p><b>Approach exceptionally specifies the manner in which the IT Audit service will be delivered</b> and indicate additional value adds e.g. in project administration, knowledge transfer, customer communication or team member retention.</p>

2. The team composition, qualification, experience as demonstrated in their detailed CVs and copies of qualifications (to be attached) in conformance with section 9 of this Terms of Reference (50)

<p><b>Poor</b> (score 1)</p>	<p><b><u>Not</u> meeting any mandatory required specialist audit team competency requirement</b> in respect of project managers, CISA, tertiary qualification, and Network Security Specialist and suitable mandatory experience.</p>
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**ANNEXURE A: EVALUATION GUIDE – TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN**

<b>Average</b> (score 2)	<b>Proposed specialist audit team meet mandatory competency requirements</b> in respect of project managers, tertiary qualification, but team has less than 5 years' experience for auditors, less than 6 years' experience for project managers and mandatory experience not met.
<b>Good</b> (score 3)	<b>Proposed specialist audit team meet mandatory competency requirements</b> in respect of project managers, CISA, tertiary qualification, acknowledgement/confirmation letter, but team has at least 5 years' experience for auditors, 6 years' experience for project managers, and mandatory experience met.
<b>Very Good</b> (score 4)	<b>Proposed specialist audit team meet <u>all</u> mandatory competency requirements</b> in respect of project managers, CISA, tertiary qualification, acknowledgement/confirmation letter, Network Security Specialist and all members of the proposed team has at more than 5 years' experience for auditors, more than 6 years' experience for project managers and mandatory experience has been demonstrated and met.
<b>Excellent</b> (score 5)	<b>Exceed mandatory specialist audit team competency requirements (including those indicated as advantageous (i.e CISA for Auditors and knowledge in Geographic Information System Mapping environment)).</b>

**3. Bidder must demonstrate extensive experience over the last six years in providing IT Audit project services (Refer to in the proposal and attach at least 3 references/testimonials from customers of similar work undertaken (the proposal should list names, addresses, telephone numbers, fax numbers and e-mail addresses of businesses for which work has been accomplished and briefly describe the type of service and delivery provided). (30)**

<b>Poor</b> (score 1)	<b>Less than 5 years extensive experience and less than 3 references of IT Audit projects delivered with primary focus on general and application controls within government or private sector</b>
<b>Average</b> (score 2)	<b>Less than 5 years extensive experience and 3 references of IT Audit projects delivered with primary focus on general and application controls within government or private sector</b>

**ANNEXURE A: EVALUATION GUIDE – TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN**

<p><b>Good</b> (score 3)</p>	<p><b>5 years extensive experience and 3 references of IT Audit projects delivered with focus on System Development Life Cycle, general and application controls as well as Disaster Recovery and Network Security; of which at least 2 of 3 shall be within government.</b></p>
<p><b>Very Good</b> (score 4)</p>	<p><b>5 years extensive experience and 3 references of IT Audit projects delivered with focus on System Development Life Cycle, general and application controls, as well as Disaster Recovery, and Network Security; all (100%) within government.</b></p>
<p><b>Excellent</b> (score 5)</p>	<p><b>More than 5 years extensive experience for Auditors, more than 6 years extensive experience for project managers and 3 references of IT Audit projects delivered with focus on System Development Life Cycle, general and application controls, as well Disaster Recovery, and Network Security, all (100%) within government.</b></p>

5/2/2/1- DARLRRD 0052(2020/2021)

**APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT, FOR FOUR AUDIT PROJECTS AS PER THE 2020/2021 ANNUAL INTERNAL AUDIT PLAN OVER A PERIOD OF FIVE MONTHS.**

**CLOSING DATE: 18 DECEMBER 2020 @ 11:00**

**TECHNICAL ENQUIRIES** : Ms Boitumelo Sephoti  
TEL : (012) 312 9211/9275  
EMAIL : [Boitumelo.Sephoti@drdlr.gov.za](mailto:Boitumelo.Sephoti@drdlr.gov.za)

**BID RELATED ENQUIRIES** : Mr. Abie Olyn/ Mr P Makhado/ Mr McKenzie Manana  
TEL : (012) 312 8359/9786/9518/8711  
EMAIL : [abie.olin@drdlr.gov.za](mailto:abie.olin@drdlr.gov.za)/ [pfarelo.makhado@drdlr.gov.za](mailto:pfarelo.makhado@drdlr.gov.za)/  
[mckenzy.manana@drdlr.gov.za](mailto:mckenzy.manana@drdlr.gov.za)

**FINANCIAL PROPOSAL – PART 2 OF 2**

## DALRRD -0052(2020-2021)

### THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE FOUR INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT OVER A PERIOD OF FIVE MONTHS

(Professional Services)

NAME OF BIDDER: ..... BID NO.: DALRRD -00

CLOSING TIME

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO <u>TAX</u>	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF <u>VALUE ADDED</u>
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Bid Initials .....  
Bid's Signature.....  
Date:.....

Name of Bidder: .....

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE FOUR INFORMATION TECHNOLOGY AUDIT PROJECTS AT THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT OVER A PERIOD OF FIVE MONTHS**

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate rates based on the total Estimated cost for all the activities and including expenses inclusive of VAT for the project.

3 **TOTAL BID PRICE** R.....

NB: REFER TO THE PARAGRAPH 4, 5 & 6 OF THE TERMS OF REFERENCE

IT Audit Projects	COST
IT audit project of the Network Security	R.....
Disaster Recovery	R.....
Tswelopele Application System	R.....
SPLUM Toolkits	R.....
<b>TOTAL COST (EXCLUDING VAT)</b>	R.....
<b>VAT</b>	R.....
<b>TOTAL COST (INCLUDING VAT)</b>	R.....

NB: The above projects will run concurrently over a period of five months

5. Period required for commencement with project after acceptance of bid  
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6. Estimated man-days for completion of project  
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7. Are the rates quoted firm for the full period of contract?  
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Bid Initials .....

Bid's Signature..... Page 71 of 72

Date:.....

Name of Bidder: .....

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

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Any enquiries regarding bidding procedures may be directed to the –

AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT  
 PRIVATE BAG X 833  
 PRETORIA  
 0001

**Technical Related**

Attention: Ms Boitumelo Sephoti  
 Director: IT Audit  
 Telephone: (012) 312 9275/9211  
 E-mail: [Boitumelo.Sephoti@drdlr.gov.za](mailto:Boitumelo.Sephoti@drdlr.gov.za)

**Bid Related**

Supply Chain Related Enquiries: Mr Abie Olyn  
 Telephone number: (012) 312-9518 / (012) 312-9772  
 E-mail: [abie.oly@drdlr.gov.za](mailto:abie.oly@drdlr.gov.za)