



T36/11/17

**APPOINTMENT OF EXTERNAL
AUDITORS FOR THE IDC**

**BID CLOSING DATE: MONDAY, 27
NOVEMBER 2017 AT 12:00 NOON**

TABLE OF CONTENTS

SECTION 1: GENERAL CONDITIONS OF BID	4
1. Proprietary Information	5
2. Enquiries	5
3. Bid Validity Period	5
4. Instructions on submission of Bids	5
5. Preparation of Bid Response	6
6. Supplier Performance Management	6
7. Supplier Development	6
8. IDC's Rights	7
9. Undertakings by the Bidder	7
10. Reasons for disqualification	8
11. Local Production and Content	8
12. Response Format (Returnable Schedules)	8
13. Evaluation Criteria and Weightings	10
14. PROMOTION OF EMERGING BLACK OWNED AUDIT FIRMS	11
SECTION 2: SPECIFIC CONDITIONS OF BID	12
2. Bid Pre-qualification criteria	13
SECTION 3: FUNCTIONAL REQUIREMENTS SPECIFICATION	14
1. Special instructions to bidders	15
2. Background Information	15
3. Objectives of the audit	16
4. Scope of Work	16
5. Deliverables	18
6. Term of Engagement	18
7. Technical Evaluation Criteria	19
8. Schedule 1: Additional information pertaining to IDC's Major subsidiary - Foskor (Pty) Ltd	23
9. Schedule 2: Additional information pertaining to IDC's Major subsidiary – SEFA (SOC) Limited	24
10. Schedule 3: Additional information pertaining to IDC's Major subsidiary – SCAW SA (Propriety) Limited	25
SECTION 4: PRICE PROPOSAL	26
SECTION 5: ANNEXURES	32
Annexure 1: Acceptance of Bid Conditions and Bidder's Details	33

Annexure 2: Tax Compliance Requirements	36
Annexure 3: Supply chain management practices questionnaire	37
Annexure 4: Declaration of Interest	39
Annexure 5: Certificate of Independent Bid Determination	43
Annexure 6: Shareholders and Directors Information	46
Annexure 7: Response Format for Section 2	48
Annexure 8: BEE Commitment Plan	50
Annexure 9: Disclosure Statement	51

SECTION 1: GENERAL CONDITIONS OF BID

1. Proprietary Information

Industrial Development Corporation of SA Ltd (IDC) considers this Request for Proposal (RFP) and all related information, either written or verbal, which is provided to the respondent, to be proprietary to IDC. It shall be kept confidential by the respondent and its officers, employees, agents and representatives. The respondent shall not disclose, publish, or advertise this RFP or related information to any third party without the prior written consent of IDC.

2. Enquiries

- 2.1 All communication and attempts to solicit information of any kind relative to this RFP should be channelled **in writing** to:

Name:	<u>Ms Mmanthudi Mosupyoe</u>
Telephone Number:	<u>+27 11 269 3709</u>
Email address:	<u>mmanthudim@idc.co.za</u>

- 2.2 Enquiries in relation to this RFP will not be entertained after **16h00 on 20 November 2017**.
- 2.3 The enquiries will be consolidated and IDC will issue one response and such response will be posted, within two days after the last day of enquiries, onto the IDC website (www.idc.co.za) under tenders i.e. next to the same RFP document.
- 2.4 The IDC may respond to any enquiry in its absolute discretion and the bidder acknowledges that it will have no claim against the IDC on the basis that its bid was disadvantaged by lack of information, or inability to resolve ambiguities.

3. Bid Validity Period

Responses to this RFP received from bidders will be valid for a period of 120 days counted from the bid closing date.

4. Instructions on submission of Bids

- 4.1 Bids should be submitted in duplicate (2 hard copies) and one electronic copy (on CD) in PDF format all bound in a sealed envelope endorsed, **T36/11/17: Appointment of External Auditors for the IDC**. The sealed envelope must be placed in the bid box at the Main Reception area of the IDC Building, 19 Fredman Drive Sandton by no later than 12:00 noon on **Monday, 27 November 2017**.
- 4.2 Bids must be submitted in the prescribed response format, herein reflected as **Response Format**.
- 4.3 The bid closing date, bidder name and the return address must also be endorsed on the envelope.
- 4.4 If a courier service company is being used for delivery of the bid response, the bid description must be endorsed on the delivery note/courier packaging and the courier must ensure that documents are placed / deposited into the bid box. **The IDC will not be held responsible for any delays where bid documents are handed to the IDC Receptionist.**

- 4.5 No bid response received by telegram, telex, email, facsimile or similar medium will be considered.
- 4.6 Where a bid response is not in the bid box at the time of the bid closing, such a bid document will be regarded as a late bid. **It is the IDC's policy not to consider late bids for tender evaluation.**
- 4.7 Amended bids may be sent in an envelope marked "Amendment to bid" and should be placed in the bid box before the closing time.

5. Preparation of Bid Response

- 5.1 All the documentation submitted in response to this RFP must be in English.
- 5.2 The bidder is responsible for all the costs that it shall incur related to the preparation and submission of the bid document.
- 5.3 Bids submitted by bidders which are, or are comprised of companies must be signed by a person or persons duly authorised thereto by a resolution of the applicable Board of Directors, a copy of which Resolution, duly certified, must be submitted with the bid.
- 5.4 The bidder should check the numbers of the pages of its bid to satisfy itself that none are missing or duplicated. No liability will be accepted by IDC in regard to anything arising from the fact that pages of a bid are missing or duplicated.
- 5.5 A valid tax clearance certificate must be included in the bid response, or proof of application endorsed by SARS in this regard.

6. Supplier Performance Management

Supplier Performance Management is viewed by the IDC as a critical component in ensuring value for money acquisition and good supplier relations between the IDC and all its suppliers.

The successful bidder shall upon receipt of written notification of an award, be required to conclude a Service Level Agreement (SLA) with the IDC, which will form an integral part of the supply agreement. The SLA will serve as a tool to measure, monitor and assess the supplier's performance and ensure effective delivery of service, quality and value-add to IDC's business.

Successful bidders will be required to comply with the above condition, and also provide a scorecard on how their product / service offering is being measured to achieve the objectives of this condition.

7. Supplier Development

The IDC promotes enterprise development. In this regard, successful bidders may be required to mentor SMMEs and/ or Youth-Owned businesses. The implications of such arrangement will be subject to negotiations between the IDC and the successful bidder.

8. IDC's Rights

- 8.1 The IDC is entitled to amend any bid conditions, bid validity period, RFP specifications, or extend the bid closing date, all before the bid closing date. All bidders, to whom the RFP documents have been issued and where the IDC have record of such bidders, may be advised in writing of such amendments in good time and any such changes will also be posted on the IDC's website under the relevant tender information. All prospective bidders should therefore ensure that they visit the website regularly and before they submit their bid response to ensure that they are kept updated on any amendments in this regard.
- 8.2 The IDC reserves the right not to accept the lowest priced bid or any bid in part or in whole. It normally awards the contract to the bidder who proves to be fully capable of handling the contract and whose bid is functionally acceptable and/or financially advantageous to the IDC.
- 8.3 The IDC reserves the right to award this bid as a whole or in part.
- 8.4 The IDC reserves the right to conduct site visits at the bidder's corporate offices and / or at client sites; and may conduct interviews with audit partners and / or directors and / or management structures of the bidding entity, if so required.
- 8.5 The IDC reserves the right to consider the guidelines and prescribed hourly remuneration rates for consultants as provided in the **National Treasury Instruction 01 of 2013/2014: Cost Containment Measures**, where relevant.
- 8.6 The IDC reserves the right to request all relevant information, agreements and other documents to verify information supplied in the bid response. The bidder hereby gives consent to the IDC to conduct background checks, including FICA verification, on the bidding entity and any of its directors / trustees / shareholders / members.
- 8.7 The IDC reserves the right, at its sole discretion, to appoint any number of vendors under this tender.

9. Undertakings by the Bidder

- 9.1 By submitting a bid in response to the RFP, the bidder will be taken to offer to render all or any of the services described in the bid response submitted by it to the IDC on the terms and conditions and in accordance with the specifications stipulated in this RFP document.
- 9.2 The bidder shall prepare for a possible presentation or interview should the IDC require such and the bidder will be required to make such presentation within five (5) days from the date the bidder is notified of the presentation / interview. Such presentation/interview may include a practical demonstration of products or services as called for in this RFP.
- 9.3 The bidder agrees that the offer contained in its bid shall remain binding upon him/her and receptive for acceptance by the IDC during the bid validity period indicated in the RFP and calculated from the bid closing hour and date. Such offer and its acceptance shall be subject to the terms and conditions contained in this RFP document read with the bid.
- 9.4 The bidder furthermore confirms that he/she has satisfied himself/herself as to the correctness and validity of his/her bid response; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid response documents; and that the price(s)

and rate(s) cover all his/her obligations under a resulting contract for the services contemplated in this RFP; and that he/she accepts that any mistakes regarding price(s) and calculations will be at his/her risk.

- 9.5** The successful bidder accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under the supply agreement and SLA to be concluded with IDC, as the principal(s) liable for the due fulfilment of such contract.
- 9.6** The bidder accepts that all costs incurred in the preparation, presentation and demonstration of the solution offered by it shall be for the account of the bidder. All supporting documentation and manuals submitted with its bid will become IDC property unless otherwise stated by the bidder/s at the time of submission.

10. Reasons for disqualification

- 10.1** The IDC reserves the right to disqualify any bidder which does any one or more of the following, and such disqualification may take place without prior notice to the offending bidder, however the bidder will be notified in writing of such disqualification:
- 10.1.1 bidders who do not submit an original valid Tax Clearance Certificate and / or proof of application of such as endorsed by SARS on the closing date and time of the bid submission and / or failure to provide the IDC with its SARS issued Tax Verification PIN code giving access to the IDC to electronically verify tax compliance;
- 10.1.2 bidders who submit incomplete information and documentation according to the requirements of this RFP document;
- 10.1.3 bidders who submit information that is fraudulent, factually untrue or inaccurate information;
- 10.1.4 bidders who receive information not available to other potential bidders through fraudulent means;
- 10.1.5 bidders who do not comply with **mandatory requirements** if stipulated in the RFP document;
- 10.1.6 bidders who fail to comply with FICA requirements;

11. Local Production and Content

The IDC promotes Local Production and Content. In the case of designated sectors, only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered. IDC reserves the right at its sole discretion to set minimum thresholds for sectors which may not have been declared as designated sectors by the dti in an effort to stimulate local production and content where relevant.

12. Response Format (Returnable Schedules)

Bidders shall submit their bid responses in accordance with the response format specified below (each schedule must be clearly marked):

- 12.1 Cover Page:** (the cover page must clearly indicate the RFP reference number, bid description and the bidder's name)

12.2 Schedule 1:

- 12.2.1 Executive Summary (explaining how you understand the requirements of this RFP and the summary of your proposed solution)
- 12.2.2 Annexure 1 of this RFP document (duly completed and signed)

12.3 Schedule 2

- 12.3.1 Valid Tax Clearance Certificate(s) (TCC) and / or proof of application as endorsed by SARS and / or SARS issued tax verification pin code;
- 12.3.2 Originally certified copies of bidder's CIPC company registration documents listing all members with percentages, in case of a CC.
- 12.3.3 Copy of Board Resolution, duly certified;
- 12.3.4 Originally certified copy of ID document for the Company Representative
- 12.3.5 Annexure 2 of this RFP document (duly completed and signed);
- 12.3.6 Annexure 3 of this RFP document (duly completed and signed);
- 12.3.7 Annexure 4 of this RFP document (duly completed and signed);
- 12.3.8 Annexure 5 of this RFP document (duly completed and signed);
- 12.3.9 Annexure 6 of this RFP document (duly completed and signed);
- 12.3.10 Latest Audited Financial Statements
- 12.3.11 Response to Annexure 8: BEE Commitment Plan
- 12.3.12 B-BBEE verification certificate indicating the contribution level of the bidding entity. An Exempted Micro Enterprises (EME) with an annual turnover less than R10 million, is only required to obtain a sworn affidavit confirming the annual total revenue and level of black ownership. A Qualifying Small Enterprise (QSE) that has 51% or more black beneficiaries may obtain a sworn affidavit confirming the annual total revenue and level of black ownership. If a bidder is a Joint Venture or Consortium, the bidder must submit a consolidated B-BBEE scorecard as if they were a group structure. Any misrepresentation in terms of the declaration constitutes a criminal offence as set out in the B-BBEE Act as amended.

Note: If a bidder is a Consortium, Joint Venture or Prime Contractor with Subcontractor(s), the documents listed above (12.3.1-12.3.10) must be submitted for each Consortium/ JV member or Prime Contractor and Subcontractor(s).
- 12.3.13 Copy of Joint Venture/ Consortium/ Subcontracting Agreement duly signed by all parties (if applicable)

12.4 Schedule 3:

- 12.4.1 Response to Section 3 of this document, in line with the format indicated in this RFP document.
- 12.4.2 Annexure 7 of this RFP document, duly completed and signed

12.5 Schedule 4: Price Proposal (response to Section 3 of this RFP document) (Must be submitted in a separate envelope within a sealed envelope of the bid)

12.6 One (1) CD with all Schedules listed above, also included in the sealed envelope of the bid

13. Evaluation Criteria and Weightings

Bids shall be evaluated in terms of the following process:

- 1.1 **Phase 1: Initial Screening Process:** During this phase, bid responses will be reviewed for purposes of assessing compliance with RFP requirements including the general bid conditions, which requirements include the following:
- Submission of a valid Tax Clearance Certificate
 - Submission of Company Registration Forms
 - a valid BEE Status Certification and adherence to **the Specific Bid Conditions (Pre-qualification criteria)**
 - Completion of all Standard Bidding Documents and compliance with all other RFP requirements (including substantiation of responses to Functionality criteria and submission of supporting documentation), which includes but is not limited to the following:
 - Section 3: Statement of compliance with the Functional Evaluation Criteria for this RFP
 - Section 4: Cost Proposal and Price Declaration Form
 - Annexure 1: Acceptance of Bid Conditions
 - Annexure 2: Invitation to Bid
 - Annexure 3: Supply Chain Management Questionnaire
 - Annexure 4: Declaration of Interest
 - Annexure 5: Certificate of Independent Bid Determination
 - Annexure 6: Shareholders' Information/ Group Structure
 - Annexure 7: Bidders Experience & Project Team
 - Annexure 8: BEE Commitment Plan
 - Annexure 9: Submission of comprehensive Disclosure Statement as referred to under section 9.

Failure to comply with the requirements assessed in Phase 1 (compliance), may lead to disqualification of bids.

- 1.2 **Phase 2:** Bid responses which pass Phase 1 will be evaluated in accordance with the Functional criteria as follows:

1.2.1 **Mandatory Functional Requirements**

Bid responses that do not meet one or more of the Mandatory Functional Requirements will be disqualified, and will not be considered for further evaluation on the Other Functional Requirements. The Mandatory Functional Requirements are stated in section 2 of this RFP document.

Failure to comply with the Mandatory Functional Requirements assessed in phase 2 will lead to disqualification of bids.

1.2.2 Other Functional Requirements

With regard to the Other Functional Requirements, the following criteria (set out in more detail in section 2 of this RFP document) and the associated weightings will be applicable:

OTHER FUNCTIONAL REQUIREMENT ELEMENTS	WEIGHT
Bidder's Governance Structures	30
Public Sector Experience	20
Experience, Skills and Qualifications of the key personnel of the audit Team	20
Bidder's Proposed Methodology	30
TOTAL	100%

Note: The minimum qualifying score for functionality (assessed with reference to the Other Functional Requirements) is 70%. All bids that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and BEE, in phase 3.

- 1.3 **Phase 3:** All bids that pass Phase 1, comply with the Mandatory Functional Requirements and achieve the minimum qualifying score for Functionality (acceptable bids under Phase 2) will be evaluated further in terms of the preference point system, as follows:

CRITERIA	POINTS
Price	80
B-BBEE	20
TOTAL	100 points

14. PROMOTION OF EMERGING BLACK OWNED AUDIT FIRMS

It is the IDC's objective to promote transformation in the external audit field of work. As referenced in this tender under specific conditions of tender, bidders which are not Black-owned are therefore required to partner with a Black-owned entity (being at least 51% black owned and controlled). Such a partnership arrangement should precisely indicate the portion of work that would be undertaken by the Black-owned entity under this tender. Bidders who elect to partner in this manner, must submit a partnership proposal detailing the portion of work to be outsourced, level of involvement of the Black-owned entity on the IDC audit and, where relevant, submit a consolidated B-BBEE scorecard in line with the provisions of the PPPFA. The consolidated B-BBEE scorecard will be considered as part of the B-BBEE scoring.

SECTION 2: SPECIFIC CONDITIONS OF BID

2. Bid Pre-qualification criteria

2.1 As contemplated in Regulation 4 of the 2017 PPPFA Regulations, the IDC requires:

2.1.1 That bidders tendering for the category of Mid-Tier Audit Firm Category, must meet the following pre-qualification criteria:

- (a) Bidders must have a minimum B-BBEE contributor status level of 3.
- (b) Bidders must subcontract a minimum of 50% to an Emerging Micro Enterprise (EME) or Qualifying Small Enterprise (QSE) which is at least 51% black owned, if the Bidder is not at least 51% black owned.

2.1.2 That bidders tendering for the category of Top Tier Audit Firm Category, must meet the following pre-qualification criteria:

- (a) Bidders must have a minimum B-BBEE contributor status level of 3.
- (b) Bidders must subcontract a minimum of 33.33% to an Emerging Micro Enterprise (EME) or Qualifying Small Enterprise (QSE) which is at least 51% black owned, if the Bidder is not at least 51% black owned.

The IDC will only consider a bid if the relevant bidder meets the applicable pre-qualification criteria. Where a bidder fails to meet these pre-qualification criteria, the bid will be considered an unacceptable bid, and will be disqualified from further evaluation.

SECTION 3: FUNCTIONAL REQUIREMENTS SPECIFICATION

SECTION 3: FUNCTIONAL REQUIREMENTS SPECIFICATION

1. Special instructions to bidders

- 1.1 Should a bidder have reason to believe that the Functional Requirements are not open / fair and/or are written for a particular brand or product or service provider, the bidder must notify IDC Procurement within five (5) days after publication of the RFP.
- 1.2 Bidders must provide full and accurate answers to the questions posed in this RFP document, and, where required, explicitly state either "Comply/Not Comply" regarding compliance with the requirements. Bidders **must** substantiate their response to all questions, including full details on how their proposal/solution will address specific functional/ technical requirements. Failure to substantiate a response may lead to the bidder being disqualified in Phases 1 and / or 2 of the bid evaluation process.
- 1.3 All documents as indicated must be supplied as part of the bid response. Failure to submit appropriate supporting documentation may lead to the bidder being disqualified in Phases 1 and / or 2 of the bid evaluation process.
- 1.4 Failure to comply with any one or more of the Mandatory Functional Requirements will lead to the bidder being disqualified.

2. Background Information

Established in 1940, the Industrial Development Corporation of South Africa Limited ("IDC") is a national development finance institution set up to promote economic growth and industrial development. IDC is owned by the South African government under the supervision of the Economic Development Department.

According to section 25(1) (b) of the Public Audit Act, 2004 (Act No. 25 of 2004) ("Public Audit Act"), the audit of the IDC is conducted by independent auditors in public practice. The appointed external auditors have a responsibility to perform specific procedures in terms of the Public Audit Act and make necessary submissions to the Auditor-General as specified in the Act.

The audit of IDC is currently conducted jointly by two external auditors. The appointment of external auditors for the IDC is up for tender.

IDC intends to appoint two successful bidders as its External Auditors for the 2017/2018 financial year. The 2 appointed successful bidders will be required to conduct the audit jointly where 60% of the IDC audit work is to be allocated to a Top Tier Audit Firm and the remaining 40% to a Mid-Tier Audit Firm. In its efforts to promote inclusive development and participation of small black owned audit firms on this tender, the IDC will, appoint one external audit firm for each of the following 2 audit firm categories, for its External Auditor requirement under this tender:

Audit Firm Category	Pre-qualification criteria
<u>Mid-Tier Audit Firm:</u> Is defined for purposes of this tender as a medium sized audit firm with a national footprint which may / may not form part of a global network of audit firms and does not need to trade under the same brand or trading name on a global basis.	<ul style="list-style-type: none"> • Minimum BEE Level 3 • Must sub-contract a minimum of 50% of their allocated portion to an EME or QSE which is at least 51% black owned, if the bidder is not at least 51% black owned
<u>Top Tier Audit Firm:</u> Is defined for purposes of this tender as a large audit firm with an international footprint trading under the same trading / brand name on a global basis.	<ul style="list-style-type: none"> • Minimum BEE Level 3 • Must sub-contract a minimum of 33.33% of their allocated portion to an EME or QSE which is at least 51% black owned

Note: Refer to Specific Conditions of Bid for more details of the pre-qualification criteria

Bidders must clearly indicate in the table below, the Audit Firm Category for which it is tendering for and must substantiate the basis for this indication.

Audit Firm Category	Bidder's Indicated Category - (Please tick (✓))	Substantiation
Mid-Tier Audit Firm		
Top Tier Audit Firm		

3. Objectives of the audit

The objective of the audit is to provide an independent audit opinion of the accounts, financial statements and annual financial reports of the IDC and the group for the financial year covered by the audit appointment. The external auditor must adhere to and meet all statutory requirements of the Public Audit Act, the International Auditing Standards (ISA), and such requirements as may be set by the Auditor-General (SA) (AGSA).

4. Scope of Work

4.1 The audit of the IDC, the group and administered subsidiaries has in the past been divided equally between the joint auditors, however the intention of this tender is to allocate 60% of the IDC work to the Top Tier Audit firm and 40% to the Mid-Tier Audit firm. The minimum sub-contracting provisions as specified in this tender is however required to ensure the promotion of transformation objectives under this tender.

4.2 The scope of the FULL audit comprises the sections detailed below:

- Audit of IDC
- Audit of administered subsidiaries (listed in 4.3 below)
- Audit of consolidation
- Audit of performance information, legal and other matters as required by the AG (Auditor-General)
- Review and clearance of pack to National Treasury
- Review of Integrated Reporting

4.3 List of current administered subsidiaries:

<u>Subsidiary</u>	<u>Nature</u>
<i>Findevco (Pty) Ltd</i>	<i>Financing</i>
<i>Dymson Nominee (Pty) Ltd</i>	<i>Property</i>
<i>Ernani Investments (Pty) Ltd</i>	<i>Investment</i>
<i>Kindoc Air Charter Partnership</i>	<i>Property</i>
<i>Kindoc Airways (Pty) Ltd</i>	<i>Investment</i>
<i>Kindoc Eiendomme (Pty) Ltd</i>	<i>Dormant</i>
<i>Kindoc Finansiering (Pty) Ltd</i>	<i>Property</i>
<i>Kindoc Nominees (Pty) Ltd</i>	<i>Administrative</i>
<i>Kindoc Sandton Properties (Pty) Ltd</i>	<i>Property</i>
<i>Saldok (Pty) Ltd</i>	<i>Property</i>
<i>Alzira (Pty) Ltd</i>	<i>Property</i>
<i>Atlantis Business Park (Pty) Ltd</i>	<i>Property</i>
<i>Khomanani Equity Fund (Pty) Ltd</i>	<i>Dormant</i>
<i>Kindoc Investments Ltd</i>	<i>Investment</i>
<i>Konbel (Pty) Ltd</i>	<i>Administrative</i>
<i>Konoil (Pty) Ltd</i>	<i>Investment</i>
<i>Arengo (Pty) Ltd</i>	<i>Property</i>
<i>African Chrome (Pty) Ltd</i>	<i>Property</i>
<i>Impofin (Pty) Ltd</i>	<i>Dormant</i>

Note: The allocation of work between the two appointed vendors will be done in a manner to achieve the objectives of this tender and on the basis of a 60/40 work allocation split provided that the transformation objectives as specified in this tender is achieved and subject to the IDC's final approval.

4.4 The appointed External Auditors will be required to perform audit functions in terms of the Public Audit Act, as well as the following:

- provide an audit opinion in accordance with the Industrial Development Corporation Act and the Public Finance and Management Act No. 1 of 1999 ("PFMA"); and
- in accordance with the directives of the Auditor-General, report on performance against predetermined objectives, non-compliance with laws and regulations and internal control and the report thereon to comply with the guidance and guidelines of the Auditor-General.

4.5 The appointed External Auditors will also be required to:

- Carry out such work as is necessary to form an opinion as to whether the company annual financial statements and group annual financial statements fairly present the financial position, financial performance and cash flows for the company and group respectively, in accordance with IFRS and the PFMA;
- Determine their scope, methodology and approach as per the AGSA guidelines and legislative requirements (i.e. Public Audit Act);
- Communicate audit findings and make recommendations to management;
- Provide a final report with management responses on corrective actions and the presentation thereof to the Audit Committee, where necessary; and
- Review the financials in the annual report prior to publishing.

4.6 The appointed External Auditors will be required to adhere to the following during the different phases of the annual audit:

- Submit detailed Audit Planning Memorandum;
- Submit detailed budget in line with the Audit Planning Memorandum;
- Draft and issue audit reports upon completion of audit assignments;
- Attend Audit Committee meetings; and any other relevant meetings as required
- Present External Audit Report to the Audit Committee.

Note: The latest IDC audited financial statements are available on the IDC website in order to help understand the scope of the IDC audit.

4.7 **The IDC reserves the right to recommend the successful bidder/s for appointment as Group Auditors to any of its major subsidiaries i.e. Foskor (Pty) Ltd, Scaw South Africa (Pty) Ltd, Small Enterprise Finance Agency SOC Ltd subject to the adherence of due governance processes. Refer to the relevant Schedules, Schedules 1 to 3 hereunder, for further details on these major subsidiaries to ensure that comprehensive technical – and cost proposals are provided.**

5. Deliverables

The following deliverables are required at the end of each audit:

- Final report with management responses on corrective actions and the presentation thereof to the Audit Committee.
- Review of the Integrated Report prior to publishing.

6. Term of Engagement

IDC seeks to appoint two external auditors for the 2017/2018 financial year.

7. Technical Evaluation Criteria

7.1 Mandatory Technical Requirements

The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

7.1.1 IRBA REGISTRATION	Comply	Not Comply
<p>The bidder must be registered with the Independent Regulatory Board for Auditors (IRBA).</p> <p>The bidders must provide documentary proof of their regulatory registration and must also provide IRBA certification for each of the partners proposed to work on the IDC audit including the lead audit partner/s.</p>		
Substantiate / Comments		

7.1.2 CONFLICT OF INTEREST	Comply	Not Comply
<p>The bidder is required to certify that they are independent of IDC and its subsidiaries, and that nothing has transpired that would compromise their independence during the conduct of the audit as required by the Public Audit Act.</p>		
Substantiate / Comments		

7.1.3 NON-AUDIT SERVICES	Comply	Not Comply
<p>The IDC auditors are prohibited from performing non-audit services for the IDC and its *major subsidiaries where the IDC and / or its major subsidiaries is / are the client/s of such non-audit services.</p> <p>The bidder is thus required to certify that they do not intend to perform non-audit services for IDC and its major subsidiaries. Where non-audit services are currently being performed, the bidder should give details about the contracts and confirm that they do not intend to perform future non-audit work, after completion of current contracts.</p> <p>* Foskor (Pty) Ltd, Scaw South Africa (Pty) Ltd, Small Enterprise Finance Agency SOC Ltd</p>		
Substantiate / Comments		

7.1.4 FUNCTIONAL EXPERTS/ SPECIALISTS	Comply	Not Comply
<p>The bidder must have capacity to provide the following Functional audit expertise: IT Audit, Corporate Tax, Technical Accounting and Sustainability Services / Integrated Reporting.</p> <p>The bidder must provide a company profile detailing the bidder's capacity to provide the referenced Functional expertise.</p>		
Substantiate / Comments		

7.1.5 FINANCIAL SERVICES INDUSTRY EXPERIENCE	Comply	Not Comply
<p>The bidder must demonstrate experience in providing external audit services within the financial services industry and using IFRS standards.</p> <p>The bidder must provide three (3) relevant contactable references of audits done in the past 5 (five) years. Please refer to Table (a) of Annexure 3 of this document for the format in which the required information must be provided.</p>		
Substantiate / Comments		

7.1.6 CRITICAL TIMELINES FOR IDC GROUP (INCLUDING THE REFERENCED 3 MAJOR SUBSIDIARIES)	Comply	Not Comply																		
<p>The bidder must commit and confirm compliance to the following critical timelines:</p> <table border="1" data-bbox="165 1249 1115 1879"> <thead> <tr> <th data-bbox="165 1249 834 1301">Deliverable</th> <th data-bbox="841 1249 1115 1301">Due Date</th> </tr> </thead> <tbody> <tr> <td data-bbox="165 1310 834 1384">Handover between new and outgoing Auditors and Engagement with IDC Management</td> <td data-bbox="841 1310 1115 1384">From 21 February 2018</td> </tr> <tr> <td data-bbox="165 1393 834 1507">Provide Audit Planning documentation for March 2018 Audit (for approval by Board Audit Committee on the 23rd January 2018)</td> <td data-bbox="841 1393 1115 1507">03 March 2018</td> </tr> <tr> <td data-bbox="165 1516 834 1590">Audit work (Audit of opening balances and other interim work)</td> <td data-bbox="841 1516 1115 1590">From 19 March 2018</td> </tr> <tr> <td data-bbox="165 1599 834 1641">Audit work for 31 March 2018 Financials</td> <td data-bbox="841 1599 1115 1641">From 15 April 2018</td> </tr> <tr> <td data-bbox="165 1650 834 1693">Draft Audited financial statements for BAC approval</td> <td data-bbox="841 1650 1115 1693">Mid May 2018</td> </tr> <tr> <td data-bbox="165 1702 834 1744">Audited financial statements for Board approval</td> <td data-bbox="841 1702 1115 1744">Early June 2018</td> </tr> <tr> <td data-bbox="165 1753 834 1827">Printed set of financial statements to be distributed to the shareholder</td> <td data-bbox="841 1753 1115 1827">end-July 2018</td> </tr> <tr> <td data-bbox="165 1836 834 1879">National Treasury template submissions</td> <td data-bbox="841 1836 1115 1879">end July 2018</td> </tr> </tbody> </table>	Deliverable	Due Date	Handover between new and outgoing Auditors and Engagement with IDC Management	From 21 February 2018	Provide Audit Planning documentation for March 2018 Audit (for approval by Board Audit Committee on the 23 rd January 2018)	03 March 2018	Audit work (Audit of opening balances and other interim work)	From 19 March 2018	Audit work for 31 March 2018 Financials	From 15 April 2018	Draft Audited financial statements for BAC approval	Mid May 2018	Audited financial statements for Board approval	Early June 2018	Printed set of financial statements to be distributed to the shareholder	end-July 2018	National Treasury template submissions	end July 2018		
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National Treasury template submissions	end July 2018																			
Substantiate / Comments																				

7.2 Other Technical Requirements

The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

7.2.1 BIDDER'S GOVERNANCE STRUCTURE	Comply	Partially Comply	Not Comply
<p>It is a requirement that bidders must comply with the requirements of the Auditing Profession Act No 26 of 2005 ("Auditing Profession Act") relating to its professional conduct associated with the audit function. Bidders are therefore required to provide the following information as part of its bid response and to indicate any mitigation controls in lieu of these requirements:</p> <ul style="list-style-type: none"> • Group or Corporate Structure of the bidder • The Bidder's organisational structure • Conflict of interest management processes • Governance structures within the firm and how this relates to audit assignments for clients to ensure accurate, timely and credible audit services. • Management controls to improve governance structures and to ensure compliance with relevant governance directives i.e. King Reports on Corporate Governance • Policy and procedures regarding the treatment of clients with Politically Exposed Persons (PEPs) and also Special Interest Persons (SIPs). • Policies and procedures around ethical conduct and controls implemented to ensure compliance thereto. • Assessment of Audit partners to ensure independence. • Assessment of Directors to assess their independence. • Board composition (including gender, qualification, race), date of appointment of directors. • Which board committees have been formed, what is the constitution and who chairs. • How many board and board committee meetings have been held in the past financial year. • Terms of reference for Board and board committees. • Financial year end. • Are directors inducted and is there a formal program in place? • Is training for directors conducted? • When was the last board evaluation done and when is the next one scheduled? Is there a director remuneration policy, if so when was it approved and by whom? • Is Minute books maintained in-line with the Company's Act? • Is there a code of ethics/gift policy? • What is the appointment process for directors and who appoints directors? • Is there a rotation policy in place for directors? • Is the chairperson independent? 			
<p>Substantiate / Comments</p>			

7.2.2 PUBLIC SECTOR EXPERIENCE	Comply	Partially Comply	Not Comply
<p>The bidder must demonstrate relevant experience in rendering external audit services to public entities and/ or performing other Auditor-General South Africa audits.</p> <p>In addition, the bidder must provide relevant contactable references of similar work done in the past 2 (two) years, which support the bidder's claims to relevant prior experience. Please refer to Table (a) of Annexure 7 of this document for the format in which the required information must be provided.</p> <p>Note : The following scoring matrix will be used to evaluate this sub-criterion:</p> <ul style="list-style-type: none"> • Less than two (2) references = between 1 and 2 points • Two (2) references in the past five years=3 points • Three (3) references in the past five years =4 points • More than three (3) references in the past five years = 5 points 			
Substantiate / Comments			

7.2.3 QUALIFICATIONS AND SKILLS OF KEY PERSONNEL	Comply	Partially Comply	Not Comply
<p>The bidder's key personnel of the proposed audit team must have relevant qualifications, skills and experience.</p> <p>The bidders must submit, as part of its proposal, the following:</p> <ul style="list-style-type: none"> • The structure and composition of the proposed team, clearly outlining the main disciplines/ specialties of this audit and the key personnel responsible for each specialty. Please refer to Table (b) Annexure 7 of this document for the format in which the required information must be provided. <p>Please provide CVs of the key personnel; and the CVs must clearly highlight qualifications, areas of experience/ competence relevant to the tasks and objectives of the assignment as outlined above.</p>			
Substantiate / Comments			

7.2.4 BIDDER'S PROPOSED METHODOLOGY	Comply	Partially Comply	Not Comply
<p>The bidder must demonstrate thorough understanding of the objectives and deliverables of this audit; the Auditor General requirements and the applicable regulatory framework.</p> <p>The bidder must provide a detailed proposal of the methodology/ approach to be used to carry out the scope of work outlined above and clearly demonstrates how the audit deliverables will be achieved.</p>			
Substantiate / Comments			

8. Schedule 1: Additional information pertaining to IDC's Major subsidiary - Foskor (Pty) Ltd

Foskor is a producer and exporter of phosphate-based fertilisers and phosphoric acid. Foskor mines phosphate rock in Phalaborwa and transfer it to its Richards Bay facility to produce phosphoric acid and granular fertilisers – mono-ammonium phosphates (MAP), di-ammonium phosphates (DAP) and MAP with zinc (MAPz). Foskor also produces sulphuric acid, which is used to produce phosphoric acid and sells magnetite, a by-product of phosphate beneficiation.

Foskor is the leading domestic manufacturer and supplier of phosphate-based granular fertilisers. Foskor also supplies phosphoric acid and fertilisers to international markets.

For further information on Foskor, please visit their website on www.foskor.co.za

9. Schedule 2: Additional information pertaining to IDC's Major subsidiary – SEFA (SOC) Limited

Sefa's mandate is to foster the establishment, survival and growth of SMMEs and Co-operatives and thereby contributing towards poverty alleviation and job creation.

Sefa is a wholly owned subsidiary of the IDC and was established on 01 April 2012 to contribute towards job creation and economic growth by providing financial and non-financial support to SMMEs and Co-operatives. Sefa derives its legislative mandate to be a catalyst of SMME and Co-operative enterprise development, growth and sustainability from the IDC Act of 1940 (as amended in 2001).

For further information on sefa, please visit their website on www.sefa.org.za

10. Schedule 3: Additional information pertaining to IDC's Major subsidiary – SCAW SA (Propriety) Limited

SCAW SA (Pty) Limited is in the business of producing rolled steel and iron casting; cast alloy iron; forged and cast steel grinding media; steel chain and wire rope; and strand products.

For further information on SCAW, please visit their website on www.scaw.co.za

SECTION 4: PRICE PROPOSAL

SECTION 4: Cost Proposal

1 **NOTE: All prices must be VAT exclusive and must be quoted in South African Rand (ZAR).**

2 Are the rates quoted firm for the full period of the contract?

YES	NO
-----	----

Important: If not firm for the full period, provide details of the basis on which price adjustments shall be applied e.g. CPI etc.

3 All additional costs associated the bidder's offer must be clearly specified and included in the Total Bid Price.

4

Is the proposed bid price linked to the exchange rate?	Yes	No
<i>If yes, the bidder must indicate CLEARLY which portion of the bid price is linked to the exchange rate:</i>		

6

Payments will be linked to specified deliverables after such deliverables have been approved by the IDC. Payments will be made within 30 days from date of invoice.	Comply	Not Comply

7

The IDC reserves the right to consider the guidelines on consultancy rates as set out in the National Treasury Instruction 01 of 2013/2014: Cost Containment Measures which took effect from 01 January 2014, where relevant. The bidder must indicate if their proposed rates are in line with the provisions of the referenced National Treasury Instruction: Cost Containment Measures.	Comply	Not Comply
Substantiate / Comments		

8 COSTING MODEL

Note: The IDC audit will be performed jointly by two external auditors and the work is to be split fairly between the two external auditors on a mutually agreed premise. However the bidder is required to provide the proposed annual audit fees for the full scope of the IDC audit for price comparison purposes.

8.1 IDC AUDIT FEES

Resource(s)	Hour Rate per resource	Number of hours	Total Cost (VAT Excl.)
Partner/ Director			
Senior Manager			
Manager/ Supervisor			
Audit Staff			
Specialists			
Specialist 1			
Specialist 2			
Specialist 2			
Disbursements			
Table 8.1 Sub-Total Annual Audit Fees (VAT Excl.)			

8.2 FOSKOR AUDIT FEES

Resource(s)	Hour Rate per resource	Number of hours	Total Cost (VAT Excl.)
Partner/ Director			
Senior Manager			
Manager/ Supervisor			
Audit Staff			
Specialists			
Specialist 1			
Specialist 2			
Specialist 2			
Disbursements			
Table 8.2 Sub-Total Annual Audit Fees (VAT Excl.)			

8.3 SCAW AUDIT FEES

Resource(s)	Hour Rate per resource	Number of hours	Total Cost (VAT Excl.)
Partner/ Director			
Senior Manager			
Manager/ Supervisor			
Audit Staff			
Specialists			
Specialist 1			
Specialist 2			
Specialist 2			
Disbursements			
Table 8.3 Sub-Total Annual Audit Fees (VAT Excl.)			

8.4 SEFA AUDIT FEES

Resource(s)	Hour Rate per resource	Number of hours	Total Cost (VAT Excl.)
Partner/ Director			
Senior Manager			
Manager/ Supervisor			
Audit Staff			
Specialists			
Specialist 1			
Specialist 2			
Specialist 2			
Disbursements			
Table 8.4 Sub-Total Annual Audit Fees (VAT Excl.)			

TOTAL BID PRICE (Table 8.1+8.2+8.3+8.4) (VAT Excl.)	
--	--

Notes on pricing:

- Disbursements (incidental expenses other than professional fees e.g. travel and accommodation, printing costs, venue hire, and equipment hire etc.) must be clearly defined, outlining all assumptions. It is of utmost importance to submit clear and comprehensive cost proposals to allow the IDC to fairly compare bid price / cost proposals. If there is no additional fee envisaged for Disbursements, then the bidder must clearly indicate “No Charge / Free of Charge”. Failure to clearly indicate this, would result in IDC penalising your bid response by taking the cost of the highest bidder and adding 50% thereto and apply this rate for purposes of price comparisons. Bidders are therefore requested to respond clearly and comprehensively on this aspect of their bid response.
- The bidder must provide a detailed breakdown of the Disbursements as follows:

Cost Element	Cost (VAT Excl.)
Total Disbursements	

9 SUMMARY OF THE PROPOSAL

DESCRIPTION	BIDDER'S PROPOSAL
Number of resources (personnel)	
Project duration (in hours)	
Project duration (in months)	
Commencement Date	

Price Declaration Form

Dear Sir,

Having read through and examined the Request for Proposal (RFP) Document, RFP no. **T36/11/17**, the General Conditions, and all other Annexures to the RFP Document, we offer to provide annual external audit services to the IDC and its major subsidiaries at the following total amount:

R..... (Excluding VAT)

In words

R..... (Excluding VAT)

We confirm that this price covers all activities associated with the service, as called for in the RFP document. We confirm that IDC and its major subsidiaries will incur no additional costs whatsoever, other than in respect of VAT, over and above this amount in connection with the provision of this service.

We undertake to hold this offer open for acceptance for a period of 120 days from the date of submission of offers. We further undertake that upon final acceptance of our offer, we will commence with the provision of the required service when required to do so by the IDC.

We understand that you are not bound to accept the lowest or any offer, and that we must bear all costs which we have incurred in connection with preparing and submitting this bid.

We hereby undertake for the period during which this bid remains open for acceptance, not to divulge to any persons, other than the persons to whom the bid is submitted, any information relating to the submission of this bid or the details therein except where such is necessary for the submission of this bid.

SIGNED

DATE

(Print name of signatory)

Designation

FOR AND ON BEHALF OF:

COMPANY NAME

Tel No

Fax No

Cell No

SECTION 5: ANNEXURES

Annexure 1: Acceptance of Bid Conditions and Bidder's Details

Request for Proposal No: _____

Name of Bidder: _____

Authorised signatory: _____

Name of Authorised Signatory _____

Position of Authorised Signatory _____

By signing above the bidder hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under this RFP.

[Note to the Bidder: The Bidder must complete all relevant information set out below.]

CENTRAL SUPPLIER DATABASE (CSD) INFORMATION

Bidders are required to be registered on the Central Supplier Database (CSD) of National Treasury. Failure to submit the requested information may lead to disqualification. Bidders are therefore required to submit as part of this proposal both their CSD supplier number and CSD unique registration reference numbers below:	
Supplier Number	
Unique registration reference number	

BIDDING STRUCTURE

Indicate the type of Bidding Structure by marking with an 'X':	
Individual Bidder	
Joint Venture/ Consortium	
Prime Contractor with Sub Contractors	
Other	

REQUIRED INFORMATION

If Individual Bidder:	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	

If Individual Bidder:	
Email address	
Postal Address	
Physical Address	

If Joint Venture or Consortium, indicate the following for each partner:	
Partner 1	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Scope of work and the value as a % of the total value of the contract	
Partner 2	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Scope of work and the value as a % of the total value of the contract	

If bidder is a Prime Contractor using Sub-contractors, indicate the following:	
Prime Contractor	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Sub contractors	
Name of Company	
Company Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Subcontracted work as a % of the total value of the contract	

Annexure 2: Tax Compliance Requirements

1. TAX COMPLIANCE REQUIREMENTS	
1.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
1.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
1.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
1.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
1.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
1.6	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
2.1	IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO
2.2	DOES THE BIDDER HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
2.3	DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
2.4	DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? <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 OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	

Annexure 3: Supply chain management practices questionnaire

Request for Proposal No: _____

Name of Bidder: _____

Authorised signatory: _____

[Note to the Respondent: The Respondent must complete the information set out below. If the Respondent requires more space than is provided below it must prepare a document in substantially the same format setting out all the information referred to below and return it with Returnable Schedule 2.]

The bidder must complete the following questionnaire.

Bidder's past supply chain management practices:

Item	Question	Yes	No
3.1	<p>Is the Bidder or any of its directors listed on the South African National Treasury's database as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this database were informed in writing of this restriction by the South African National Treasury after the <i>audi alteram partem</i> rule was applied).</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
	If so, provide particulars:		
3.2	<p>Is the Bidder or any of its directors listed on the Register for Bid Defaulters in terms of section 29 of the <i>Prevention and Combating of Corrupt Activities Act</i> No 12 of 2004?</p> <p>To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Bid Defaulters" or submit your written request for a hard copy of the Register to facsimile number +27123265445.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
	If so, provide particulars:		
3.3	<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>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>

Item	Question	Yes	No
	If so, provide particulars:		
3.4	Does the Bidder relate to any IDC employee or part of IDC current or past staff (employee) establishment?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	If so, provide particulars:		
3.5	Was any contract between the Bidder and any organ of state (within the Republic of South Africa or within any foreign territory) terminated during the past five years on account of failure to perform on or comply with the contract?		
	If so, provide particulars:		

I, _____ (print name) hereby certify that the information, facts and representations are correct and that I am duly authorized to sign on behalf of the company.

Name of Company: _____

Company Registration Number: _____

Company VAT Registration Number: _____

Signature

Date

Annexure 4: Declaration of Interest

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

- the bidder is employed by the state; and/or

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

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

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:.....

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

2.4 Company Registration Number:

2.5 Tax Reference Number:

2.6 VAT Registration Number:

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

¹“State” means –

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

(b) any municipality or municipal entity;

(c) provincial legislature;

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

(e) Parliament.

2"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 attached 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 / **YES / NO**

trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?

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 (i.e. shareholder, partner, director etc.), aware of any relationship (family, friend, other) between any other bidder or any other company and any person employed by the IDC or the dti who may be involved with the evaluation and or adjudication of this bid?

YES / NO

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other company whether or not they are bidding for this contract? The IDC reserves the right to undertake further background checks on any other company where partners, shareholders or any interested party of the bidder may be involved in and to consider any findings in this regard as part of its vetting processes.

YES/NO

2.11.1 If so, furnish particulars:

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

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

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

1. DECLARATION

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

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

.....

Signature

.....

Date

.....

Position

.....

Name of bidder

Annexure 5: Certificate of Independent Bid Determination

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ 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).² 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:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

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

- (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.
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

Annexure 6: Shareholders and Directors Information

[Note to the bidder: the bidder must complete the information set out below. If the bidder requires more space than is provided below it must prepare a document in substantially the same format setting out all the information referred to below and return it with Returnable Schedule 2.]

6.1 Shareholders/ Members

Name of the shareholder	ID Number	Race	Gender	% shares

Note: The bidder must also attach the detailed Company/ Group Structure where relevant.

6.2 Black Shareholders/ Members as per the B-BBEE Certificate

Name of the shareholder	ID Number	Race	Gender	% shares
Total Black Shareholding % as per the current and valid B-BBEE Certificate				

6.3 Directors

Name of the shareholder	ID Number	Race	Gender

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

CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

Table (b) Details of the key personnel of the bidders' proposed team:

Name	Position	Role / Duties in this Project	Relevant Project Experience	
			Project description, Client, Project period	Project Cost

Annexure 8: BEE Commitment Plan

The IDC encourages existing vendors and prospective bidders to support the objectives of B-BBEE and as far as possible strive to improve their B-BBEE contribution status. For bid evaluation purposes, bidders are allocated points in terms of a preference point system based on the B-BBEE Contribution Level status that is in accordance with a valid B-BBEE certificate.

Bidders are therefore required to submit a B-BBEE improvement plan in view of the new B-BBEE Codes of Good Practice. Bidders must indicate the extent to which their ownership, management control, employment equity, preferential procurement and enterprise development will be maintained or improved over the contract period in the event that they are successful in this bid process.

Annexure 9: Disclosure Statement

Disclosure Statement

- 9.1 The IDC considers the integrity of its appointed External Auditors to be of critical importance. The IDC reserves the right to disqualify from further consideration, any bidder whose integrity, based on past conduct (during the 5 years immediately preceding the bid submission date), it considers questionable. Questionable conduct, in this context, includes but is not limited to “improper conduct” as contemplated in the Auditing Profession Act No 26 of 2005 (“**Auditing Profession Act**”).
- 9.2 To this end, the IDC requires each bidder to include in its bid, a disclosure statement which details the following (with sufficient information and supporting documentation for the IDC to make its own assessment as to the materiality or seriousness of allegations regarding the bidder’s integrity or conduct):
- 9.2.1 any known complaints made by audit clients or other interested persons to the Independent Regulatory Board for Auditors, the South African Institute of Chartered Accountants or any other regulatory body or industry association to which the bidder is subject or of which it is a member, regarding the bidder’s professional conduct;
 - 9.2.2 any threatened, pending or completed investigations or disciplinary proceedings in respect of the bidder, initiated or threatened to be initiated by the Independent Regulatory Board for Auditors, the South African Institute of Chartered Accountants or any other regulatory body or industry association to which the bidder is subject or of which it is a member;
 - 9.2.3 any criminal charges made against the bidder or any of its directors, shareholders or management officials regarding their professional conduct;
 - 9.2.4 any civil proceedings initiated against the bidder or any of its directors, shareholders or management officials regarding their professional conduct; and
 - 9.2.5 any other enquiry or similar proceedings initiated or threatened against the bidder or any of its directors, shareholders or management officials regarding their professional conduct.
- 9.3 Where the bidder is a consortium, the disclosure statement referred to in paragraph 8.2 above must be made separately in respect of each consortium partner (each audit firm).
- 9.4 In the event that the bidder’s circumstances change, after submission of its bid, in regard to any matter referred to in paragraph 8.2 above or in regard to any matter referred to in its disclosure statement, the bidder must submit a written notification to IDC indicating the nature and extent of such changed circumstances.
- 9.5 The IDC reserves the right to seek such additional information from any bidder, in respect of the disclosure statement referred to in paragraph 8.2 above, as it may, in its sole discretion, determine, whether such information has been requested under this RFP or otherwise, and may require the bidder to make oral presentations for clarification purposes or to present supplementary information, in respect of the disclosure statement if so required by the IDC.
- 9.6 Based on its own assessment of the contents of the bidder’s disclosure statement and any publicly available information which is relevant to the contents of such disclosure statement, the

IDC will decide whether the bidder's conduct or any allegations relating thereto pose a risk, reputational or otherwise, to the IDC; and if it reaches an adverse conclusion the IDC will in its sole discretion have the right to disqualify a bidder from further participation in the tender process. Disqualification on this ground may be done at any stage in the bid evaluation process prior to contract award.