



BID NUMBER:	RFP09/2026/2027
DESCRIPTION:	Appointment of a Service Provider for Annual Financial Statements, GRAP Technical Support and Quarterly Financial Reporting Support for 24 months
VALIDITY PERIOD:	120 Days from the closing date.
CLOSING DATE:	11 November 2026 at 11:00am
PROPOSALS MUST BE HAND DELIVERED/ COURIERED TO:	Road Traffic Infringement Authority Head Office (at reception) New Road Office Park 10 Matuka Close Midrand 1685
ATTENTION:	Supply Chain Management Office: Ms. K Thipe Mabotja
Enquiries	Kelebogile.thipe@rtia.co.za
Proposals must be deposited inside the RTIA bid box situated at the building mentioned above on or before closing date and time.	
Compulsory Clarification Session: Date: 30 October 2026 Venue: Online/Visual Time: 11: 00am	
<u>BRIEFING SESSION LINK</u> Join: https://teams.microsoft.com/meet/3982329162053974?p=8jf24HXxmWeJB5PRaC Meeting ID: 398 232 916 205 397 4 Passcode: qt3xT3LG	



YOU ARE HEREBY INVITED TO THE BID FOR ROAD TRAFFIC INFRINGEMENT AGENCY

BID NO: RFP09/2026/2027

CLOSING TIME: 11:00am

CLOSING DATE: 11 November 2026

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

1. Kindly furnish us with the bid for services reflected on the attached forms
2. Attached please find:
 - 2.1 Authority to sign Standard Bidding Document (SBD's) on behalf of an Entity. Pg. 3-4
 - 2.2 Invitation to bid (SBD1) Pg. 5-6
 - 2.3 Declaration of interest (SBD 4) Pg. 7-9
 - 2.4 Preference points claim form (SBD 6.1) Pg. 10-14
 - 2.5 Terms of References Pg.15-52
 - 2.6 General Conditions of the contract.....Pg.53-43
3. If you are a sole agent or sole supplier, you should indicate your market price after a discount to your clients or if that is not possible your percentage net profit before tax to decide whether the price quoted is fair and reasonable.
4. The attached forms must be completed in detail and returned with your bid. Failure to comply may disqualify your proposal. Each Bid document must be submitted in a separate sealed envelope stipulating the following information: Name and address of the bidder, bid number and closing date of the bid.
5. Bid proposals must be deposited into the tender box situated Road Traffic Infringement Agency, Head Office (at the reception), New Road Office Park, 10 Matuka Close, Midrand, 1685 , by not later than the closing date and time indicated above. Bid proposals which are not inside the Tender or bid box on the closing date and time will not be considered.

Yours faithfully

ELECTRONICALLY SIGNED

MS. K THIPE MABOTJA

SPECIALIST PROCUREMENT

DATE: 2026/10/20

AUTHORITY TO SIGN THE STANDARD BIDDING DOCUMENTS (SBD's) ON BEHALF OF ENTITY

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

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

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

In the case of a **CLOSE 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 documents unless one partner or a group of partners has been authorized to sign on behalf of each partner, in which 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

EXAMPLE OF THE RESOLUTION OF AUTHORITY TO SIGN BIDDING DOCUMENTS

Signatories for Companies, Close Corporation, and Partnerships must establish their authority by **ATTACHING TO THIS FORM, ON THEIR ORGANIZATION'S LETTER HEAD, a copy of the relevant resolution by their Board of Directors, Members or Partners, duly signed and dated.**

MAGEZA ZINTO (Pty) Ltd

By resolution of the Board of Directors taken on 16 June 2021

Mrs. K Kodue

**It has been duly authorized to sign all documents in connection
with:**

**Appointment of a Service Provider for Annual Financial
Statements, GRAP Technical Support and Quarterly Financial
Reporting Support for 24 months. (RFP09/2026/2027)**

On Behalf of MAGEZA ZINTO (Pty) Ltd

**Signed on behalf of the Company; (Signature of Managing
Director)**

NAME AND SURNAME	SIGNATURE

SBD 1

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE ROAD TRAFFIC INFRINGEMENT AGENCY					
BID NUMBER:	RFP09/2026/2027	CLOSING DATE:	11 November 2026	CLOSING TIME:	11:00 am
DESCRIPTION	Appointment of a Service Provider for Annual Financial Statements, GRAP Technical Support and Quarterly Financial Reporting Support for 24 months.				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					
BID RESPONSE DOCUMENTS MAY BE SUBMITTED TO:					
Road Traffic Infringement Agency Head Office (at reception) New Road Office Park 10 Matuka Close Midrand					
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					
		TCS PIN:		OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]		☐ Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	☐ Yes
		☐ No			☐ No
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX		☐	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)		
		☐	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)		
		☐	A REGISTERED AUDITOR		
		NAME:			
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs& QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES ANSWER PART B:3 BELOW]	
SIGNATURE OF BIDDER		DATE			
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid, e.g. resolution of directors, etc.)					
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE (ALL INCLUSIVE)			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT/ PUBLIC ENTITY	Road Traffic Infringement Agency	CONTACT PERSON		Ms. Lebogang Mahlakanya	

CONTACT PERSON	Ms. Nonhlanhla Madikologa	TELEPHONE NUMBER	087 285 0500
TELEPHONE NUMBER	087 287 7996	FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	N/A	E-MAIL ADDRESS	bids@rtia.co.za
E-MAIL ADDRESS	Kelebogile.thipe@rtia.co.za		

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION. 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR ONLINE 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION. 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION. 1.5. 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 LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS. 2.3 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. 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID. 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER. 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS
3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO 3.2. DOES BIDDER HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ 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.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SBD4

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

- 2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

- 2.2.1 If so, furnish particulars:

.....
.....

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

- 2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

YES/NO

- 2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

- 3.1 I have read, and I understand the contents of this disclosure.
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect.
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting

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

business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

.....	
Signature	Date
.....	
Position	Name of bidder.

SBD 6.1

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

COMPETITIVE BID PROCESS UP TO R 50 000 000)

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

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

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value up to R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) The 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

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

- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.
- 1.7 Bidders who wish to claim points in terms of table 4.2 below need to provide proof for each point claimed as guided below:
- Who had no franchise in national elections before the 1983 and 1993 Constitution – **attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.**
 - Who is female- **attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.**
 - Who has a disability – **attach doctor's letter confirming the disability**
 - Who is youth - **attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.**
 - Specific goal: **Locality** –
 - (a) a **valid** municipal services account (water, sanitation, rates and electricity) in the name of the bidder/s or active director/s **or**
 - (b) a valid lease agreement from the lessor **or**
 - (c) a letter on the letterhead of the ward councillor/traditional authority/council that must be signed, stamped, and dated.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{min} = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20	or	90/10
$P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$	or	$P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$

Where

P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tender will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system: or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point

system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the Organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Who had no franchise in national elections before the 1983 and 1993 Constitution	8	
Who is female	3	
Who are Military Veterans	3	
Who has a disability	2	
Specific goal: Youth	2	
Locality: (Promotion of South African owned enterprises)	2	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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



RTIA

Road Traffic Infringement Authority

Justice in Adjudication

Open Tender- Two Envelope System

Appointment of a Service Provider for Annual Financial Statements, GRAP Technical Support and Quarterly Financial Reporting Support for 24 months.

Date: October 2026

Table of Contents

1.	Background	3
2.	Purpose.....	3
3.	Objectives	4
4.	Scope of work	5
5.	Minimum Deliverables.....	12
6.	RTIA'S Statutory and Governance Responsibilities.....	19
7.	Quartely Reporting	19
8.	Requirements	27
9.	Deliverables	28
10.	Timelines.....	28
11.	Mandotory Requirements	29
12.	Evaluation Criteria.....	29
13.	Phase 3- Evalutaion in terms of 80/20 Preference Point System	32
14.	Compulsory Briefing Information Session.....	33
15.	Sub-contracting	33
16.	Security and Confidential Information	34
17.	Terms and Conditions	34
18.	Payment.....	36
19.	Appointment	37
20.	Contact Details.....	37

1. Background

The Road Traffic Infringement Authority (RTIA) is a Schedule 3A public entity listed under the Public Finance Management Act, 1999 (PFMA), and operates within the legislative and regulatory framework applicable to public entities, including the Administrative Adjudication of Road Traffic Offences Act, 1998 (AARTO Act), applicable Standards of Generally Recognised Accounting Practice (GRAP), National Treasury requirements and other relevant legislation and prescripts.

RTIA is required to maintain effective financial management, internal control, governance and reporting arrangements and to prepare reliable quarterly, interim and annual financial statements.

The Authority's audit outcomes have identified areas requiring sustained remediation, including financial reporting, audit qualifications, internal control deficiencies, asset management, governance weaknesses, consequence management and deficiencies in supporting documentation and audit readiness.

There is therefore a need to appoint a suitably qualified and experienced service provider to provide **integrated financial reporting, technical accounting, audit remediation, internal control, governance implementation and skills transfer support**.

The assignment is intended to strengthen RTIA's financial reporting environment, support the implementation of corrective actions arising from audit findings, improve the effectiveness of internal controls and governance arrangements, and transfer sustainable skills to RTIA officials.

2. Purpose

The purpose of the assignment is to appoint a suitably qualified service provider to provide professional and ongoing support to RTIA in:

1. compiling and/or reviewing quarterly, interim and annual financial statements;
2. strengthening the General Ledger and monthly reconciliation processes;
3. providing technical accounting and GRAP support;
4. addressing and remediating AGSA audit findings and qualifications;
5. developing and implementing an integrated audit implementation and remediation plan;
6. addressing internal control deficiencies;
7. strengthening asset management and financial reporting controls;
8. supporting governance and oversight remediation;
9. supporting consequence management monitoring and reporting;
10. strengthening audit readiness and the quality of audit evidence; and
11. transferring knowledge and skills to RTIA officials to ensure sustainable internal capacity.

The assignment shall be outcome-oriented and shall focus not only on preparing reports but on **resolving identified deficiencies, preventing recurrence and embedding sustainable processes within RTIA.**

3. Objectives

The specific objectives of the assignment are to:

3.1 Financial Reporting

- Improve the accuracy, completeness and reliability of RTIA's financial records and financial statements.
- Ensure timely preparation of quarterly, interim and annual financial statements.
- Strengthen monthly General Ledger reviews and account reconciliations.
- Ensure that financial statement balances are supported by appropriate schedules and source documentation.
- Reduce year-end adjustments, unresolved reconciling items and audit findings.
- Ensure compliance with applicable GRAP, PFMA and National Treasury requirements.
- Assist with improving in the audit performance of the RTIA.

3.2 Audit Remediation

- Analyse AGSA audit findings and qualifications and identify their underlying root causes.
- Develop practical corrective and preventative actions.
- Support Management in implementing agreed remediation measures.
- Prepare appropriate technical accounting assessments, reconciliations, journals, schedules and evidence.
- Establish mechanisms to prevent recurring audit findings.
- Improve RTIA's audit readiness and responsiveness.

3.3 Internal Control

- Identify deficiencies in the design and/or operation of internal controls.
- Develop corrective and preventative control measures.
- Strengthen control documentation, review processes, segregation of duties and supervisory controls.
- Establish mechanisms to monitor whether corrective controls are operating effectively.
- Support Management in addressing recurring control deficiencies.

3.4 Governance

- Identify governance and oversight deficiencies arising from audit and assurance findings.
- Develop an integrated governance remediation plan.
- Clarify responsibilities, accountability and reporting lines for corrective actions.

- Strengthen reporting to Management, the Audit and Risk Committee (ARC) and the Accounting Authority.
- Establish effective monitoring and escalation mechanisms for overdue actions.

3.5 Skills Transfer

- Transfer practical skills to RTIA officials through structured coaching, mentoring and training.
- Strengthen internal capacity in GRAP, financial reporting, reconciliations, audit readiness and internal controls.
- Ensure that knowledge transfer is demonstrable and progressively reduces reliance on external support.

4. Scope of work

The appointed service provider shall provide the following services:

4.1. Annual Financial Statements

The service provider shall:

- Compile the **Annual Financial Statements** in accordance with the applicable financial reporting requirements.
- Prepare all supporting schedules, working papers, notes and disclosures.
- Ensure alignment between the approved budget, Strategic Plan, Annual Performance Plan and financial information.
- Ensure compliance with applicable **Standards of GRAP**, the PFMA and National Treasury requirements.
- Review the financial information for consistency, completeness, accuracy and appropriate classification.
- Assist Management in addressing technical accounting matters arising during the preparation and review/audit of the annual financial statements.

4.2. Quarterly Financial Reporting

The service provider shall:

- Prepare and/or review quarterly financial reports in accordance with applicable reporting requirements.
- Perform **budget-versus-actual analysis**, including identification and explanation of material variances.
- Prepare supporting financial reports and management information for submission to **Management, the Audit and Risk Committee and the Accounting Authority**.
- Review quarterly financial information for completeness, accuracy and compliance with applicable accounting requirements.
- Assist Management in resolving financial reporting matters identified during each reporting period.
- Ensure that quarterly reporting information is appropriately supported by reconciliations, schedules and working papers.

4.3. GRAP Technical Support

The service provider shall:

- Provide technical accounting advice on the **interpretation and application of Standards of GRAP**.
- Review accounting treatments for significant, complex or unusual transactions.
- Develop, review and update accounting policies, accounting position papers and financial reporting templates where required.
- Prepare **technical accounting memoranda** on complex or contentious accounting matters.
- Advise Management on the accounting implications of new or revised Standards of GRAP.
- Assist Management in maintaining ongoing compliance with applicable GRAP Standards and related financial reporting requirements.
- Provide technical support on accounting matters arising from audit findings and recommendations.

4.4. Audit Readiness Support

The service provider shall:

- Provide technical and financial reporting support during **interim and annual audits**.
- Assist Finance in preparing and maintaining a complete and properly referenced audit file.
- Prepare and/or review supporting schedules, reconciliations and working papers required for audit purposes.
- Assist in responding to audit queries and requests for supporting documentation.
- Provide technical assistance in addressing audit findings and proposed adjustments.
- Support the implementation and monitoring of corrective actions relating to financial reporting and audit recommendations.
- Assist Management in ensuring that financial reporting matters are appropriately documented and supported before and during the audit process.

4.5. Skills Transfer and Capacity Building

The service provider shall conduct **quarterly knowledge-transfer sessions** for Finance personnel to ensure sustainable transfer of technical and practical skills.

Training shall include, but not be limited to:

- **Standards of GRAP and their practical application;**
- preparation of annual financial statements;
- quarterly financial reporting requirements;
- accounting policies and technical accounting assessments;
- preparation of supporting schedules and reconciliations;
- audit readiness and audit compliance requirements;
- responding to audit queries and addressing audit findings; and
- financial reporting quality assurance.

4.6 The service provider shall:

- Prepare and Provide quarterly and annual financial statements, accounting assistance as well as audit readiness support
- Assist in the analysis and enhancement of internal control environment including governance
- Develop and provide appropriate **training materials, practical examples, templates and guidance notes.**
- Conduct practical, work-based training using RTIA's actual financial reporting

The service provider shall be accountable for the **quality, accuracy, completeness, timeliness and technical integrity of all financial reporting, accounting and audit-remediation deliverables assigned to it under this assignment.**

The appointment shall not transfer the statutory responsibilities of RTIA's Accounting Authority, Accounting Officer, Chief Financial Officer or other duly delegated officials. However, the service provider shall be directly accountable for the professional work, outputs and deliverables performed on behalf of RTIA.

4.7 Financial Reporting Accountability

The service provider shall be accountable for:

- compiling quarterly and annual financial statements accurately and in accordance with applicable **Standards of GRAP, the PFMA and National Treasury requirements;**
- ensuring that financial statements agree to the underlying General Ledger, trial balance and supporting schedules;
- identifying accounting errors, omissions, misclassifications and unsupported balances during the reporting process;
- ensuring that all material balances are supported by appropriate reconciliations and working papers;
- preparing complete and accurate supporting schedules for financial statement balances;
- identifying matters requiring Management's attention before submission of financial reports;
- ensuring that financial reporting deliverables are submitted within agreed deadlines; and
- maintaining appropriate working papers and an audit trail supporting the work performed.

4.8 General Ledger and Reconciliation Accountability

The service provider shall be accountable for the quality and completeness of the GL and reconciliation work assigned to it, including:

- performing monthly GL reviews;
- identifying and documenting unusual, incorrect or unsupported transactions;
- preparing and/or reviewing monthly reconciliations;
- ensuring that reconciling items are clearly identified, aged and assigned for resolution;

- preparing recommended journals to correct identified errors, subject to RTIA's approval controls;
- ensuring that all adjustments are supported by appropriate documentation;
- maintaining a register of unresolved accounting matters; and
- reporting material or long-outstanding reconciling items to Management.

The service provider shall **not process unauthorised journals or override RTIA's approval controls**. All accounting adjustments shall remain subject to the applicable RTIA delegations and approval requirements.

4.9 Audit Qualification Accountability

For audit qualifications and material audit findings assigned to the service provider, the service provider shall be accountable for:

- analysing the finding and identifying the underlying accounting or control issue;
- developing the technical remediation approach;
- preparing the required journals, reconciliations, schedules and supporting evidence;
- preparing technically supported draft responses to AGSA findings;
- monitoring implementation of agreed corrective actions;
- identifying matters that remain unresolved or require Management decisions; and
- providing Management with sufficient information to enable an informed decision on the appropriate response.

The service provider shall not represent that an audit finding has been resolved unless the required corrective action has been implemented and the supporting evidence has been verified.

4.10 Internal Control, Asset Management and Governance Support

For areas specifically assigned to the service provider, it shall be accountable for:

- developing practical corrective actions to address identified internal control deficiencies;
- assisting with the implementation and monitoring of asset management controls;
- supporting reconciliation of the Fixed Asset Register to the GL;
- assisting with periodic asset verification and investigation of exceptions;
- maintaining appropriate audit trails for corrective actions;
- developing and maintaining audit remediation registers;
- monitoring governance-related corrective actions; and
- escalating overdue or ineffective corrective actions to the designated RTIA official.

4.11 Consequence Management Support

Where consequence management matters are assigned to the service provider, it shall be accountable for:

- maintaining the relevant tracking register;
- documenting the status of matters referred for assessment or investigation;
- monitoring agreed timelines;
- ensure compliance with relevant prescripts relating to consequence management
- identifying overdue actions;
- preparing status reports for Management and relevant governance structures; and
- maintaining appropriate supporting documentation.

The service provider shall **not make disciplinary, legal or governance decisions reserved for RTIA's authorised structures or officials.**

4.12 Audit Readiness Accountability

The service provider shall be accountable for ensuring that financial reporting deliverables within its scope are **audit-ready** before submission to AGSA or other assurance providers.

This shall include:

- completeness and accuracy of audit schedules;
- reconciliation of supporting schedules to the GL and AFS;
- appropriate indexing and cross-referencing of evidence;
- review of material balances;
- identification of unresolved audit risks;
- preparation of responses to audit queries; and
- timely escalation of information or decisions required from RTIA.

4.13 Skills Transfer Accountability

The service provider shall be accountable for achieving measurable skills transfer and shall:

- develop skills transfer plan to be approved
- conduct the agreed quarterly training sessions;
- provide training materials and practical guidance;
- provide coaching to designated Finance personnel;
- demonstrate the areas in which skills have been transferred;
- assess progress against the approved skills-transfer plan; and
- submit quarterly skills-transfer reports.

The objective shall be to **build sustainable internal capacity rather than create continued dependency on the service provider.**

4.14 Escalation and Professional Responsibility

The service provider shall promptly escalate to the designated RTIA official any matter that:

- may result in a material misstatement;
- may contribute to an audit qualification;
- may result in non-compliance with the PFMA, GRAP or National Treasury requirements;
- requires a decision or approval outside the service provider's authority;
- cannot be resolved because required information or documentation is unavailable;
- is likely to cause a reporting deadline to be missed; or
- presents a significant financial, governance or control risk.

The service provider shall provide such escalation **in writing**, together with the nature of the issue, financial/reporting impact, recommended action and decision required from RTIA.

4.15 Management Responsibilities

RTIA shall retain responsibility for:

- statutory and governance decisions;
- approval of accounting policies and accounting treatments where required;
- approval and authorisation of journals and financial transactions;
- provision of information and source documentation;
- appointment and management of internal officials;
- approval of corrective actions;
- disciplinary and consequence management decisions;
- approval and submission of financial statements; and
- engagement and final communication with AGSA and other oversight bodies.

The service provider shall therefore **support and perform the professional technical work within its scope, but shall not assume the statutory decision-making responsibilities of RTIA's authorised officials and governance structures.**

4.16 Performance Accountability

Performance shall be assessed against the agreed service levels and deliverables, including:

- **100% completion** of assigned monthly reconciliations;
- **100% completion** of assigned quarterly and annual financial reporting deliverables within agreed deadlines;
- **100% of material reconciling items** identified, documented and assigned for resolution;
- **100% of assigned audit findings** supported by a documented remediation action plan;
- **100% of completed remediation actions** supported by appropriate evidence before closure;

- at least **90% of agreed deliverables** completed within the prescribed timeframe;
- **100% of quarterly skills-transfer sessions** delivered; and
- timely escalation of all material unresolved matters and risks.

Where a deliverable is incomplete, inaccurate, unsupported or submitted late due to matters within the service provider's control, the service provider shall be required to **correct or complete the deliverable at no additional cost to RTIA**, subject to the terms of the contract.

4.17 Service-Level Performance Requirements

In addition to the specific deliverables above, the service provider shall be required to meet the following minimum service levels:

1. **Responsiveness:** Acknowledge requests from designated RTIA officials within **one working day**.
2. **Turnaround:** Provide substantive responses to routine requests within **five working days**, unless the matter requires additional technical research or information from RTIA.
3. **Critical Audit Matters:** Provide an initial assessment of urgent or high-risk AGSA matters within **two working days** of referral and agree the required action plan with Management.
4. **Quality of Deliverables:** All reports, schedules, technical memoranda and evidence packs shall be subject to an appropriate quality review before submission to RTIA.
5. **Accuracy:** Deliverables shall be technically accurate, internally consistent and appropriately supported by applicable GRAP, PFMA, National Treasury and other relevant requirements.
6. **Traceability:** Every corrective action shall be traceable from the original audit finding through to the root cause, corrective action, responsible official, supporting evidence and closure assessment.
7. **Escalation:** Any action at risk of exceeding its agreed deadline shall be identified in the monthly report and escalated to the designated RTIA official before the deadline is missed.
8. **Sustainability:** Corrective actions shall address the underlying cause of a finding and should not be limited to preparing responses or correcting isolated transactions.
9. **Audit Evidence:** Evidence packs shall be sufficiently organised, indexed and cross-referenced to enable Management to readily demonstrate implementation of corrective actions during subsequent assurance engagements.
10. **Skills Transfer:** The service provider shall progressively transfer knowledge and practical skills to RTIA personnel, with the objective of reducing dependency on external technical support.

4.18 Key Performance Indicators

Performance of the service provider shall be assessed against, at minimum:

- **100%** of AGSA findings captured in the Audit Implementation Plan;
- **100%** of material findings assigned to accountable officials;
- **100%** of qualification matters supported by documented remediation plans;
- **100%** of overdue actions identified and escalated;
- **at least 90% of agreed deliverables completed within the prescribed timeframe;**
- **100%** of quarterly reports submitted within the agreed reporting deadline;
- **100%** of quarterly skills-transfer sessions delivered;
- **100%** of proposed finding closures supported by documented evidence;
- quarterly monitoring of recurring findings and root causes; and
- documented improvement in the status of audit findings and internal control deficiencies over the contract period.

Performance against these service levels shall be reviewed **quarterly by Management**, with significant or persistent underperformance escalated through the appropriate governance and contract-management structures.

4.19 Compilation and Review of Quarterly Financial Statements

The service provider shall:

- compile and/or review quarterly financial statements and financial reports;
- prepare supporting schedules, working papers, notes and disclosures;
- ensure consistency between the General Ledger, trial balance, supporting schedules and quarterly financial statements;
- perform analytical reviews of financial results;
- identify errors, omissions, unusual movements and misclassifications;
- perform budget-versus-actual analysis;
- investigate and report material variances;
- support Management in resolving accounting issues;
- ensure that all material balances are supported by appropriate reconciliations and documentation; and
- prepare financial reporting packs for Management, ARC and the Accounting Authority.

5. Minimum Deliverable

A complete quarterly financial reporting pack, including financial statements, supporting schedules, reconciliations, variance analysis, accounting issues and management actions.

5.1. INTERIM FINANCIAL REPORTING

The service provider shall provide support for the preparation and review of interim financial reporting requirements, including:

- interim financial statements and management reports;
- General Ledger review;
- account reconciliations;
- revenue and expenditure analysis;
- budget-versus-actual reporting;

- review of significant accounting transactions;
- assessment of technical accounting matters;
- identification of potential year-end adjustments;
- review of provisions, impairment, receivables, liabilities and other material balances;
- preparation of supporting schedules; and
- identification of matters that may affect the Annual Financial Statements or audit outcome.

The interim review shall be used as an **early-warning mechanism** to identify and resolve financial reporting issues before year-end.

5.2. COMPILATION OF ANNUAL FINANCIAL STATEMENTS

The service provider shall be responsible for compiling and/or reviewing RTIA's Annual Financial Statements in accordance with applicable GRAP Standards, PFMA requirements and National Treasury reporting requirements.

The service provider shall:

- compile the Annual Financial Statements;
- prepare all supporting schedules and working papers;
- prepare notes and disclosures;
- ensure that the AFS agree to the final trial balance and General Ledger;
- perform a comprehensive AFS quality review;
- identify and correct accounting errors and misclassifications;
- prepare proposed year-end journals and adjustments for RTIA approval;
- assess complex and material accounting transactions;
- ensure appropriate accounting treatment and disclosure;
- reconcile material financial statement balances;
- ensure completeness and adequacy of supporting documentation;
- maintain an indexed AFS audit file;
- prepare audit schedules before commencement of the annual audit; and
- support Management in addressing audit queries arising from the AFS.

The service provider shall ensure that the AFS are **audit-ready before submission to the external auditors**.

5.3. GENERAL LEDGER AND MONTHLY RECONCILIATIONS

The service provider shall provide ongoing support to strengthen the General Ledger and monthly reconciliation environment.

General Ledger

The service provider shall:

- review the General Ledger monthly;
- identify incorrect postings and misallocations;
- identify unusual, unsupported and long-outstanding balances;

- prepare or recommend corrective journals;
- support the processing of approved journals;
- review the impact of adjustments on financial reporting;
- ensure that GL balances are supported by appropriate reconciliations; and
- maintain an unresolved accounting issues register.

5.4 Monthly Reconciliations

Monthly reconciliations shall be prepared and/or reviewed for all material and high-risk accounts, including, where applicable:

- bank and cash;
- receivables;
- AARTO-related balances;
- revenue;
- payables and accruals;
- provisions;
- payroll;
- VAT and statutory accounts;
- PPE;
- intangible assets;
- inventory;
- suspense and unallocated receipts;
- inter-entity balances;
- grants and transfers; and
- other material accounts.

Each reconciliation shall identify:

- opening balance;
- current-period movements;
- closing GL balance;
- supporting records;
- reconciling items;
- ageing of reconciling items;
- responsible official;
- corrective action; and
- expected clearance date.

5.5. GRAP AND TECHNICAL ACCOUNTING SUPPORT

The service provider shall provide technical accounting support on complex and material transactions and financial reporting matters.

This shall include:

- interpretation and application of relevant GRAP Standards;
- preparation of technical accounting memoranda;
- assessment of accounting treatment for complex transactions;
- assessment of impairment, provisions, receivables, revenue and liabilities;

- accounting policy interpretation and implementation;
- review and updating of accounting policies and procedures;
- support for accounting adjustments;
- technical support on audit findings;
- assessment of the financial reporting implications of proposed transactions; and
- support in responding to technical accounting matters raised by AGSA, National Treasury or other oversight structures.

Technical advice shall be appropriately documented and supported by the applicable accounting and regulatory framework.

5.6 AUDIT QUALIFICATION AND AGSA FINDING REMEDIATION

The service provider shall assist RTIA in addressing audit qualifications and findings raised by AGSA.

The service provider shall:

1. review each audit qualification and finding;
2. identify the underlying root cause;
3. determine the financial reporting, compliance, control and governance implications;
4. assess the corrective action required;
5. prepare a detailed remediation plan;
6. prepare technical accounting assessments where required;
7. prepare supporting reconciliations and schedules;
8. assist with the preparation of approved journals and adjustments;
9. prepare supporting audit evidence;
10. assist Management in preparing responses to audit findings;
11. monitor implementation of corrective actions;
12. identify overdue or ineffective corrective actions;
13. escalate matters requiring Management or Accounting Authority decisions; and
14. assess whether implemented corrective actions adequately address the root cause and reduce the risk of recurrence.

The service provider shall **not declare an audit finding closed solely because an action has been performed**. Closure shall require appropriate evidence demonstrating that the underlying issue has been addressed.

5.7 INTERNAL CONTROL IMPLEMENTATION PLAN

The service provider shall develop and support implementation of an integrated Internal Control Remediation Plan.

The plan shall:

- develop and internal control implementation plan
- capture all material internal control deficiencies;

- identify the root cause of each deficiency;
- identify the risk and potential impact;
- define corrective and preventative actions;
- identify responsible officials;
- establish target completion dates;
- define required evidence;
- establish monitoring arrangements;
- assess whether controls have been implemented;
- assess whether controls are operating effectively; and
- identify recurring control deficiencies.

The service provider shall support the development and strengthening of:

- policies and procedures;
- standard operating procedures;
- segregation of duties;
- supervisory review controls;
- approval and authorisation controls;
- reconciliations;
- exception reporting;
- documentation and record-keeping;
- management review controls; and
- control monitoring mechanisms.

5.8. ASSET MANAGEMENT AND PPE REMEDIATION

Where audit or internal control findings relate to asset management, the service provider shall support RTIA in addressing deficiencies relating to:

- completeness and accuracy of the Fixed Asset Register;
- FAR-to-General Ledger reconciliation;
- asset verification;
- asset tagging and barcoding;
- additions and disposals;
- transfers and temporary relocations;
- depreciation;
- impairment;
- assets delivered before and after year-end;
- supporting procurement and payment documentation;
- asset existence and ownership;
- asset movements; and
- financial statement disclosures.
- detection and correction of any errors and the relevant supporting information.
- review of assets management policies and procedures

The service provider shall assist in establishing an asset remediation plan and periodic asset control monitoring process.

5.9. GOVERNANCE AND OVERSIGHT IMPLEMENTATION PLAN

The service provider shall develop and support implementation of a Governance Remediation Plan addressing governance deficiencies identified through AGSA, Internal Audit and other assurance processes.

The plan shall:

- identify each governance deficiency;
- identify the underlying cause;
- map the matter to the responsible governance structure or official;
- define corrective actions;
- establish target dates;
- identify evidence required to demonstrate implementation;
- establish reporting and monitoring arrangements;
- track Board and Committee resolutions;
- monitor implementation of recommendations; and
- escalate overdue or unresolved matters.

The service provider shall support improved reporting to:

- Executive Management;
- the Audit and Risk Committee;
- the Accounting Authority/Board; and
- other authorised oversight structures.

5.10. INTEGRATED AUDIT IMPLEMENTATION PLAN

The service provider shall develop and maintain a consolidated Audit Implementation and Remediation Plan covering, at minimum:

Field	Requirement
AGSA/assurance finding	Full description of finding
Root cause	Identified underlying cause
Risk/impact	Financial, compliance, control or governance impact
Corrective action	Action required to address finding
Preventative action	Action required to prevent recurrence
Responsible official	Designated RTIA owner
Target date	Agreed completion date
Deliverable	Specific output required
Evidence	Evidence required for closure
Status	Not started/in progress/completed/overdue
Effectiveness	Assessment of whether action addresses root cause
Governance oversight	Management/ARC/Board oversight

Escalation	Required escalation for overdue matters
------------	---

The plan shall be maintained as a **single source of truth** for monitoring audit remediation.

5.11. AUDIT READINESS

The service provider shall establish an annual audit readiness programme.

This shall include:

- review of prior-year AGSA findings;
- audit readiness assessment;
- preparation of audit schedules;
- preparation of supporting evidence;
- review of material financial statement balances;
- review of reconciliations;
- review of unresolved accounting matters;
- review of internal control remediation;
- preparation for AGSA information requests;
- tracking of audit queries;
- technical support during audit engagements; and
- monitoring of outstanding audit matters.

A formal **pre-audit readiness assessment** shall be performed before the commencement of the annual audit.

5.12. SKILLS TRANSFER AND CAPACITY BUILDING

Skills transfer shall form an integral part of the assignment and shall not be treated as a separate or optional activity.

The service provider shall:

- conduct structured quarterly skills-transfer sessions;
- provide practical coaching to Finance and other relevant officials;
- provide training on GRAP and financial reporting;
- provide training on preparation and review of reconciliations;
- provide training on AFS compilation;
- provide training on audit readiness and audit evidence;
- provide training on internal control remediation;
- provide practical guidance on responding to audit findings;
- provide templates, working papers and practical tools;
- demonstrate processes to RTIA officials;
- allow RTIA officials to participate in the preparation and review process;
- assess progress in knowledge transfer; and
- progressively reduce RTIA's dependence on the service provider.

Training materials and practical reference guides shall be provided to RTIA.

6. RTIA'S STATUTORY AND GOVERNANCE RESPONSIBILITIES

The appointment of the service provider shall **not transfer RTIA's statutory, fiduciary or governance responsibilities.**

RTIA shall retain responsibility for:

- approval of accounting policies;
- approval of journals and financial adjustments;
- authorisation of transactions;
- provision of source documentation and information;
- statutory decision-making;
- management decisions arising from audit findings;
- disciplinary and consequence management decisions;
- approval of corrective actions;
- governance and Board decisions;
- approval of the Annual Financial Statements; and
- statutory submission of financial statements and responses to oversight institutions.

The service provider shall provide professional support, recommendations, analysis and deliverables within its scope, while RTIA retains final decision-making and statutory accountability.

7. QUARTERLY REPORTING

The appointed service provider shall provide the following services:

7.1. Quarterly Financial Reporting

The service provider shall:

- Prepare and/or review quarterly financial reports in accordance with applicable reporting requirements.
- Perform **budget-versus-actual analysis**, including identification and explanation of material variances.
- Prepare supporting financial reports and management information for submission to **Management, the Audit and Risk Committee and the Accounting Authority.**
- Review quarterly financial information for completeness, accuracy and compliance with applicable accounting requirements.
- Assist Management in resolving financial reporting matters identified during each reporting period.
- Ensure that quarterly reporting information is appropriately supported by reconciliations, schedules and working papers.

7.2. GRAP Technical Support

The service provider shall:

- Provide technical accounting advice on the **interpretation and application of Standards of GRAP**.
- Review accounting treatments for significant, complex or unusual transactions.
- Develop, review and update accounting policies, accounting position papers and financial reporting templates where required.
- Prepare **technical accounting memoranda** on complex or contentious accounting matters.
- Advise Management on the accounting implications of new or revised Standards of GRAP.
- Assist Management in maintaining ongoing compliance with applicable GRAP Standards and related financial reporting requirements.
- Provide technical support on accounting matters arising from audit findings and recommendations.

7.3. Audit Readiness Support

The service provider shall:

- Provide technical and financial reporting support during **interim and annual audits**.
- Assist Finance in preparing and maintaining a complete and properly referenced audit file.
- Prepare and/or review supporting schedules, reconciliations and working papers required for audit purposes.
- Assist in responding to audit queries and requests for supporting documentation.
- Provide technical assistance in addressing audit findings and proposed adjustments.
- Support the implementation and monitoring of corrective actions relating to financial reporting and audit recommendations.
- Assist Management in ensuring that financial reporting matters are appropriately documented and supported before and during the audit process.

7.4. Skills Transfer and Capacity Building

The service provider shall conduct **quarterly knowledge-transfer sessions** for Finance personnel to ensure sustainable transfer of technical and practical skills.

Training shall include, but not be limited to:

- **Standards of GRAP and their practical application;**
- preparation of annual financial statements;
- quarterly financial reporting requirements;
- accounting policies and technical accounting assessments;
- preparation of supporting schedules and reconciliations;
- audit readiness and audit compliance requirements;
- responding to audit queries and addressing audit findings; and
- financial reporting quality assurance.

The service provider shall:

- Develop and provide appropriate **training materials, practical examples, templates and guidance notes.**
- Conduct practical, work-based training using RTIA's actual financial reporting

7.5. Service Provider Accountability and Responsibility

The service provider shall be accountable for the **quality, accuracy, completeness, timeliness and technical integrity of all financial reporting, accounting and audit-remediation deliverables assigned to it under this assignment.**

The appointment shall not transfer the statutory responsibilities of RTIA's Accounting Authority, Accounting Officer, Chief Financial Officer or other duly delegated officials. However, the service provider shall be directly accountable for the professional work, outputs and deliverables performed on behalf of RTIA.

7.6. Financial Reporting Accountability

The service provider shall be accountable for:

- compiling quarterly and annual financial statements accurately and in accordance with applicable **Standards of GRAP, the PFMA and National Treasury requirements;**
- ensuring that financial statements agree to the underlying General Ledger, trial balance and supporting schedules;
- identifying accounting errors, omissions, misclassifications and unsupported balances during the reporting process;
- ensuring that all material balances are supported by appropriate reconciliations and working papers;
- preparing complete and accurate supporting schedules for financial statement balances;
- identifying matters requiring Management's attention before submission of financial reports;
- ensuring that financial reporting deliverables are submitted within agreed deadlines; and
- maintaining appropriate working papers and an audit trail supporting the work performed.

7.7. General Ledger and Reconciliation Accountability

The service provider shall be accountable for the quality and completeness of the GL and reconciliation work assigned to it, including:

- performing monthly GL reviews;
- identifying and documenting unusual, incorrect or unsupported transactions;
- preparing and/or reviewing monthly reconciliations;
- ensuring that reconciling items are clearly identified, aged and assigned for resolution;
- preparing recommended journals to correct identified errors, subject to RTIA's approval controls;
- ensuring that all adjustments are supported by appropriate documentation;

- maintaining a register of unresolved accounting matters; and
- reporting material or long-outstanding reconciling items to Management.

The service provider shall **not process unauthorised journals or override RTIA's approval controls**. All accounting adjustments shall remain subject to the applicable RTIA delegations and approval requirements.

7.8. Audit Qualification Accountability

For audit qualifications and material audit findings assigned to the service provider, the service provider shall be accountable for:

- analysing the finding and identifying the underlying accounting or control issue;
- developing the technical remediation approach;
- preparing the required journals, reconciliations, schedules and supporting evidence;
- preparing technically supported draft responses to AGSA findings;
- monitoring implementation of agreed corrective actions;
- identifying matters that remain unresolved or require Management decisions; and
- providing Management with sufficient information to enable an informed decision on the appropriate response.

The service provider shall not represent that an audit finding has been resolved unless the required corrective action has been implemented and the supporting evidence has been verified.

7.9. Internal Control, Asset Management and Governance Support

For areas specifically assigned to the service provider, it shall be accountable for:

- developing practical corrective actions to address identified internal control deficiencies;
- assisting with the implementation and monitoring of asset management controls;
- supporting reconciliation of the Fixed Asset Register to the GL;
- assisting with periodic asset verification and investigation of exceptions;
- maintaining appropriate audit trails for corrective actions;
- developing and maintaining audit remediation registers;
- monitoring governance-related corrective actions; and
- escalating overdue or ineffective corrective actions to the designated RTIA official.

7.10. Consequence Management Support

Where consequence management matters are assigned to the service provider, it shall be accountable for:

- maintaining the relevant tracking register;

- documenting the status of matters referred for assessment or investigation;
- monitoring agreed timelines;
- identifying overdue actions;
- preparing status reports for Management and relevant governance structures; and
- maintaining appropriate supporting documentation.

The service provider shall **not make disciplinary, legal or governance decisions reserved for RTIA's authorised structures or officials.**

7.11. Audit Readiness Accountability

The service provider shall be accountable for ensuring that financial reporting deliverables within its scope are **audit-ready** before submission to AGSA or other assurance providers.

This shall include:

- completeness of audit schedules;
- reconciliation of supporting schedules to the GL and AFS;
- appropriate indexing and cross-referencing of evidence;
- review of material balances;
- identification of unresolved audit risks;
- preparation of responses to audit queries; and
- timely escalation of information or decisions required from RTIA.

7.12. Skills Transfer Accountability

The service provider shall be accountable for achieving measurable skills transfer and shall:

- conduct the agreed quarterly training sessions;
- provide training materials and practical guidance;
- provide coaching to designated Finance personnel;
- demonstrate the areas in which skills have been transferred;
- assess progress against the approved skills-transfer plan; and
- submit quarterly skills-transfer reports.

The objective shall be to **build sustainable internal capacity rather than create continued dependency on the service provider.**

7.13. Escalation and Professional Responsibility

The service provider shall promptly escalate to the designated RTIA official any matter that:

- may result in a material misstatement;
- may contribute to an audit qualification;
- may result in non-compliance with the PFMA, GRAP or National Treasury requirements;

- requires a decision or approval outside the service provider's authority;
- cannot be resolved because required information or documentation is unavailable;
- is likely to cause a reporting deadline to be missed; or
- presents a significant financial, governance or control risk.

The service provider shall provide such escalation **in writing**, together with the nature of the issue, financial/reporting impact, recommended action and decision required from RTIA.

7.14. Management Responsibilities

RTIA shall retain responsibility for:

- statutory and governance decisions;
- approval of accounting policies and accounting treatments where required;
- approval and authorisation of journals and financial transactions;
- provision of information and source documentation;
- appointment and management of internal officials;
- approval of corrective actions;
- disciplinary and consequence management decisions;
- approval and submission of financial statements; and
- engagement and final communication with AGSA and other oversight bodies.

The service provider shall therefore **support and perform the professional technical work within its scope, but shall not assume the statutory decision-making responsibilities of RTIA's authorised officials and governance structures.**

7.15. Performance Accountability

Performance shall be assessed against the agreed service levels and deliverables, including:

- **100% completion** of assigned monthly reconciliations;
- **100% completion** of assigned quarterly and annual financial reporting deliverables within agreed deadlines;
- **100% of material reconciling items** identified, documented and assigned for resolution;
- **100% of assigned audit findings** supported by a documented remediation action plan;
- **100% of completed remediation actions** supported by appropriate evidence before closure;
- at least **90% of agreed deliverables** completed within the prescribed timeframe;
- **100% of quarterly skills-transfer sessions** delivered; and
- timely escalation of all material unresolved matters and risks.

Where a deliverable is incomplete, inaccurate, unsupported or submitted late due to matters within the service provider's control, the service provider shall be required to

correct or complete the deliverable at no additional cost to RTIA, subject to the terms of the contract.

7.16. Service-Level Performance Requirements

In addition to the specific deliverables above, the service provider shall be required to meet the following minimum service levels:

11. **Responsiveness:** Acknowledge requests from designated RTIA officials within **one working day**.
12. **Turnaround:** Provide substantive responses to routine requests within **five working days**, unless the matter requires additional technical research or information from RTIA.
13. **Critical Audit Matters:** Provide an initial assessment of urgent or high-risk AGSA matters within **two working days** of referral and agree the required action plan with Management.
14. **Quality of Deliverables:** All reports, schedules, technical memoranda and evidence packs shall be subject to an appropriate quality review before submission to RTIA.
15. **Accuracy:** Deliverables shall be technically accurate, internally consistent and appropriately supported by applicable GRAP, PFMA, National Treasury and other relevant requirements.
16. **Traceability:** Every corrective action shall be traceable from the original audit finding through to the root cause, corrective action, responsible official, supporting evidence and closure assessment.
17. **Escalation:** Any action at risk of exceeding its agreed deadline shall be identified in the monthly report and escalated to the designated RTIA official before the deadline is missed.
18. **Sustainability:** Corrective actions shall address the underlying cause of a finding and should not be limited to preparing responses or correcting isolated transactions.
19. **Audit Evidence:** Evidence packs shall be sufficiently organised, indexed and cross-referenced to enable Management to readily demonstrate implementation of corrective actions during subsequent assurance engagements.
20. **Skills Transfer:** The service provider shall progressively transfer knowledge and practical skills to RTIA personnel, with the objective of reducing dependency on external technical support.

4.10 Key Performance Indicators

Performance of the service provider shall be assessed against, at minimum:

- **100%** of AGSA findings captured in the Audit Implementation Plan;
- **100%** of material findings assigned to accountable officials;
- **100%** of qualification matters supported by documented remediation plans;
- **100%** of overdue actions identified and escalated;
- **at least 90% of agreed deliverables completed within the prescribed timeframe;**
- **100%** of quarterly reports submitted within the agreed reporting deadline;
- **100%** of quarterly skills-transfer sessions delivered;
- **100%** of proposed finding closures supported by documented evidence;
- quarterly monitoring of recurring findings and root causes; and

- documented improvement in the status of audit findings and internal control deficiencies over the contract period.
Performance against these service levels shall be reviewed **quarterly by Management**, with significant or persistent underperformance escalated through the appropriate governance and contract-management structures.

The service provider shall undertake the following activities.

7.17 Compilation and Review of Quarterly Financial Statements

The service provider shall:

- compile and/or review quarterly financial statements and financial reports;
- prepare supporting schedules, working papers, notes and disclosures;
- ensure consistency between the General Ledger, trial balance, supporting schedules and quarterly financial statements;
- perform analytical reviews of financial results;
- identify errors, omissions, unusual movements and misclassifications;
- perform budget-versus-actual analysis;
- investigate and report material variances;
- support Management in resolving accounting issues;
- ensure that all material balances are supported by appropriate reconciliations and documentation; and
- prepare financial reporting packs for Management, ARC and the Accounting Authority.

7.18. Minimum deliverable

A complete quarterly financial reporting pack, including financial statements, supporting schedules, reconciliations, variance analysis, accounting issues and management actions.

The service provider shall be accountable for the **professional quality, accuracy, completeness and timeliness of all deliverables assigned to it under this TOR.**

The service provider shall:

- deliver agreed outputs within the prescribed timelines;
- ensure that work is technically sound and compliant with applicable requirements;
- ensure that financial statements and supporting schedules are internally consistent;
- identify and communicate material errors and risks;
- maintain appropriate working papers and audit trails;
- ensure that all deliverables are supported by appropriate evidence;
- promptly correct errors or deficiencies attributable to its work;
- maintain an up-to-date remediation and reporting register;
- escalate material risks and delays promptly; and
- provide appropriate handover and knowledge transfer.

Where an incomplete, inaccurate or deficient deliverable is attributable to the service provider, the service provider shall correct or complete the deliverable within the agreed period **without additional cost**, subject to the terms of the contract.

A comprehensive quarterly report shall be submitted to RTIA and shall include:

- quarterly financial statements;
- financial reporting assurance status;
- GL and reconciliation status;
- audit remediation progress;
- qualification remediation status;
- internal control implementation status;
- asset management remediation status;
- governance remediation status;
- consequence management monitoring;
- recurring finding analysis;
- audit readiness assessment;
- technical accounting matters;
- skills-transfer progress;
- outstanding risks and issues; and
- recommendations requiring Management or governance consideration.

8. Requirements

The Authority is in need of a reliable and trustworthy service provider who specializes in preparing annual financial statements using CaseWare GRAP. As an independent professional, the Caseware specialist is expected to provide expert advice on the subject matter and ensure the accuracy of the statements.

1. To achieve this, the specialist must to compare the trial balance on Caseware for the previous year with the audited and accounting system trial balance and resolve any variances that may arise.
2. The specialist must ensure that all the related accounting policies and notes of the AFS are included, taking into account all the relevant financial information applicable.
3. The specialist must re-perform any calculations where necessary to support the AFS.
4. The specialist must ensure that the fixed asset register agrees to AFS
5. The specialist must ensure that the sub-ledger accounts for debtors and payables agree to the AFS
6. The specialist must prepare supporting schedules to support the AFS from the Trial balance.
7. The specialist must ensure that the notes to the financial statements are supported by workings that can be referenced as lead sheets.

8. The specialist must prepare the cash flow calculation to support the AFS using GRAP
9. The specialist must prepare any Caseware adjusting entries to reflect the correct transaction level and balances on Caseware up to the date of the audit report signing.
10. The specialist must ensure that they are available throughout the audit process to update the draft with changes from management and all relevant internal structures.
11. The number of changes from the date of compilation to the audit conclusion may be up to 30 versions (this is an indication the supplier is required to use judgment on consideration of this).
12. The successful service provider must be available to perform changes beyond office hours, including weekends, weeknights, and public holidays, as and when requested to meet all deadline requirements.

The potential bidder is expected to have a good knowledge of the Authority's set of annual financial statements to determine the size and magnitude of the work that will be involved. This information is available on the Authority's website under the published annual reports to give guidance on the size of the financial statements required to be prepared on Caseware.

9. Deliverables

The service provider shall deliver:

1. Quarterly Financial Reports
2. Budget vs Actual and Variance Reports after incorporating audit adjustments
3. GRAP Technical Advice and Memoranda
4. Training Materials and Attendance Registers
5. GRAP - Compliant AFS including audit adjustments and support.
6. Technical GRAP position papers (where applicable).
7. Updated GRAP disclosure checklist.
8. Audit-ready working papers and audit file index.
9. Skills transfer report including: officials trained, competencies covered, assessment of skill progression.
10. A close-out report with recommendations for improving future AFS processes.

10. Timelines

- 10.1 The service is required for 24 months, in accordance with the calendar timeframes for reporting in the Authority and in line with the cycle of the Public Finance Management Act (PFMA)..
- 10.2. Once the successful bidder is appointed, the parties will agree on the duration

and turn-around times required to achieve the expected outcomes. The project will commence from the appointment stage and continue until the conclusion of the annual report.

- 10.3 The service provider must be available to address any subsequent audit adjustments required after the submission of the draft Annual Financial Statements (AFS) in May, until the conclusion of the audit.

11. Mandatory Requirements

Phase 1: This phase is not scored and bidders who fail to comply with all the mandatory criteria requirements stipulated below will be disqualified.

1. Certificate of Caseware license
2. Bidders must be registered on the Central Supplier Database, and the Road, Traffic Infringement Authority, shall verify the bidder's tax compliance status through the Central Supplier Database. Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database. Their tax compliance status will be verified through the Central Supplier Database. It is, therefore, a condition of this bid that the tax matters of the bidder be in order at any point in time from the closing date of the bid. This bid will only be awarded to a bidder(s) whose tax status on Central Supplier Database is compliant. Compliance should remain valid for the duration of the contract.
3. Bidders are required to attend compulsory briefing sessions.
4. Compliance with the two envelope system (1 Marked technical the other Financial)
If bid price is disclosed in the technical proposal, such bids will be disqualified

12. Evaluation Criteria

1. Only bidders who have complied with mandatory requirements will be evaluated for functionality. Bidders must, as part of their bid documents, submit supportive documentation for all functional requirements as indicated hereunder. The Bid Evaluation Committee (BEC) responsible for scoring the respective bids will evaluate and score all bids based on their submissions and the information provided.
2. The value scored for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These marks will be added and expressed as a fraction of the best possible score for all criteria.

3. Functionality will be evaluated on the basis of the supporting documentation supplied by the bidders in accordance with the below functionality criteria and values.
4. The evaluation of the functionality will be evaluated individually by Members of Bid Evaluation Committee in accordance with the below functionality criteria and values.
5. The applicable values that will be utilized when scoring each criteria ranges from: 1 being Poor, 2 = Average 3 = Good, 4 = Very Good & 5 = Excellent

Detailed functional criteria	Points
Phase 2	
Experience of prospective bidder in rendering services of the preparation of annual financial statements in both public and private sector organisations using Caseware (the following must be provided): <i>The profile of the bidder</i> <i>Similar projects dealt with previously and the nature of those projects</i> • Above 10 years' experience = 5 • Minimum of 9 - 8 years' experience = 4 • Minimum of 7 - 8 years' experience = 3 • Minimum of 6 - 7 years' experience = 2 • Minimum of 5 - 6 years' experience = 1 • No submission = 0	20 points
References where similar services were previously provided detailing the nature of the contract and contact details. This must be specific to the preparation/ compilation of annual financial statements using Case Ware for GRAP within the public sector. • Provision of more than 5 relevant reference letters from previous clients = 5 • Provision of 5 relevant reference letters from previous clients = 4 • Provision of 4 relevant reference letters from previous clients = 3 • Provision of 3 relevant reference letters from previous clients = 2 • Provision of 2 relevant reference letters from previous clients = 1 • Non provision = 0	20 points
Technical approach (methodology)	30 points

Elaborate on the processes and approach as well as possible tools, systems or methods that you will use when preparing Case Ware AFS for GRAP purposes. Project milestones must be provided.	
Skills Transfer Methodology - Comprehensive and detailed skills transfer methodology. Includes skills gap assessment, coaching, mentoring, workshops, on-the-job training, knowledge transfer tools, measurable outcomes, timelines, and reporting mechanisms. Demonstrates a clear approach to sustainable capacity building= 10 - Well-defined methodology covering most skills transfer requirements with clear implementation approach and monitoring mechanisms.= 8 - Methodology addresses basic skills transfer requirements but lacks detail in implementation, measurement, or sustainability.= 5 - Limited skills transfer approach with insufficient detail and no measurable outcomes. = 2 No skills transfer methodology submitted or methodology does not address the requirement=0	10 Points
The capacity of personnel to use CVs and the qualifications of the relevant personnel must be provided. 20 years and above = 5 15 - 19 years = 4 10 – 14 years = 3 5 – 9 years = 2 - Less than 5 years = 1 - No submission = 0	10 points
Proof of a valid caseware licence	10 points
TOTAL	100 points
Minimum required score	70 points

NB: Only service providers that qualify from Phase 2 with a minimum score of 70/100 points will be considered and assessed in Phase 3.

Financial proposals shall be opened for bidders that achieved minimum functionality score.

13. Phase 3- Evalutaion in terms of 80/20 Preference Point System

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

13.1 Table 1: Specific goals for the tender and points claimed are indicated as per the table below: (**Note to organs of state:** Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must be indicated as such. **Note to tenders:** The tender must indicate how they claim points for each preference point system).

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Percentage ownership equity (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
I. Who had no franchise in national elections before the 1983 and 1993 Constitution.	8		
II. Who is female	3		
III. Military Veterans	3		
III. Who has a disability	2		
IV. Specific goal: Youth	2		
V. Locality	2		

NB: Source documents for claiming of points: Prove of company registration, ID copies of women in the company and their positions, Medical report as well as prove of residence.

13.2. Failure on the part of the bidder to comply with the above will be deemed that preference points for are not claimed and will therefore be allocated a zero (0).

13.3 The points scored will be rounded off to the nearest 2 decimals

13.4 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points

13.5 However, when functionality is part of the evaluation process and two or more bidders have scored equal points including equal preference points for HDI'S the contract will be awarded to the bidder scoring the highest for functionality.

13.6 Should two or more bids be equal in all respects; the award shall be decided by the drawing of lots.

13.7 A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points

14. Compulsory Briefing Information Session

14.1. A compulsory Briefing sessions will be on vidual online as detailed in the Advert. The compulsory Briefing session provides bidders with an opportunity to clarify aspects of the process as set out in this document and to address any , substantive issues that bidders may wish to raise. Any Briefing Notes which may be issued by the RTIA to the Service Providers should be considered as part of this project.

14.2 Firms may ask for clarification on this ToR or any of its Annexures up to close of

business forty-eight (48) hours before the deadline for the submission of bids. Any request for clarification must be submitted by email to the Bid Office. Copies of questions and answers will be emailed to all firms that register at the briefing session.

15. SUB-CONTRACTING, PARTNERSHIP/CONSORTIUM/JOINT VENTURE AND COMPANY REQUIREMENTS

15.1 The successful bidder must obtain prior RTIA approval to sub-contract, and/or amend the sub-contracting arrangements.

15.2 A proposal submitted by a company, close corporation or other legal person must be accompanied by a resolution or agreement of the directors or members and be signed by a duly authorised person.

15.3 A proposal submitted by a partnership must be accompanied by a written partnership agreement.

15.4 A proposal submitted by a consortium or joint venture of two or more parties must be accompanied by a signed memorandum of understanding between the parties to such consortium indicating:

15.4.1 the conditions under which the consortium will function;

- 15.4.2 its period of duration;
- 15.4.3 the persons authorised to represent it;
- 15.4.4 the participation of the several parties forming the consortium;
- 15.4.5 the benefits that will accrue to each party; and
- 15.4.6 any other information necessary to permit a full appraisal of its functioning.

16. SECURITY AND CONFIDENTIALITY OF INFORMATION

No material or information derived from the provision of the services under the Contract may be used for any purposes other than those of RTIA, except where authorised in writing to do so. All information will be held strictly confidential. The successful Service Provider may be required to sign a Confidentiality Agreement with RTIA.

17. TERMS AND CONDITIONS

- 17.1 The RTIA reserves the right to amend, modify or withdraw this Terms of Reference (ToR) document or amend, modify or terminate any of the procedures or requirements set out herein at any time and from time to time, without prior notice except where required by law, and without liability to compensate or reimburse any Service Provider.
- 17.2. Neither the RTIA, nor any of its respective, officers, or employees may make any representation or warranty, expressed or implied in this ToR document, and nothing contained herein is, or shall be relied upon as, a promise or representation, whether as to the past or the future.
- 17.3. The costs of preparing proposals and of negotiating the Contract will not be reimbursed.
- 17.4. The RTIA also reserves the right to call interviews with short-listed Service Providers before final selection, and to negotiate price with the Preferred Service Providers.
- 17.5. Firms may not contact RTIA on any matter pertaining to their bid from the time when bids are submitted to the time the Contract is awarded. Any effort by a Service Provider to influence bid evaluation, bid comparisons or award decisions in any manner, may result in rejection of the bid concerned.
- 17.6. Bid submission requirements must be completed in sections and appendices provided in the bid document.

- 17.7.** ALL BIDDERS MUST BE REGISTERED ON THE CENTRAL SUPPLIER DATABASE AT NATIONAL TREASURY. More information in this regard is available on www.ocpo.treasury.gov.za. Proof of registration must be submitted together with the technical proposal.
- 17.8.** Bidders may provide any additional information deemed important for the RTIA to consider.
- 17.9.** Prospective Bidders must at all times comply with the RTIA's Supply Chain rules and processes with regard to all projects and payments.
- 17.10.** Bidders must submit their bids on the stipulated closing date and time. Late bids will not be considered. All late bids must be collected within seven days failing which the RTIA will discard of such late proposals.
- 17.11.** Bids must be submitted in two (2) envelopes, one (1) with the technical proposal and the other pricing. Supporting documents required for compliance including all the SDB documents except for SBD 1 and SBD 3.3, must be submitted together with the technical proposal.
- 17.12.** Format of submission of proposals: a. Envelopes must be clearly marked with Company name, RTIA Bid Nr and whether it is the technical or financial response.
- 17.13.** Proposals must be submitted as two (2) original and two protected soft copies. Two copies referred to must be clearly marked Technical and Financial. Soft copies must be exact copies of the original documents, and should be labelled properly.
- 17.14.** In order to evaluate and adjudicate bids effectively, it is imperative that bidders submit responsive bids. To ensure a bid will be regarded as responsive it is essential to comply with all conditions pertaining to mandatory requirements. Each bidder must attach all applicable documents in support of its bid in accordance with the requirements set out in this bid as well as any other relevant materials, photographs and/or attachments.
- 17.15.** Each bid, once submitted, constitutes a binding and irrevocable offer to provide the services on the terms set out in the bid, which offer cannot be amended after its date of submission. RTIA reserves the right to accept or consider any bid in full or in part or any responses or submissions in relation thereto.
- 17.16.** RTIA reserves the right to appoint more than one bidder whose bid most successfully conforms to the criteria and the requirements in accordance with the terms and conditions described in the TOR
- 17.17.** RTIA reserves the right to request any additional information that it may require or deem necessary. All such requests shall be in writing. After careful consideration and thorough examination of the proposals, RTIA shall select the successful Bidder whose proposal most closely satisfies the criteria and the requirements.

- 17.18.** The lowest price (management fee where applicable) offered will not necessarily be a decisive factor in choosing between proposals. RTIA will publish the results of the outcome of a tender process, including the details of the successful bidder in the same media that was used to advertise the bid.

18. PAYMENT

- 18.1. Invoice.** The Contractor's Project Manager shall at the end of each deliverable submit a consolidated invoice, certified as correct by the Contractor's Project Manager, showing the actual work performed, hours worked, and manpower inputs for the task and associated costs accompanied by all supporting documents.

- 18.2. Detailed Pricing.** Service Providers must complete the required SBD3.3 Pricing documents and ensure that Prices are:

- 18.2.1 Firm and inclusive of all costs, including disbursements;
- 18.2.2 Inclusive of VAT, if applicable;
- 18.2.3. Correctly calculated and identical to the financial proposal;
- 18.2.4. Pricing should be detailed, with proper cost breakdown.

18.3 Fees

Domestic hotel accommodation may not exceed R 1440, inclusive of VAT per night per person. (incl. dinner, breakfast and parking), air travel must be restricted to economy class, and travel claims per kilometre may not exceed the rates approved by the Automobile Association of South Africa.

18.4 Rates

According to the 23 October 2013 Cabinet Resolution as defined in the National Treasury Instruction 01 of 2013/14: Cost Containment Measures subparagraph 4.2; the Consultants (or Service Provider) will only be remunerated on the following rates regime:

- 18.4.1. The 'Guidelines for fees' issued by South African Institute of Chartered Accountants (SAICA);
- 18.4.2. The "Guide on Hourly Fee Rates for Consultants", by the Department of Public Service and Administration (DPSA); or
- 18.4.3. Based on the body regulating the profession of the Consultant.

18.5 Payment information

- 18.5.1 An invoice only becomes due and payable:

- a. When the Project Manager signs-off on the specific deliverable and submits the invoice for payment;
 - b. When the invoice is correct with regards to calculations, information contained, banking details and supporting documents.
- 18.5.2 It is important to ensure that invoices are correctly submitted and reference the project name, and Order Number
- 18.5.3 Non-compliance will delay the payment process.

19. Appointment

The Authority reserves the right to not to appoint a service provider, if it is established that no proposal meets the stated requirements.

20. Contact Details

Administrative Contact	Technical Contact
Supply Chain Management	Project Manager
Name: Kelebogile Thipe Mabotja	Name: Zwidaho Matumba CA (SA)
Tel: 087 287 7996	
E-mail:kelebogile.thipe@rtia.co.za	E-mail:Bids@rtia.co.za

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT **July 2010**

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

- | | |
|---|---|
| 16. Payment | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <hr/> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>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.</p> |
| 18. Contract amendments | <p>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.</p> |
| 19. Assignment | <p>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.</p> |
| 20. Subcontracts | <p>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.</p> |
| 21. Delays in the supplier's performance | <p>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.</p> <p>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.</p> <p>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.</p> <p>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</p> |

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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

Js General Conditions of Contract (revised July 2010)