

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference



REQUEST FOR PROPOSAL

ECIC06P-2022/23

TITLE: PROVISION OF EXTERNAL AUDIT SERVICES

CLOSING DATE: 31 JANUARY 2023

CLOSING TIME: 11H00 (SAST, OBTAINABLE FROM TELKOM BY DAILING 1026)

CONTRACT NUMBER: SLA046-2022/23

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

CONTENTS

1. Introduction	3
2. Purpose.....	3
3. Exclusion	3
4. Briefing session (Virtual briefing session)	4
5. Pre-qualification	4
6. Background	6
7. Corporate information	8
8. Scope of work	8
9. Contract condition	9
10. Due diligence/ site inspection.....	10
11. Bid evaluation	10
12. Evaluation Phase One: Pre-qualification	11
13. Evaluation Phase Two: Functional.....	12
14. Evaluation Phase Three: Proof of concept (Presentation).....	14
15. Evaluation Phase Four: Preference point system.....	15
16. Phase Five: Objective criteria.....	16
17. Instructions to respondents.....	16
18. Timeline of the bid process.....	18
19. Bid rules.....	19
Annexures.....	24
Annexure A: Format for fee proposal	24
7. Annexure B: List of resources	26
Annexure C: Protection of personal information.....	28
Annexure D: Applicable Standard Bidding Documents	30
SBD 1	30
SBD 4.....	33
SBD 6.1	37
Annexure E: Administrative Checklist.....	43

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

1. Introduction

- 1.1 The Export Credit Insurance Corporation of South Africa (SOC) LTD (ECIC)¹ is a self-sustained state-owned entity listed under Schedule 3B of the Public Finance Management Act 1 of 1999 (as amended) and established in terms of the Export Credit and Foreign Investments Insurance Act 78 of 1957 (as amended).
- 1.2 The mandate of ECIC is to facilitate and encourage South African export trade, by underwriting export credit loans and investments outside the country, to enable South African contractors to win goods and services contracts in countries outside South Africa. ECIC is a registered Financial Service Provider and is regulated by the Financial Sector Conduct Authority and Prudential Authority (FSP No: 30656). Currently exempted in terms of FAIS Notice 78 of 2019.
- 1.3 ECIC currently operates from offices at Block C7 Eco Origins Office Park, 349 Witch Hazel Avenue, Highveld Ext 79, Centurion, 0157, South Africa. ECIC has acquired new offices situated in Centurion which are 4 kms away from the current offices.

2. Purpose

- 2.1 The purpose of this bid is to appoint a service provider to provide external audit services to ECIC for a period of five (5) financial years.

3. Exclusion

- 3.1 The following potential bidders are excluded from bidding on this bid:
- 3.1.1 Bidders that are providing any ²material consulting services to ECIC or that have done so recently (in the past two (2) years).
- 3.1.2 Bidders that are providing any internal audit services to ECIC or that have done so recently (in the past two (2) years).
- 3.1.3 Any bidder who has provided external audit services to ECIC in the past five (5) financial years (i.e. 2018/19, 2019/20, 2020/21, 2021/22 and 2022/23 financial years).
- 3.1.4 This exclusion is also applicable to service providers who were sub-contracted to the bidders mentioned in paragraphs 3.1.1 to 3.1.3 above.
- 3.1.5 This exclusion is also applicable to bidders who have partnered with companies who provided ECIC with the services listed in paragraphs 3.1.1 to 3.1.3 above.
- 3.2 ECIC will not evaluate any bid received from a bidder who falls within any of the criteria listed in paragraph 3.1 above.

¹ Further information on the ECIC can be found at www.ecic.co.za

² This relates to consultancy services provided insurance technical reserves (include Head of Actuarial Functions) and Investments.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

4. Briefing session (Virtual briefing session)

- 4.1 A non-compulsory briefing session will be held virtually on 18 January 2023 at 14H00 (South African Standard Time) for approximately 1 hour at the following address:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_MTBmNDc2OTktMTQ5NS00ZWU2LThmNGEtNzIzMDBmOTVmMDBm%40thread.v2/0?context=%7b%22Tid%22%3a%22bcc49292-184b-47c7-bb08-4467c490ca5c%22%2c%22Oid%22%3a%22b197eb60-f523-4755-b449-cb351227ae15%22%7d

5. Pre-qualification

5.1 Regulatory registration

5.1.1 This bid is only open to bidders who meet the following criteria:

- 5.1.1.1 Registered with the Independent Regulatory Board of Auditors (IRBA), as required in terms of the Auditing Profession Act, 26 of 2005. The bidder must provide proof of registration (i.e. registration document/certificate or registration number).
- 5.1.1.2 Approved by the Prudential Authority to provide external services without limitations. The bidder must provide proof of approval (i.e. approval document/certificate).
- 5.1.1.3 Bidder is operating a training office that is registered with the South African Institute of Chartered Accountants (SAICA). The bidder must provide proof of registration (i.e. registration document/certificate or registration number).
- 5.1.1.4 The signing partner(s) and/or director(s) are registered with the South African Institute of Chartered Accountants (SAICA) and Independent Regulatory Board of Auditors (IRBA). The bidder must provide proof of registration (i.e. registration document/certificate or registration number).
- 5.1.1.5 The manager(s) is registered with the South African Institute of Chartered Accountants (SAICA). The bidder must provide proof of registration (i.e. registration document/certificate or registration number).

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

5.2 Experience

5.2.1 This bid is only open to bidders who meet the following criteria:

5.2.1.1 Demonstrate that they have at least four (4) years company audit experience in the South African insurance industry and public sector (organs of state governed by the Public Finance Management Act).

5.2.1.2 Completed and signed reference for at least three (3) insurance clients and at least two (2) public sector clients with similar size to the ECIC (Include their contact numbers). The reference must not be for a period older than five (5) years from the closing date of this bid.

5.2.1.3 Has a signing partner(s) and/or director(s) who has experience in auditing clients who are subjected to IFRS, PFMA, Solvency Assessment Management (SAM)/short term insurance regulations in the past three (3) years.

5.2.1.4 Has a manager(s) who has experience in auditing clients who are subjected to IFRS, PFMA, Solvency Assessment Management (SAM)/short term insurance regulations in the past three (3) years.

5.3 Transformation

5.3.1 It is the intention of ECIC to appoint a successful bidder who will provide external audit services in a manner that promotes transformation in the profession. ECIC has to that effect created a distinction between top-tier audit firms and others; whereby a top-tier audit firm is classified for this bid as an audit firm with an international footprint, trading under the same brand name on a global basis and has reported revenue of at least R50 million in the most recent financial year.

5.3.2 In its efforts to promote inclusive development and participation of small black owned audit firms on this bid, the appointment of the external auditors will be done in the following manner:

5.3.2.1 If the bidder meets the Top-Tier classification as per paragraph 5.3.1, the following shall apply:

5.3.2.1.1 The bidder shall **jointly bid** or **subcontract a portion of the audit work** to an Audit Firm that is an EME/QSE owned at least 51% by black people.

5.4 Any bid received from a bidder who does not meet the requirements listed in paragraphs 5.1 to 5.3 shall not be accepted for further evaluation.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

6. Background

- 6.1 ECIC as a National Public Entity, listed in Schedule 3B of the Public Finance Management Act 1 of 1999, which is required to have its financial information and performance plans externally audited by the Auditor General of South Africa. The Auditor General has in turn, allowed ECIC to appoint its external auditors.
- 6.2 According to section 25(1) (b) of the Public Audit Act, 2004 (Act No. 25 of 2004) (“Public Audit Act”), the audit of ECIC is conducted by independent auditors in public practice. The appointed external auditors have a responsibility to perform specific procedures in terms of the Public Audit Act and make necessary submissions to the Auditor-General as specified in the Act.
- 6.3 Further, ECIC is registered as a company in terms of the Companies Act No. 71 of 2008, and therefore, it has to be audited in line with the requirements of the Companies Act.
- 6.4 ECIC prepares its financial statements in accordance with the:
- 6.4.1 International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board;
 - 6.4.2 Interpretations to IFRS as issued by the IFRS Interpretations Committee (IFRIC);
 - 6.4.3 South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee;
 - 6.4.4 Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council;
 - 6.4.5 Requirements of the Public Finance Management Act No. 1 of 1999, as amended; and
 - 6.4.6 Companies Act No. 78 of 2008, as amended.
- 6.5 ECIC has deferred the implementation of IFRS 9 to the 2024 financial year when IFRS 17 becomes effective.
- 6.6 As indicated above, ECIC is Financial Service Provider and it is regulated by the Financial Sector Conduct Authority and the Prudential Authority (of South Africa Reserve Bank) and it is required to submit statutory returns to these regulators.
- 6.7 ECIC is registered for income tax in terms of the Income Tax Act 58 of 1962 (Income Tax Act) and for Value Added Tax in terms of Value-Added Tax Act 89 of 1991 (VAT Act).
- 6.8 During 2019, ECIC appointed an audit firm, who subcontracted 30% (with the percentage increasing to 50% over the contract term) of the work to an emerging auditing firm to provide external audit services for a period of 5 years (for the

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

financial year years ended 31 March 2019 to 31 March 2023). The contract will end with the conclusion of the audit of the 2022/23 financial year on 31 August 2023.

6.9 ECIC therefore desires to retender for the services, for another period of five years, commencing with the audit of the 2023/24 financial year and must have an auditor on record commencing on 1 May 2023.

6.10 Such appointment, must be approved by the relevant regulatory authorities in line with the ECIC's Procurement Policy, who includes:

6.10.1 Office of the Auditor General of South Africa, and

6.10.2 Prudential Authority.

6.11 ECIC earns income from the following sources:

6.11.1 Premiums in relation to insurance policies with financial institutions;

6.11.2 Investment income in the form of interest, dividends, profit/loss on sale of investments and fair value movements which is generated on the excess cash invested;

6.11.3 Salvage income from claims previously paid; and

6.11.4 Government grants relating to Interest Make-Up Scheme (IMU Scheme). ECIC participates in the IMU Scheme which is a scheme which was implemented by the National Government of South Africa (the Government), represented by the Department of Trade, Industry and Competition (dtic). The IMU Scheme is an incentive scheme whereby a number of South African Financial Institutions were incentivised to limit the interest rate charged to borrowers of export credit loans (borrowers). The Government compensates the Financial Institutions for the loss of income they would have received from the borrowers, had interest been levied at the usual rate. ECIC receives the IMU grant from the dtic annually to settle the related IMU claims from financial institutions.

6.12 The goods and services consumed or used by the ECIC are comprised of the following:

6.12.1 Goods and services that are directly linked/ wholly consumed/used in making taxable supplies (insurance related transactions).

6.12.2 Goods and services that are directly linked/ wholly consumed/used in making of exempt supplies (investment related transactions).

6.12.3 Good and services that are consumed/used in making both taxable and exempt supplies (mixed expenses e.g., support functions like finance).

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

- 6.13 The functional currency for ECIC is US Dollars whilst the tax is calculated on the ZAR (South African Rands); therefore, ECIC is exposed to foreign exchange currency movements on transactions which are denominated in currencies other than USD. The financial statements are however presented in Rands.
- 6.14 ECIC has investments which includes external fund managers, fixed deposits and non-listed equity investments (mainly denominated in US Dollars and ZAR).

7. Corporate information

- 7.1 Bidders are encouraged to visit the website of ECIC (www.ecic.co.za) to view previous years previous annual reports.

8. Scope of work

- 8.1 The appointed external auditors will be required to perform audit functions in terms of the following:
- 8.1.1 Perform audit functions of ECIC in compliance with International Standards on Auditing (ISAs) and provide an audit opinion for approval by the Board and tabling in the Annual Report.
 - 8.1.2 Application of a risk-based approach to reduce audit risk to an acceptable low level thereby enabling the expressing of an auditor's opinion that provides reasonable assurance whether the financial statements as a whole are free from material misstatement, whether due to fraud or error.
 - 8.1.3 Maintain independence from ECIC in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa.
 - 8.1.4 The auditor's fulfilment of other ethical responsibilities in accordance with the IRBA Code of Professional Conduct for Registered Auditors and in accordance with other ethical requirements applicable to performing audits in South Africa.
 - 8.1.5 Prepare communication plan with ECIC, involving management, the Audit Committee and the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control. This will include scheduling of meetings, as well as written communications, including the final management report prepared in line with the Office of the Auditor General of South Africa's requirements.
 - 8.1.6 Preparation of the audit report, including technical report on the review of the financial statements (IFRS).
 - 8.1.7 Perform additional audit procedures as required by the National Treasury, Office of the Auditor General of South Africa and the Regulators.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

8.1.8 Any additional audit requirements as agreed between the parties from time to time, including the detailed review of the implementation of new accounting standards. Bidders are not required to quote for this as it will be done when required.

8.2 The following non-negotiable deadlines are applicable each year:

Table 1

Description	Deadline
Audit planning memorandum to be presented to the Committee	January
Interim audit to be performed	February /March
Final audit to be performed	April and May
Audited financial statements of ECIC to be available for submission to the Audit Committee (including the report from the Technical Team)	May
Signed audited financial statements and management report	Last working day of May
Audited annual Insurance return and audit report	July
Audited National Treasury annual financial statements and audit report	July
Review of the integrated report	July
Quality reviews of previous audits by IRBA or Internal Quality Reviewers (if IRBA is not available)	September
Independent declaration for the next year's audit	September

9. Contract condition

9.1 The appointed bidder shall agree to the following:

9.1.1 The signing partner(s) and/or director(s) for the audit and the technical reviewer of the financial statements must be registered and be in good standing with SAICA as CA (SA).

9.1.2 The manager(s) for the audit and the technical review of the financial statements must be registered and be in good standing with SAICA as CA (SA).

9.1.3 The signing partner(s) and/or director(s) must be registered and be in good standing with IRBA.

9.1.4 All other team leads must be registered with a professional body.

9.1.5 The team should be diverse with the technical team, actuaries, tax experts included in a team.

9.1.6 The appointed bidder must operate a training office that is registered with SAICA.

9.1.7 The appointed bidder must be registered and be in good standing with IRBA.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

- 9.1.8 Any changes to staff complement must be signed off by ECIC.
- 9.1.9 ECIC has the right to cancel the contract if it is of the view that it poses unacceptable reputational risk(s) to ECIC.
- 9.2 The appointment shall be subjected to annual approval by ECIC and Office of the Auditor General of South Africa.

10. Due diligence/ site inspection

- 10.1 At the ECIC's discretion, a due diligence and/or site inspection may be conducted on the identified bidder (*the due diligence site visit may take place remotely*). ECIC will visit the identified bidders' premises with the objective of verifying information as contained in their bid documents.
- 10.2 Where applicable, the ECIC will issue criteria for the due diligence review or site inspection beforehand to the applicable bidder(s). Should it be discovered during a due diligence visit or site inspection that the information submitted by the identified bidder is inconsistent with what is on their current premises of business, ECIC reserves the right to disqualify such bidder.
- 10.3 ECIC may identify another bidder using the next highest points obtained in the evaluation phase as stipulated in paragraph 11.1.4, taking into consideration the process followed under paragraphs 10.1 and 10.2.

11. Bid evaluation

- 11.1 The proposals will be evaluated in phases as highlighted below and detailed in paragraphs 12 to 16 of this document:

11.1.1 Phase One: Pre-qualification

Compliance with pre-qualification requirements as listed in paragraph 12. In this evaluation phase, all bidders that fail to provide the required information and documentation, will be disqualified from further evaluation.

11.1.2 Phase Two: Functional evaluation (desktop evaluation)

In this evaluation phase, bidders are expected to obtain a minimum of 80.00 out of 100 points to proceed to the next evaluation stage of the evaluation. Failure to obtain the prescribed minimum points will automatically disqualify the bid offer from proceeding to the next evaluation phase.

11.1.3 Phase Three: Proof of concept evaluation (Demonstration)

In this evaluation phase, bidders are expected to obtain a minimum of 80.00 out of 100 points to proceed to the next evaluation stage of the evaluation. Failure to obtain the prescribed minimum points will

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

automatically disqualify the bid offer from proceeding to the next evaluation phase.

11.1.4 Phase Four: Preference point system

The 80/20 preference points system shall be applicable to this phase, where 80.00 points represent maximum obtainable points for the lowest acceptable price and 20.00 points represents maximum obtainable points for the B-BBEE level status (to be evaluated using provisions under paragraph 15). Points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table as listed in the bid documentation (refer to paragraph 15.3).

11.1.5 Phase Five: Objective criteria

ECIC will apply objective criteria as detailed in paragraph 16.

12. Evaluation Phase One: Pre-qualification

12.1 Compliance to requirements as listed in paragraph 5.

12.2 ECIC will only consider a bid if the relevant bidder meets the pre-qualification criteria mentioned in paragraph 12.1. Where a bidder fails to meet the pre-qualification criteria, the bid will be considered an unacceptable bid and will be disqualified from further evaluation.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

13. Evaluation Phase Two: Functional

13.1 The proposal submitted by the bidder will be evaluated by the ECIC based on the following criteria and be rated as the factor score over 5 multiplied by the applicable points:

Factor scores: 0=Poor, 1=Below average, 2=Average, 3=Good, 4=Very Good, 5=Excellent

Table 2

EVALUATION CRITERIA	DESCRIPTION OF POINTS ALLOCATION			SUB POINTS	POINTS
	DETAILS/INFORMATION	EVIDENCE/PROOF	FACTOR		
1. Proposed resources	1.1. Bidders are required to provide detailed copies of curriculum vitae of the signing partner(s) and/or director(s). The curriculum vitae must show the qualifications and years of experience of the signing partner(s) and/or director(s), who has experience in auditing clients who are subjected to IFRS, PFMA, Solvency Assessment Management (SAM)/short term insurance regulations.	1.1.1. The resource does not have experience in any of the fields indicated.	0	30	50
		1.1.2. The resource(s) has less than seven (7) years' experience in all the fields indicated.	1		
		1.1.3. The resource(s) has between seven (7) and ten (10) years' experience in all the fields indicated.	2-3		
		1.1.4. The resource(s) has more than ten (10) years' experience in all the fields indicated.	4-5		
	1.2. Bidders are required to provide detailed copies of curriculum vitae of the manager(s) (or equivalent), who has experience in auditing clients who are subjected to IFRS, PFMA, Solvency Assessment Management (SAM)/short term insurance regulations.	1.2.1. The resource does not have experience in any of the fields indicated.	0	20	
		1.2.2. The resource(s) has less than five (5) years' experience in all the fields indicated.	1		
		1.2.3. The resource(s) has between five (5) and seven (7) years' experience in all the fields indicated.	2-3		
		1.2.4. The resource(s) has more than seven (7) years' experience in all the fields indicated.	4-5		

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

EVALUATION CRITERIA	DESCRIPTION OF POINTS ALLOCATION			SUB POINTS	POINTS
	DETAILS/INFORMATION	EVIDENCE/PROOF	FACTOR		
2. Diversity of the firm	2.1. The diversity of the firm (including its alliances) and the team consist as a minimum the following skills set: a. Actuaries. b. IFRS Technical Expert. c. Direct Tax (Income Tax) Specialist(s). d. Indirect Tax (VAT) Specialist e. PFMA Specialist.	2.1.1. The firm and the team is diverse but does not include any actuarial skill set.	0	25	
		2.1.2. The firm and the team is diverse, and it includes some of indicated skills set (a to d).	1-3		
		2.1.3. The firm and the team is diverse, and it includes all indicated skills set (a to d).	4		
		2.1.4. The firm and the team is diverse, and it includes all indicated skills set (a to e).	5		
3. IFRS 17 reviews	3.1. Bidders must provide evidence that they have resources who have reviewed IFRS 17 implementation.	3.1.1. Either the partner/director or the audit manager does not have experience in reviewing implementation of IFRS17.	0	25	
		3.1.2. A partner/director and the audit manager have experience in reviewing implementation of IFRS17.	3		
		3.1.3. A partner/director and the IFRS17 Technical Team have experience in reviewing implementation of IFRS17.	4		
		3.1.4. A partner/director, IFRS technical expert and the audit manager have experience in reviewing implementation of IFRS17.	5		
TOTAL				100	

13.2 The total points achieved under this evaluation criteria will be rounded to the nearest two decimal places.

13.3 The Proof of Concept will be conducted online using Microsoft Teams.

13.4 Bidders who achieve minimum points of 80.00 out of 100 will be invited for presentation of their proposed solution to ECIC. The presentation will be on or before the week ending 24 February 2023 for bidders that have passed the functional evaluation. Dates and times will be communicated to the bidders who have passed functionality on or before the week ending 10 February 2023.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

14. Evaluation Phase Three: Proof of concept (Presentation)

14.1 The proposal submitted by the bidder will be evaluated by the ECIC based on the following criteria and be rated as the factor score over 5 multiplied by the applicable points:

Factor scores: 0=Poor, 1=Below average, 2=Average, 3=Good, 4=Very Good, 5=Excellent

Table 3

EVALUATION CRITERIA	POINTS
1. Demonstrated understanding of the ECIC business by the presenters (key audit team members).	40
2. Demonstrated understanding of the insurance regulations (SAM requirements and developments) and IFRS relevant developments.	40
3. Proposed audit methodology.	20
TOTAL	100

14.2 The total points achieved under this evaluation criteria will be rounded to the nearest two decimal places.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

15. Evaluation Phase Four: Preference point system

15.1 The formula below will be used to calculate the preference procurement points for price if the 80/20 basis applies.

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

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid or offer under consideration

Pmin = Comparative price of lowest acceptable bid

15.2 Depending on the bidder’s level of broad-based black empowerment contribution, a maximum of 20 points may be allocated to a bidder. The points scored by a bidder for broad-based black economic empowerment contribution will be added to the preference procurement points allocated for price. It is noted that international asset managers will not be able to meet the B-BBEE requirements and will receive a score for this section of the evaluation of zero unless they are able to demonstrate a partnership, JV or consortium with a local partner with relevant B-BBEE status.

15.3 The table below reflects the number of points to be allocated to a bidder based on broad-based black economic empowerment contribution:

Table 4

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

15.4 The B-BBEE points will be awarded as per the rating certificate, the points for joint ventures (JV) or consortiums will be awarded based on the certificate of the JV or the consortium.

15.5 The total points achieved under this evaluation criteria will be rounded to the nearest two decimal places.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

16. Phase Five: Objective criteria

16.1 In this evaluation stage, ECIC will check if the bidder has a person who meet the following criteria in awarding the bid:

16.1.1 The bidder has a significant shareholder or owner (or equivalent) (directly or indirectly) who is classified or can be classified as a Prominent Influential Person (PIP) in accordance with Financial Intelligence Centre Act, 38 of 2001 (FICA).

16.1.2 The bidder has a shareholder or member or owner or director (or equivalent) who has questionable integrity status.

16.1.3 The bidder has a director or equivalent who is classified or can be classified as a PIP in accordance with FICA.

16.2 Should it be found during this evaluation stage, that the bidder who has attained the highest points under Evaluation Stage Four (Preference Point System) has persons listed in paragraphs 16.1.1 to 16.1.3, ECIC reserves the right to conduct further due diligence on the person(s). Should the outcome of a further due diligence not be satisfactory to ECIC or such a person(s) poses an unacceptable high risk reputation and/or integrity of the person(s) be questionable, ECIC reserves the right not to award the bid to that bidder. This process may be repeated to the next bidder if so required.

17. Instructions to respondents

17.1 Correspondence

17.1.1 No telephonic or any other form of communication with any other ECIC member of staff other than the named individual below, relating to this RFP will be permitted. All enquiries must be in writing only.

17.1.2 All questions relating to the contents of the tender (conditions, rules, terms of reference etc.) must be forwarded in writing via email to procurement@ecic.co.za by not later than 20 January 2023. Questions received after this date will not be entertained.

17.1.3 All questions must reference specific paragraph numbers, where applicable.

17.1.4 All enquiries (received on or before the closing date for enquiries) will be consolidated and ECIC will publish one response document on the ECIC website (www.ecic.co.za) within two working days after the date in indicated in paragraph 17.1.2, on 24 January 2023.

17.1.5 No requests for information shall be made to any other person or place and in particular not to the existing provider of this service.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

17.2 **Submission of the proposals**

17.2.1 Bid documents must be clearly marked for ease of reference.

17.2.2 Bid documents must be submitted on PDF format on/or before the closing date and time to the following email address:

procurement@ecic.co.za

17.2.3 The following email submission procedures or protocols must be adhered to ensure safe and secure submission of the tender documents and supporting documents:

17.2.3.1 The tender document, including the supporting or returnable documents should be submitted via email in PDF format.

17.2.3.2 If the PDF tender document, including the supporting or returnable documents is less than 20 Megabytes (MB), it should be submitted as one document. If the electronic bid document is more than 20MB, the electronic tender document should be split in order to adhere to the 20MB email capacity.

17.2.3.3 Bidders are also encouraged to submit a USB detailing their tender proposals.

17.2.4 Only if bidders are experiencing challenges with emailing documents, tenders can be delivered at the ECIC Offices on/or before the closing date and time at Block C7 Eco Origins Office Park, 349 Witch Hazel Avenue, Highveld Ext 79, Centurion, 0157, South Africa.

17.2.5 **Notwithstanding the method of submission, any bid received after the closing date and time will not be accepted.**

17.2.6 All bids and all subsequent information received from respondents will not be returned. The proposals should be addressed to the Head of Procurement of ECIC.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

18. Timeline of the bid process

18.1 The period of validity of the tender and the withdrawal of offers, after the closing date and time are 181 days, expiring on 31 July 2023. The project timeframes of this bid are set out below:

Table 4

STAGE	DESCRIPTION OF STAGE	ESTIMATED COMPLETION DATE (OR WORK WEEK ENDING)
1.	Advertisement of bid on Government e-tender portal / ECIC Website	15 December 2022
2.	Non-compulsory briefing session (virtual)	18 January 2023
3.	Questions relating to bid from bidder(s)	20 January 2023
4.	Bid closing	31 January 2023
5.	Compliance	10 February 2023
6.	Functional Evaluation	10 February 2023
7.	Proof of Concept	24 February 2023
8.	Preference Points	3 March 2023
9.	Bid Adjudication	24 March 2023
10.	Regulatory approvals	Prudential Authority
		Office of the Auditor General of South Africa
		30 April 2023

18.2 All dates and times in this bid are in South African Standard Time.

18.3 Any time or date in this bid is subject to change at the discretion of ECIC. The establishment of a time or date in this bid does not create an obligation on the part of ECIC to take any action or create any right in any way for any bidder to demand that any action be taken on the date established. The bidder accepts that, if ECIC extends the deadline for bid submission (the Closing Date) for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

18.4 ECIC will notify all bidders of the outcome of the bid within 10 days from the date of adjudication of this bid.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

19. Bid rules

- 19.1.1 ECIC will not award a bid to a bidder:
 - 19.1.1.1 Who is or the bidder's director(s), trustee(s), shareholder(s), member(s), partners(s) or any person(s) having controlling interest in the bidder are restricted to conduct business with the State.
 - 19.1.1.2 Who is in the employ of the State or has a director(s), trustee(s), shareholder(s), member(s), partners(s) or any person(s) having controlling interest in the bidder who is in the employ of the State as contemplated in the Public Administration Management Act, 11 of 2014 and is prohibited from conducting business with the State in terms of section of PAMA.
 - 19.1.1.3 Who is in the service of the State or has a director(s), trustee(s), shareholder(s), member(s), partners(s) or any person(s) having controlling interest in the bidder and has not declared their business interest as required in the applicable SBD4 form.
 - 19.1.1.4 Has been found to have transgressed Prevention and Combating of Corrupt Activities Act, 12 of 2004 (as amended).
 - 19.1.1.5 Has been found to have transgressed or is transgressing the Competition Act, 89 of 1998 (as amended).
- 19.1.2 ECIC shall not award a bid or contract or order to a bidder whose tax affairs are not compliant, except to foreign bidders with no tax obligations in South Africa.
- 19.1.3 For a bidder or the bidder's director(s), trustee(s), shareholder(s), member(s), partners(s) or any person(s) having controlling interest in the bidder who have declared their business interest as required in the applicable SBD4 form, ECIC will not award a bid to a bidder who has declared their interest and:
 - 19.1.3.1 Is prohibited from conducting business with the State; or
 - 19.1.3.2 Does not have permission to conduct remunerative work outside their employment.
- 19.1.4 ECIC will verify with the relevant Organ of State to determine if paragraphs 19.1.3.1 and 19.1.3.2 are not applicable.
- 19.1.5 ECIC will assume that, the person contemplated in paragraph 19.1.3 is prohibited from conducting business with the State or the person does not have permission to conduct remunerative work outside their employment if it does not receive any response within 14 days from such verification request to an Organ of State or any date ECIC may deem necessary.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

19.1.6 ECIC will then recommend to award the bid to the bidder who achieved the second highest preference points, and should it be established that, the bidder who achieved the second highest preference points have a person contemplated in paragraph 19.1.3, ECIC will conduct verification as contemplated in paragraphs 19.1.4 and 19.1.5. This step can be performed to up to the bidder who achieved the third highest preference points.

19.2 Documents/information required as a condition of award

19.2.1 Proof of registration valid registration on the National Treasury Central Supplier Database (CSD) (only applicable if claiming B-BBEE points in the adjudication process).

19.2.2 All SBDs signed and completed, SBD1, SBD4, and SBD6.1.

Table 4

Invitation to bid (all bidders must ensure that this Form is duly completed and signed)	SBD 1
Declaration of Interest	SBD 4
Preference Points Claim Form (including a valid B-BBEE Status Level Verification Certificate)	SBD 6.1
Should a bidder not complete and sign the SBD6.1, the bidder will be allocated 0.00 points for B-BBEE.	

19.3 Broad-Based Black Economic Empowerment and Socio-Economic Obligations

19.3.1 As prescribed in terms of the Preferential Procurement Policy Framework Act (PPPFA), Act 5 of 2000 and its Regulations, bidders are to note that ECIC will allow a “preference” to companies who provide a valid BEE Certificate or Sworn Affidavit.

19.3.2 Bidders are required to complete SBD 6.1 and submit it together with proof of their B-BBEE Status as stipulated in the bidding form in order to obtain preference points for their B-BBEE status.

19.4 B-BBEE Joint Ventures or Consortiums

19.4.1 Bidders who would wish to respond to this bid as a Joint Venture [JV] or consortium with B-BBEE entities, must state their intention to do so in their bid submission. Such Respondents must also submit a signed JV or consortium agreement between the parties clearly stating the percentage [%] split of business and the associated responsibilities of each party.

19.4.2 If such a JV or consortium agreement is unavailable, the partners must submit confirmation in writing of their intention to enter into a JV or consortium agreement should they be awarded business by ECIC through this bid process. This written confirmation must clearly indicate the percentage [%] split of business and the

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

responsibilities of each party. In such cases, award of business will only take place once a signed copy of a JV or consortium agreement is submitted to ECIC.

- 19.4.3 Bidders are to note the requirements for B-BBEE compliance of JVs or consortiums as stipulated in the bidding form in order to obtain preference points for their B-BBEE status and submit it together with proof of their B-BBEE Status.

19.5 Sub-contracting

- 19.5.1 ECIC fully endorses the South African Government's transformation and empowerment objectives and in awarding the tender or contract, preference may be given to bidders (Generics) who are willing to subcontract not less than 30% of the contract to a company which is Black Owned, Black Women Owned, Black Youth Owned, owned by Black People with Disabilities, an EMEs and QSE. EME's and QSE's are allowed to bid without subcontracting.

- 19.5.2 If contemplating subcontracting, please note that a bidder will not be awarded points for B-BBEE if it is indicated in its Proposal that such bidder intends subcontracting more than 30% (thirty percent) of the value of the contract to an entity/entity that do not qualify for at least the same points that the bidder qualifies for, unless the intended subcontractor is a company which is Black Owned, Black Women Owned, Black Youth Owned, owned by Black People with Disabilities, an EME and QSE , with the capability to execute the subcontract.

- 19.5.3 A person awarded a contract may not subcontract more than 25% (twenty five) of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

- 19.5.4 Respondents are required to indicate the percentage of the contract that will be sub-contracted as well as the B-BBEE status of the sub-contractor/s on the SBD6.1.

19.6 ECIC's rights

- 19.6.1 ECIC reserves the right to:

- 19.6.2 Amend any bid conditions, bid validity period, bid specifications, or extend the bid closing date, all before the bid closing date. Such amendments will be posted on the ECIC's website under the relevant tender information. All prospective bidders must therefore ensure that they visit the website of ECIC (www.ecic.co.za) regularly before they submit their bid response to ensure that they are kept updated on any amendments in this regard.

- 19.6.3 Cancel or withdraw this bid at any time, as a whole or in part without reasons and without attracting any liability.

- 19.6.4 Award this bid to more than one bidder.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

19.6.5 Negotiate with all or some of the shortlisted bidders.

19.6.6 Not accept the lowest priced bid or award the bid to a bidder other than the highest scoring bidder.

19.6.7 Conduct site visits at bidder's offices and / or at client sites if so required.

19.6.8 Request any relevant information and/ or documents to verify or clarify information supplied in the bid response in relation, but not limited, to the structure of the bidding entity, bidder's capacity, proposed solution, proposed timelines etc.

19.7 **Contract fees**

19.7.1 Where a bidder indicates that its prices are subject to confirmation, or are in any way conditional, such pricing will not be considered.

19.8 **Confidentiality**

19.8.1 Any information relating to the submissions, through the process or otherwise shall be treated in strict confidence. In submitting a response, a Service provider agrees that it shall not be entitled to any information disclosed by another respondent to ECIC, which ECIC has determined to be of a confidential nature. The content and details of the evaluation of submissions will remain confidential to ECIC.

19.9 **Other matters**

19.9.1 If the ECIC does not accept any proposal, it will declare this bid process closed and may then elect to:

19.9.1.1 Proceed on a completely different basis; and/or

19.9.1.2 Not to appoint any respondent (in the event it deems all or any of the proposals not appropriate).

19.9.2 The ECIC reserves the right to engage in any processes required to validate all claims made in the proposal.

19.9.3 The ECIC has the right to enter into negotiation with a prospective Service provider regarding any terms and conditions, including fees, of a proposed contract.

19.9.4 Bidders are allowed to submit joint proposals to allow different companies/entities to undertake different components of the work under one single proposal. In such event however, each bidder is required to provide a B-BBEE certificate.

19.10 **Disclaimer**

19.10.1 The ECIC has produced this bid in good faith. However, the ECIC, its agents and its employees and associates, do not warrant its accuracy or completeness. The

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

ECIC will not be liable for any claim whatsoever and howsoever arising (including, without limitation, any claim in contract, negligence or otherwise) for any incorrect or misleading information contained in this bid due to any misinterpretation of this bid.

19.10.2 This bid is a request for proposals only and not an offer document; answers to it must not be construed as acceptance of an offer or imply the existence of a contract between the ECIC and the bidder.

19.11 **Terms of engagement**

19.11.1 The ECIC's engagement of the service provider will be documented in a contract between the ECIC and the appointed bidder.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

Annexures

Annexure A: Format for fee proposal

1. The bidder must provide ECIC with pricing based on the template (example) below. The pricing shall be firm for the duration of the contract. The bidder must clearly indicate whether pricing (in South African Rands) is inclusive or exclusive of Value Added Tax at 15% (current rate).

Audit deliverables	Amount for year 1)	Amount for year 2)	Amount for year 3)	Amount for year 4)	Amount for year 5)	Total
Audit of annual financial statements including integrated report in line with the requirements of the Office of the Auditor General of South Africa						
Audit of annual SAM Return						
Audit of National Treasury Template						
Attendance of 5 audit committee meetings (scheduled for January, April, May, July and October) and Annual General Meeting for ear year						
Sub total						
Disbursements						
Total excluding Value Added Tax						
Value Added Tax (at 15%)						
Total including Value Added Tax						

2. The bidder is required to provide the proposed audit fees for the full scope of the audit for price per annum for five (5) years. Although the tender is for a period of five (5) years, ECIC will exercise its right to appoint its auditors on an annual basis after obtaining relevant approval in line with ECIC Policies.
3. The total bid amount must be inclusive of all increases. Payment will be made in phases based on the following deliverables:

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

Phase	Description
Phase 1	Planning
Phase 2	Completion of audit testing
Phase 3	Final report including the National Treasury annual financial statements, SAM Return and Integrated Report

4. The bidders must ensure that their bid amount include all applicable and associated costs.
5. ECIC will only accept fixed prices for the contract term. The quoted price must be an all-inclusive price.
6. The quotation must be on the letter head of the bidder.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

7. Annexure B: List of resources

The bidder must also submit a list of the proposed resources in the format or similar format provided below.

PROPOSED RESOURCE		Highest Qualification	Number of years in conducting audits of clients who are subjected to:				Copies of qualifications and attached CV (Yes/No)	Professional Body
Role	Name		IFRS	PFMA	Solvency Assessment Management (SAM)/short term insurance regulations	IFRS 17 implementation		
Signing partner(s) and/or director(s).	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Audit manager	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Technical experts: IFRS	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Technical experts: Actuaries	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Technical experts: Direct Tax (Income Tax)	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Technical experts: Indirect Tax (VAT)	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

PROPOSED RESOURCE		Highest Qualification	Number of years in conducting audits of clients who are subjected to:				Copies of qualifications and attached CV (Yes/No)	Professional Body
Role	Name		IFRS	PFMA	Solvency Assessment Management (SAM)/short term insurance regulations	IFRS 17 implementation		
	XXXXXX							

RESOURCE		Name of the client(s) audited	Number of clients audited in the past three (3) years who are subjected to:			
Role	Name		IFRS	PFMA	Solvency Assessment Management (SAM)/short term insurance regulations	IFRS 17 implementation
Signing partner(s) and/or director(s).	XXXXXX					
Manager(s)	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX

The bidder may have more than one resources per role area. In that event, the bidder must provide the requirement information for each proposed resource. The bidders can add additional lines if so required.

The requested information must be provided on the letterhead of the bidder.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

Annexure C: Protection of personal information

1. ECIC recognises that when the Bidder submits its proposal in response to this bid, it will provide personal information, which ECIC will process for the sole purpose of evaluating the Bidder's proposal. By submitting its proposal in responding to this Request for Quotations, the Bidder hereby provide its consent to the processing of its Personal Information by ECIC.
2. The following terms shall have the meaning ascribed to them:
 - 2.1. **"Personal Information"** shall bear the same meaning as ascribed to it under POPI;
 - 2.2. **"POPI"** means Protection of Personal Information Act, No. 4 of 2013;
 - 2.3. **"Responsible Party"** shall bear the same meaning as ascribed to it under POPI; and
 - 2.4. **"bid"** means this Request for Quotations.
3. ECIC as the Responsible Party undertakes to:
 - 3.1. comply with the provisions of POPI as well as all applicable legislation as amended or substituted from time to time;
 - 3.2. treat all Personal Information strictly as defined within the parameters of POPI;
 - 3.3. process Personal Information only in accordance with the consent it was obtained for, for the purpose agreed, as permitted by law;
 - 3.4. secure the integrity and confidentiality of any Personal Information in its possession or under its control by taking appropriate, reasonable technical and organisational measures to prevent loss, damage, unauthorised destruction, access, use, disclosure or any other unlawful processing of Personal Information;
 - 3.5. not transfer any Personal Information to any third party in a foreign country unless such transfer complies with the relevant provisions of POPI regarding trans-border information flows; and
 - 3.6. not retain any Personal Information for longer than is necessary for achieving the purpose in terms of bid or in fulfilment of any other lawful requirement.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

4. ECIC will ensure that all reasonable measures are taken to:
 - 4.1. identify reasonably foreseeable internal and external risks to the Personal Information in its possession or under its control;
 - 4.2. establish and maintain appropriate security safeguards against the identified risks;
 - 4.3. regularly verify that the security safeguards are effectively implemented;
 - 4.4. ensure that the security safeguards are continually updated in response to new risks or deficiencies in previously implemented safeguards;
 - 4.5. provide immediate notification to the Bidder if a breach in information security or any other applicable security safeguard occurs; provide immediate notification to the Bidder where there are reasonable grounds to believe that the Personal Information has been accessed or acquired by any unauthorised person;
 - 4.6. remedy any breach of a security safeguard in the shortest reasonable time and provide the Bidder with the details of the breach and, if applicable, the reasonable measures implemented to address the security safeguard breach;
 - 4.7. provide immediate notification to the Bidder where the Bidder has, or reasonably suspects that, Personal Information has been processed outside of the purpose agreed to or consented to;
 - 4.8. provide the Bidder, upon request, with all information of any nature whatsoever relating to the processing of the Personal Information for the purpose of the bid and any applicable law; and
 - 4.9. notify the Bidder, if lawful, of receipt of any request for access to Personal Information, in its possession and relating to the Bidder.
5. The Bidder has the right to inspect the Personal Information processing operations, as well as the technical and organisational information security measures employed by the ECIC to ensure compliance with the provisions of this Annexure.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

Annexure D: Applicable Standard Bidding Documents

SBD 1

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE EXPORT CREDIT INSURANCE CORPORATION OF SOUTH AFRICA (SOC) LIMITED				
BID NUMBER:	ECIC06P-2022/23	CLOSING DATE:	31 JANUARY 2023	CLOSING TIME: 11H00
DESCRIPTION	PROVISION OF EXTERNAL AUDIT SERVICES			
BID RESPONSE DOCUMENTS MUST BE SENT TO THE FOLLOWING EMAIL ADDRESS:				
procurement@ecic.co.za				
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:	
CONTACT PERSON	Ayanda Mdunge		CONTACT PERSON	Ayanda Mdunge
E-MAIL ADDRESS	procurement@ecic.co.za		E-MAIL ADDRESS	procurement@ecic.co.za
SUPPLIER INFORMATION				
NAME OF BIDDER				
POSTAL ADDRESS				
STREET ADDRESS				
TELEPHONE NUMBER	CODE		NUMBER	
CELLPHONE NUMBER				
FACSIMILE NUMBER	CODE		NUMBER	
E-MAIL ADDRESS				
VAT REGISTRATION NUMBER				
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No: MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

[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?	<input type="checkbox"/> Yes <input type="checkbox"/> No [[IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> YES <input type="checkbox"/> NO [[IF YES, ANSWER THE QUESTIONNAIRE BELOW]
---	---	---	---

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
<p>IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</p>	

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

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

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

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

DATE:

BIDDER’S DISCLOSURE

1. PURPOSE OF THE FORM

- 1.1. 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.
- 1.2. 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 interest ³ 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
---	---------------

³ 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.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

2.2.1. If so, furnish particulars:

Full Name (Name of person employed by Export Credit Corporation of South Africa (SOC) Ltd, the procuring institution)	Relationship

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:

Name of Related Enterprise	Registration (ID) Number

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

3. DECLARATION

I, the undersigned, 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 consortium⁴ 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.
- 3.5. 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.
- 3.6. 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.
- 3.7. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

⁴ 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.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

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.

Name of declarer			
Position/Title of declarer			
Name of bidder			
Signature of declarer		Date of signature	

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

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

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

1. GENERAL CONDITIONS

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

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

1.2

a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 Preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20

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

80/20

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: . = ...(maximum of 10 or 20 points) (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

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

(Tick applicable box)

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

i. If yes, indicate:

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

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

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

- 8.1 Name of company/firm.....
- 8.2 VAT registration Number.....
- 8.3 Company registration number.....

8.4 TYPE OF COMPANY/ FIRM

- Y Partnership/Joint Venture / Consortium
- Y One person business/sole propriety
- Y Close corporation
- Y Company
- Y (Pty) Limited
- [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- Y Manufacturer
- Y Supplier

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

- Professional service provider
 - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
 - (a) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (b) disqualify the person from the bidding process;
 - (c) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (d) 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;
 - (e) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (f) forward the matter for criminal prosecution.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

WITNESSES		BIDDER	
1.	Name		Name
	Signature		Signature
2.	Name		Address
	Signature		

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

Annexure E: Administrative Checklist

Hereunder is a checklist to ensure that the bid document is complete in terms of administrative compliance. Please ensure that the following forms have been completed and signed and that all documents, as requested, are attached to the tender document.

ITEM	DOCUMENT REFERENCE	ACTION TO BE TAKEN	YES/ NO
1.	Annexure A	Is the quotation submitted?	
2.	Annexure B	Is the list of resources submitted, together with supporting documentation (information) as required in Annexure B?	
3.	Registration with Independent Regulatory Board of Auditors (IRBA)	Has the bidder provided proof of registration with Independent Regulatory Board of Auditors (IRBA), (i.e. registration document/certificate or registration number)?	
4.	Prudential Authority approval	Has the bidder provided proof approved by the Prudential Authority. The bidder must provide proof of approval (i.e. approval document/certificate)?	
5.	Registration of a training office that is registered with the South African Institute of Chartered Accountants (SAICA)	Has the bidder provided proof of registration of its training office with the South African Institute of Chartered Accountants (SAICA), (i.e. registration document/certificate or registration number)?	
6.	Registration of the signing partner(s) and/or director(s) are registered with the South African Institute of Chartered Accountants (SAICA) and Independent Regulatory Board of Auditors (IRBA)	Has the bidder provided proof that the signing partner(s) and/or director(s) are registered with the South African Institute of Chartered Accountants (SAICA) and Independent Regulatory Board of Auditors (IRBA). (i.e. registration document/certificate or registration number)?	
7.	Registration of the manager(s) is registered with the South African Institute of Chartered Accountants (SAICA)	Has the bidder provided proof that the manager(s) is registered with the South African Institute of Chartered Accountants (SAICA) (i.e. registration document/certificate or registration number)?	
8.	Registration of other team leads with a professional body.	Has the bidder provided proof that all other team leads are registered with a professional body (i.e. registration document/certificate or registration number)?	

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

ITEM	DOCUMENT REFERENCE		ACTION TO BE TAKEN	YES/ NO
9.	References from previous clients		<p>Has the bidder provided references demonstrating that they have:</p> <ul style="list-style-type: none"> at least four (4) years company audit experience in the South African insurance industry and public sector (organs of state governed by the Public Finance Management Act)? audited at least three (3) insurance clients and at least two (2) public sector clients with similar size to the ECIC (Include their contact numbers). The reference must not be for a period older than five (5) years from the closing date of this bid? 	
10.	Subcontracting agreement		Where applicable, has the bidder provided a copy of the subcontracting agreement with the proposed subcontractor?	
11.	SBD 1	Invitation to bid	Is the form duly completed and signed?	
12.	SBD 4	Declaration of Interest (if applicable)	Is the form duly completed and signed? (if applicable)	
13.	SBD 6.1	Preference Points Claim Form for Preferential Procurement Regulations 2017 (if applicable)	Is the form duly completed, B-BBEE points claimed (if applicable) and form signed?	
14.	B-BBEE status level verification certificate or Sworn Affidavit (if applicable)		<p>Is proof of B-BBEE Status level of contributor attached (if applicable)? Bidder must attach copy of BEE Certificate or copy of Sworn Affidavit, whichever is applicable?</p> <p>Bidders must ensure that, where applicable, the proof submitted is in the name of the bidder, or in instances where the bidder is a subsidiary of a holding entity, the bidder must ensure that, the name of the bidder appears on the document provided (including any supporting Annexure).</p>	
15.	Copy of CSD Report or MAAA Number (if applicable)			
16.	Tender submission (if the bidder is submitting physical information/documents)		Two (2) printed copies (one original and one copy) submitted? (if submitting physical copies).	
			One (1) electronic copy submitted?	

I, the undersigned (name) certify that the information furnished on this checklist is true and correct.

REQUEST FOR PROPOSAL: PROVISION OF EXTERNAL AUDIT SERVICES

Terms of Reference

Position/Title of declarer			
Name of bidder			
Signature of declarer		Date of signature	