



NATIONAL LIBRARY OF SOUTH AFRICA

228 Johannes Ramakhoase Street
Private Bag X397
Pretoria
0001

5 Queen Victoria Street
Cape Town
8001

REQUEST FOR INFORMATION

AUDIT REMEDIATION OF NON COMPLIANCE WITH GRAP 103 STANDARD
FOR THE ACCOUNTING OF HERITAGE COLLECTIONS AT THE NLSA

CLOSING DATE: 28 September 2018

TIME: 11H00

**COMPULSORY BRIEFING SESSION (NLSA, 228 Johannes Ramokhoase Street,
Pretoria CBD)**

DATE : 07 September 2018
VENUE : Auditorium
TIME : 11H00

NB. Note that Saturday will be treated as a normal working day. Should you want to deliver bid documents, please note that the NLSA opens at 08H:00 and closes at 16H:30. Upon the submission of the bid documents, Service Providers are requested to sign the register at the Reception.

PROPOSAL DOCUMENTS ARE AVAILABLE ON:

- NLSA website (www.nlsa.ac.za)
- National Treasury website (www.e-tenders.gov.za)

1. PURPOSE OF THE RFI

The National Library of South Africa (NLSA) is soliciting information from Service Providers with specialties in advisory and accounting services. Implementable proposals responsive to the compliance requirements of GRAP 103: Heritage Assets Standard are hereby invited.

It is neither the purpose of the NLSA to award a tender from this invitation, nor does the invitation constitute a commitment to procure goods and services as described herein. The information, data, comments, or reactions obtained may be used as research for future solicitation by the NLSA.

The NLSA will review all responses received. If the NLSA decides to issue a solicitation for commodities or services, the procurement will be conducted in accordance with the procurement laws, rules and guidelines applicable to the NLSA.

2. CONTACT AND RESPONSE INFORMATION

The procurement officer is the point of contact for this RFI. Please submit responses to the procurement officer by the deadline specified in the RFI Schedule. Please reference the solicitation number and title. One (1) original copy of the submission is required.

You may submit your response in person, by mail, or by email to the procurement officer at:

Address: [National Library of South Africa](#)
[Director: Supply Chain Management](#)
[Ms Zama Adegboyega](#)
[Audit Remediation - Non Compliance with GRAP 103 Standard](#)
[228 Johannes Ramakhoase Street](#)
[Pretoria 001](#)

Email: quotations@nlsa.ac.za

3. BACKGROUND

3.1 OVERVIEW:

3.1.1 The NLSA is a world class African national library and information hub. It is the mission of the NLSA to build, record, preserve, conserve and make available a complete South African documentary heritage fostering a reading nation towards an informed citizenry.

- 3.1.2 The NLSA is listed under schedule 3A of the Public Finance Management Act, Act No. 1 of 1999 as amended (PFMA). The NLSA adopted the Generally Recognized Accounting Practices (GRAP) Framework for financial reporting purpose consistent with section 55 of the PFMA. To achieve fair presentation of the annual financial statements, the NLSA is required to comply with all provisions of the GRAP Standard as published and made effective by the Accounting Standard Board. The NLSA is committed to fully complying with all applicable provisions of the GRAP Standard. Where internal resources are limited, the services of external experts are sought to assist in the implementation requirements of the GRAP Standard.
- 3.1.3 The NLSA has been unable to comply with the accounting requirements prescribed in the GRAP Standard for Heritage Assets (GRAP 103). This non-compliance has caused the NLSA to receive unfavorable audit opinions in three consecutive years. To remedy the unfavorable audit outcome, the NLSA is seeking the expertise of an advisory, accounting or an equivalent firm to propose a workable solution that will ensure that the NLSA achieves compliance with the GRAP 103 Standard in the 2018/19 financial year.
- 3.1.4 The Auditor-General reported as follows in his Audit Report “I was unable to obtain sufficient appropriate evidence that the entity had properly accounted for all heritage assets at cost or fair value as required by GRAP 103, Heritage assets acquired before 1 April 2012 were not recognized in the annual financial statements. Assets acquired through legal deposit or donations after 1 April 2012, which had no costs or assigned fair values at date of acquisition were recognized using the same weighted average costs. As the Public entity did not maintain adequate records of the heritage assets, I was unable to determine whether any adjustments were necessary to Heritage assets stated at R17 56 968 (R16166 948) in note 9.
- 3.1.5 “GRAP 23 requires the recognition of gain (revenue) when assets are received in a non-exchange transaction. In not recognizing the heritage assets (note in paragraph 3 above) a gain (revenue) for the same amount was also not recognized in the annual financial statements. As a result, I was unable to determine the full extent of the understatement of gains from legal deposits stated at R1 135 446 (2017: R980 457) in note 16 to the financial statements as it was impractical to do so. Additionally, there is a consequential impact on the surplus for the period and on the accumulated surplus.”

3.2 TECHNICAL CONSIDERATION:

Interested parties are advised to submit a technical proposal covering, among others, the areas listed hereunder. This is not a conclusive lists and does not prescribe the minimum requirements for your proposal or information submitted.

3.2.1 The technical accounting consideration should cover the following matters:

- 3.2.1.1 The recognition of the NLSA's collections as Heritage Assets in terms of GRAP 103
- 3.2.1.2 The measurement (Costs vs. Fair Value valuation) of the NLSA's collections as Heritage Assets in terms of GRAP 103
- 3.2.1.3 The subsequent measurement of the NLSA's collections as Heritage Assets in terms of GRAP 103
- 3.2.1.4 The de-recognition criteria, including disposals and transfers
- 3.2.1.5 The presentation and disclosure of the NLSA's collections as Heritage Assets or another appropriate class in the Annual Financial Statements

3.2.2 The business process consideration should cover the following matters:

- 3.2.2.1 The development and management of a Register of NLSA's Collections that service the requirements of Internal and External Audits and service delivery objectives
- 3.2.2.2 The resources required for the annual inventorying process to ensure an updated Register of Heritage Assets
- 3.2.2.3 The methods of identifying related business risks, including accounting and audit risks
- 3.2.2.4 Considerations relevant to the regulatory requirements, including the development of policies and standard operating procedures

3.2.3 The standard implementation process:

- 3.2.3.1 Proposals should provide consideration of the preferred implementation methods
- 3.2.3.2 Proposal should provide consideration of the required resources, including time, budget, staff volume, training etc.

4. PRICING REQUIREMENTS

- 4.1 Interested parties are not required to submit a pricing schedule or costs. However, the NLSA requires that proposals include a basis for consideration of the fee, *i.e.* indicate the factors to be considered in determining the fees or schedule of pricing.
- 4.2 Should Service Providers choose to submit a fee or pricing schedule, it must be submitted in a separate sealed enveloped clearly indicating that the content is a pricing schedule.

5. RFI SCHEDULE OF EVENTS:

EVENT	DATE
RFI issued	31 August 2018
Briefing session and tour of the NLSA's collections	07 September 2018 (11H00)
Deadline for the submission of questions and requests for clarification	18 September 2018 (13H00)
Response to questions and requests for clarification issued	18 September 2018
Deadline for the submission of proposals	28 September 2018 (11H00)

- 5.1 Please submit any questions or requests for clarification about this RFI in writing to the procurement officer by the deadline in the RFI Schedule of Events table.
- 5.2 The preferred method of submission is by email to zama.adegboyega@nlsa.ac.za or nkosini.mashabane@nlsa.ac.za

6. CONDITIONS OF RFI

By submitting a response, Respondents agree that:

- 6.1. These conditions are binding.
- 6.2. A response will be submitted as requested by the specified closing time.
- 6.3. All documents required by the NLSA will be submitted.

- 6.4. The RFI documents become the property of the NLSA upon submission.
- 6.5. RFI documents will be succinct and free from elaborate artwork, bindings or any other forms of unnecessary presentation.
- 6.6. All information in the RFI document is accurate and complete.
- 6.7. Any inquiries relating to the RFI process will be made through the contact person designated in this invitation.
- 6.8. Pursuant to the laws governing privacy of information in the Republic of South Africa, respondents will be bound by applicable Information Privacy Principles and any Code of Practice with respect to any act or practice engaged in by the respondent in connection with this RFI process in the same way and to the same extent as the NLSA is bound in respect of that act or practice engaged in by the NLSA.
- 6.9. The respondent licenses the NLSA to use and reproduce the whole, or any portion of the RFI document, for RFI evaluation and audit purposes.
- 6.10. The NLSA does not warrant the accuracy or completeness of the information supplied and the NLSA is not liable for any deficiency therein.
- 6.11. The NLSA is not bound to proceed further with this process.

7. PROJECT MANAGEMENT

- 7.1. Respondents shall provide own resources for the management and development of proposals responding to this RFI, including assigning competent individuals to perform supervisory roles during the execution and completion of the proposals.

8. COMPULSORY RETURNABLES

NB: All respondents who have state employees as directors and/or advisors in their employ must submit with their proposal, a confirmation of approval granted to the state employee to conduct remunerative work outside of the public service as contemplated in Section 30 of the Public Service Act.

Briefing session

A briefing session and tour of the NLSA's collections is schedule for **07 September 2018** at **11H00**. The session will be hosted in the NLSA's **2nd floor Auditorium**, 228 Johannes Ramakhoase Street, Pretoria CBD.

Contact Ms Zama Adegboyega on 012 401 9773, zama.adegboyega@nlsa.ac.za with any questions in connection with the briefing session.

8.1 Evaluation of RFI

A two stage evaluation will be applied in the evaluation of RFI submissions.

8.1.1 **Stage one:** Initial Screening (Paper review)

All RFI submissions shall be subjected to Stage 01 of the evaluation process. During this phase, proposals shall be reviewed against the Technical Considerations in Section 3.2 and competency requirements prescribed in Section 8.1.5.

8.1.2 **Stage two:** Demonstration and Presentation Interview

Respondents who proved successful in Stage one on all material aspects of this invitation, will be invited to deliver a presentation of their proposal to the NLSA.

8.1.3 Respondents who fail to score **80 points** in Stage one of the evaluation process, may not be invited to deliver a technical presentation and demonstration.

8.1.4 Proposals will be evaluated on a scale of 0 to 5 in accordance with the criteria below. The rating will be as follows:

- 0** = **No evidence** - *Does not comply, no evidence / no reference / no information / no inputs*
- 1** = **Very poor** - *Information provided does not meet the technical requirements of the RFI*
- 2** = **Poor / inadequate** - *No satisfactory information / evidence provided to substantiate; have not reached 80% of the requirements*
- 3** = **Average** - *Satisfactory and comply with at least 80 % of the requirements*
- 4** = **Good** - *Fully meets the specification requirements and complies with more than 90 % of the requirements*
- 5** = **Excellent** - *Fully meets the specification requirements and complies with 100 % of the requirements with additional innovation, best practice standards and benchmark models*

8.1.5 Competency Assessment Criteria:

Any respondent who fails to score a minimum of **80 points** out of **100 points** will not be invited to Stage 02.

CRITERIA FOR FUNCTIONALITY	REQUIRED EVIDENCE	WEIGHTING	RATING						SCORE	TOTAL
			0	1	2	3	4	5		
<i>Technical consideration</i>	<ul style="list-style-type: none"> The proposal submitted responds to the technical considerations prescribed in section 3.2 of the RFI as it pertains to: <ol style="list-style-type: none"> Technical accounting considerations Business process considerations Implementation process consideration 	35								
<i>Relevant experience</i>	<ul style="list-style-type: none"> Include traceable and verifiable references or testimonial of similar work successfully completed with previous clients 	35								
<i>Training and competence of designated individuals</i>	<ul style="list-style-type: none"> Resume/CV of the designated person(s) showing the relevant experience and training in Accounting and Advisory Services in the Public Sector 	30								
TOTAL		100								

Respondents Own Evaluation Sheet (To be completed by the Respondent)

1	Technical Consideration	35%
	<p>- The proposal submitted responded to the technical considerations prescribed in section 3.2 of the RFI as it pertains to:</p> <ul style="list-style-type: none"> o Technical accounting considerations o Business process considerations o Implementation process consideration 	
	Have you (the respondent) substantiated your response?	YES NO
	Indicate the corresponding paragraph/section/submission that specifically substantiates the response in your document.	e.g. Annexure A: Qualification
2	Relevant experience	35%
	<p>- Include traceable and verifiable references or testimonials of similar work successfully completed with previous clients</p>	
	Have you (the respondent) substantiated your response?	YES NO
	Indicate the corresponding paragraph/section/submission that specifically substantiates the response in your document.	e.g. Annexure B: Qualification
3	Training and competence of designated individuals	30%
	<p>- Resume/CV of the designated person(s) which shows the relevant experience and training in Accounting and Advisory Services in the Public Sector</p>	
	Have you (the respondent) substantiated your response?	YES NO
	Indicate the corresponding paragraph/section/submission that specifically substantiates the response in your document.	e.g. Annexure C: Qualification

**PART A
INVITATION TO PROPOSAL**

YOU ARE HEREBY INVITED TO SUBMIT PROPOSALS FOR REQUIREMENTS OF THE NATIONAL LIBRARY OF SOUTH AFRICA					
PROPOSAL NUMBER:	NLSA.PTA AUDIT REME 08/2018	CLOSING DATE:	28 SEPTEMBER 2018	CLOSING TIME:	11:00
DESCRIPTION	AUDIT REMEDIATION - NON COMPLIANCE WITH GRAP 103 STANDARD FOR THE ACCOUNTING OF HERITAGE COLLECTIONS AT THE NLSA				
THE SUCCESSFUL RESPONDENT WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					

PROPOSAL RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE TENDER BOX SITUATED AT
(STREET ADDRESS)

75 Thabo Sehume Street					
Pretoria CBD					
SUPPLIER INFORMATION					
NAME OF RESPONDENT					
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]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)
	<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)
	<input type="checkbox"/>	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?	<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 PART B:3 BELOW]
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SIGNATURE OF RESPONDENT	DATE	
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CAPACITY UNDER WHICH THIS PROPOSAL IS SIGNED (Attach proof of authority to sign this proposal, e.g. resolution of directors, etc.)	
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TOTAL NUMBER OF ITEMS OFFERED		TOTAL PROPOSAL PRICE (ALL INCLUSIVE)	
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PROPOSALDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:

DEPARTMENT/PUBLIC ENTITY	NLSA	TECHNICAL INFORMATION MAY BE DIRECTED TO:	
CONTACT PERSON	Ms Zama Adegboyega	CONTACT PERSON	Mr Nkosini Mashabane
		TELEPHONE	012 401 9727

		NUMBER	
TELEPHONE NUMBER	012 401 9773	FACSIMILE NUMBER	086 650 8264
FACSIMILE NUMBER	086 650 8264	E-MAIL ADDRESS	Nkosini.mashabane@nlsa.ac.za
E-MAIL ADDRESS	zama.adeqboyega@nlsa.ac.za		

PART B

TERMS AND CONDITIONS FOR PROPOSALDING

1. PROPOSAL SUBMISSION:

- 1.1.** PROPOSALS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE PROPOSALS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2.** ALL PROPOSALS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR ONLINE.
- 1.3.** RESPONDENTS 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.
- 1.4.** WHERE A RESPONDENT IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: BUSINESS REGISTRATION/DIRECTORSHIP/MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS AND B-BBEE CERTIFICATE OR SWORN AFFIDAVIT.
- 1.5.** THIS PROPOSAL IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000, PREFERENTIAL PROCUREMENT REGULATIONS 2017, GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1** RESPONDENTS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2** RESPONDENTS 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 RESPONDENTS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE PROPOSAL.

2.5 IN PROPOSALS 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 RESPONDENT IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO PROPOSING FOREIGN SUPPLIERS

3.1. IS THE RESPONDENT A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?
 YES NO

3.2. DOES THE RESPONDENT HAVE A BRANCH IN THE RSA?
 YES NO

3.3. DOES THE RESPONDENT HAVE A PERMANENT ESTABLISHMENT IN THE RSA?
 YES NO

3.4. DOES THE RESPONDENT 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 PROPOSAL INVALID.

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to proposal (includes a price quotation, advertised competitive proposal, limited proposal or proposal). In view of possible allegations of favouritism, should the resulting proposal, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the Respondent or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
- the Respondent is employed by the state; and/or
 - the legal person on whose behalf the proposal document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the proposal(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the proposal.

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

2.1 Full Name of Respondent or his or her representative:

2.2 Identity Number:

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

2.4 Company Registration Number:

2.5 Tax Reference Number:

2.6 VAT Registration Number:

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

¹"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

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

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

Name of state institution at which you or the person connected to the Respondent is employed:

Position occupied in the state institution:

Any other particulars:

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

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

2.7.2.1 If yes, did you attached proof of such authority to the proposal document? **YES / NO**

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

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

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

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

2.8.1 If so, furnish particulars:

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

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

2.9.1 If so, furnish particulars.

.....
.....

.....

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

YES / NO

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are responding to this RFI?

YES/NO

2.11.1 If so, furnish particulars:

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

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

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

4 DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE PROPOSAL OR ACT AGAINST ME IN TERMS OF
PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE
TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Respondent

May 2011

SBD 8

1. DECLARATION OF RESPONDENT'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	<p>Is the Respondent or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		

4.2	Is the Respondent or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the Respondent or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the Respondent and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

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

.....
Signature

.....
Date

.....
Position

.....
Name of Respondent

CERTIFICATE OF INDEPENDENT PROPOSAL DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all proposals¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive proposal (or proposal rigging)². Collusive proposal is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the proposal of any Respondent if that Respondent, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the proposal process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when proposals are considered, reasonable steps are taken to prevent any form of proposal-rigging.
- 5 In order to give effect to the above, the attached Certificate of Proposal Determination (SBD 9) must be completed and submitted with the proposal:

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

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

CERTIFICATE OF INDEPENDENT PROPOSAL DETERMINATION

I, the undersigned, in submitting the accompanying proposal:

(Proposal Number and Description)

in response to the invitation for the proposal made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Respondent)

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

6. The Respondent has arrived at the accompanying proposal independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive proposal.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a proposal;
 - (e) the submission of a proposal which does not meet the specifications and conditions of the proposal; or
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this proposal invitation relates.
9. The terms of the accompanying proposal have not been, and will not be, disclosed by the Respondent, directly or indirectly, to any competitor, prior to the date and time of the official proposal opening or of the awarding of the contract.

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

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

.....
Signature	Date
.....
Position	Name of Respondent

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NB: PLEASE DOWNLOAD THE GENERAL CONDITIONS OF CONTRACT FROM THE TREASURY OR NLSA WEBSITE AND SUBMIT WITH THE TENDER DOCUMENT.