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APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE LIMITED ASSURANCE ON THE ANNUAL FINANCIAL MODELS OF TCTA PROJECTS FOR A PERIOD OF 60 MONTHS

Bid Number:	045/2022/PF&T/MODEL/RFB
Briefing Session:	N/A
Bid Issue Date	27 February 2023
Clarifications Deadline:	10 March 2023 at 11h00
Closing Date and Time: Bidders are urged to submit their bid from 08:00am on the date of closing and not earlier to ensure that bids are received by the TCTA representative.	30 March 2023 at 11h00
Bid Validity Period:	120 (one hundred and twenty) calendar days commencing from the RFB closing date
Bid Submission Physical Address:	<i>Bid Submissions must be sent to:</i> TCTA Byls Bridge Office Park Cnr Olievenhoutsbosch and Jean Avenue Doringkloof Centurion Bidders must complete Annexure G on or before 24 March 2023 and return it to TCTA. Once this form is received, the bidder will receive a pin. This pin and a valid ID number/Driver's License will be required in order to gain access to the TCTA premises.
Enquiries:	<i>Name: The Receiver Officer</i> <i>Email Address: Kindly send all clarification questions or enquiries to the receiving officers at tenders03@tcta.co.za.</i>

Tenders must only be submitted on the tender documentation that is issued. A record of tenders received will be circulated to all the Tenderers and shall be published on National Treasury's e-Tender portal and TCTA website.

Requirements for sealing, addressing, delivery, opening, and assessment of proposals are stated in the Conditions of the Tender and Tender Data.

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1. DEFINITIONS, ACRONYMS AND ABBREVIATIONS

B-BBEE	Broad Based Black Economic Empowerment in terms of the Broad Based Black Economic Empowerment Act 53 of 2003 (B-BBEE Act).
B-BBEE STATUS LEVEL OF CONTRIBUTOR	The B-BBEE status received by a measured entity issued in terms of section 9(1) of the B-BBEE Act.
BID SUBMISSION	A bidder's written proposal in response to an Invitation for Bids (Request for Bids/Quotations/ Information etc.)
BLACK PEOPLE	Africans, Coloureds and Indians as defined in the Broad Based Black Economic Empowerment Act 53 of 2003
CONSORTIUM OR JOINT VENTURE OR CONSORTIUM	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;
CONSULTANT	A professional person appointed to provide technical and specialist advice or to assist with the design and implementation of projects. The legal status of this person can be an individual, a partnership, a corporation or a company.
CONTRACT	A legal agreement or National Treasury issued Standard Bid Document Number 7 signed by TCTA and a successful bidder. This term does not refer to the actual bid process.
CONTRACT MANAGER	A representative from the Requesting Department that will be responsible for monitoring the day to day activities related to the contract
DESIGNATED SECTORS	Sectors, sub-sectors or industries that have been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content.
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
FIRM PRICES	means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the bidder and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
HISTORICALLY DISADVANTAGED ENTITIES	Means entities that are at least: 51% black owned; 51% owned by black youth;

	51% owned by black women; 51% owned by black people with disabilities; 51% owned by black people in rural areas, underdeveloped areas or townships; a co-operative that is 51% owned by black people. 51% owned by black people who are military veterans.
LOWEST ACCEPTABLE TENDER	Means a tender that complies with all specifications and conditions of tender and that has the lowest price compared to other tenders.
PROCUREMENT SPECIALIST	Any person in the Procurement Unit who is responsible for managing a bid process from start to finish
PO	A Purchase Order generated by the Procurement Unit after the conclusion of a successful bid process authorizing the expenditure against an awarded contract.
PRICE	Means an amount of money for goods or services, and includes all applicable taxes less all unconditional discounts
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;
RD	A requesting department withing TCTA or its representative
SUPPLIER	A juristic person or legal entity that provides goods or services to TCTA.
SPECIFIC GOALS	Means specific goals as contemplated in section 2(1)(d) of the fAct which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994.
AMD	Acid Mine Drainage
BRVAS	Berg River Voëlvlei Augmentation Scheme
BWP	Berg Water Project
DWS	Department of Water and Sanitation
EIR	Effective Interest Rate
EXCO	TCTA Executive Committee
HDIs	Historically Disadvantaged Individuals
IFRS	International Financial Reporting Standards
KWSAP	Komati Water Scheme Augmentation Project
LHWP	Lesotho Highlands Water Project
MCWAP	Mokolo Crocodile River West Water Augmentation Project
MMTS-2	Mooi-Mgeni Transfer Scheme-Phase 2
ORWRDP	Olifants River Water Resource Development Project
PFMA	Public Finance Management Act, 1999

RFT	Request for Tender
SALGA	South African Local Government Authority
TCTA	Trans-Caledon Tunnel Authority

2. PREPARATION OF BID SUBMISSIONS

- 2.1. Bidders are required to comply fully with this Request for Bid including annexures during submission to TCTA;
- 2.2. Bid Submissions must:
 - 2.2.1. Not be late and it must be delivered to the address stated on the front page. TCTA shall not accept nor be obliged to accept Bid Submissions submitted after the stipulated closing date and time, notwithstanding that such late submission is as a result of circumstances beyond the Bidder's control;
 - 2.2.2. Clearly reflect the Bid description and bid number on the outer packaging; and
 - 2.2.3. Contain a Firm Price.
- 2.3. TCTA reserves the right to reject bids that are not prepared in terms of section 2.2 and to not evaluate them. This section is subject to the provisions in the Conditions of Bid.
- 2.4. Bidders must provide one electronic copy on an unencrypted USB subject to the following:
 - 2.4.1. USBs must not be password protected and must be free of any and all corruption and/or viruses
 - 2.4.2. TCTA will not be liable to accept or evaluate any file that is not readable and accessible to the relevant bid committee. Bidders will not be allowed to remedy/fix/assess such USB or file after the bid closing date and the information will be deemed as not received.
 - 2.4.3. Only pdf documents will be accepted and not word, images or any other format not specified in this bid document.
 - 2.4.4. These provisions will be applied on a case by cases basis within the sole discretion of the bid evaluation committee.
- 2.5. This Bid has 5 stages of evaluation summarised in the document below. Each stage reflects the process of evaluation. Bid submissions must be neat and legible and prepared in the same order as the stages of evaluation. Each stage must be clearly marked.

3. BACKGROUND

TCTA is a major public entity listed in Schedule 2 of the Public Finance Management Act 1 of 1999 and a water management institution established by Notice No. 2631 in Government Gazette No. 10545 dated 12 December 1986, as amended by Government Notice No. 277

in Government Gazette No 21017 dated 24 March 2000. TCTA's role in the water sector includes, *inter alia*, the funding and implementation of bulk raw water infrastructure development projects, on behalf of the Department of Water and Sanitation ("DWS") from time to time.

The TCTA funds and implements projects as Gazetted. In raising finance for these projects TCTA uses, in the main, the principles of project finance. Bond markets have been used in securing funding for the Vaal River System. TCTA's projects are accounted for separately. The loans/bonds raised for these projects are paid back with interest using the underlying revenue streams. These revenue streams are based on Capital Unit Charges (CUCs) or tariffs determined annually using financial models written in Microsoft Excel, with each project having its own independent financial model, based on TCTA's template adjusted for project specific characteristics.

The accuracy and integrity of the financial models is of paramount importance as it is relied upon by various project stakeholders: major raw water users (such as large industrial users, water boards and some municipalities), project funders (local and international funders), authorities (the Department of Water and Sanitation, the National Treasury, the South African Reserve Bank) and credit rating agencies.

Each of these stakeholders has specific requirements from the financial models, thus:

- water users (off-takers, which include mines, large industrial corporations, state-owned entities, municipalities, water boards, and their stakeholders, including SALGA), need assurance that the tariff which they are required to pay is fair, reasonable and accurately determined to repay the cost of the infrastructure over the debt repayment period, which is typically 20 years;
- project funders need confidence that tariffs have been determined correctly to cover the debt service obligations of TCTA related to the project being financed within the agreed debt repayment period;
- the National Treasury is consulted annually and requires accurate information to support the tariff to be gazetted;
- international credit rating agencies rate each project annually and the financial models form an integral part of the information required by these agencies;
- investors in TCTA bonds rely, in the main, on the information contained in TCTA's financial statements which in turn is based on forecast revenue streams as determined by the financial models. These models have to reflect accurate information;
- TCTA relies on it as an internal control management measure that calculations are accurate as these calculations are used for reporting purposes and inform decision making in terms of crafting *inter alia* suitable funding strategies and managing liabilities

in the short, medium and long-term, setting tariffs sufficient to repay the debt and comply with regulatory parameters such as borrowing limits;

- The DWS and National Treasury rely on the models to estimate TCTA's ability to operate within regulatory parameters and issuing of regulatory parameters for the future;
- The DWS relies on the models as a determination of the financial liability that needs to be disclosed in the DWS annual financial statements;
- The DWS and National Treasury also rely on the models to confirm TCTA's ability to service debt on funding instruments backed by explicit and implicit government guarantees; and
- the Minister of Water and Sanitation ("the **Minister**") approves the tariffs annually as well as the borrowing limits and it is incumbent upon TCTA to furnish the Minister with accurately determined tariffs and borrowing limits for Ministerial consideration and approval.

TCTA's internal requirements from the financial models are mainly to confirm that tariffs are set sufficiently to repay each project's debt through its projected revenue stream, debt is sustainable, liquidity risk is accurately assessed, regulatory parameters are achievable, and reporting is accurate.

For further information on TCTA, bidders can refer to the Annual Reports, which can be accessed at: <http://www.tcta.co.za/annual-report>

The purpose of this request is to invite reputable Service Providers with appropriate skills, qualifications and experience to submit a tender with the intention of providing limited assurance on whether the financial models of TCTA projects are free from material misstatement, on an annual basis over a 5-year period.

The scope of services to be provided will be split into two categories being (I) Project Finance Tariff Models and (II) Finance Tariff Receivable Models.

The projects include the following:

Projects models already in the debt repayment stage:

- Berg Water Project (BWP),
- Vaal River System (VRS),
- Komati Water Scheme Augmentation Project (KWSAP),
- Mokolo Crocodile River (West) Water Augmentation Project (MCWAP), and
- Vaal River Eastern Sub-system Augmentation Project (VRESAP).

Projects models still in the structuring phase:

- Berg River Voëlvlei Augmentation Scheme (BRVAS),
- uMkhomazi Water project Phase 1 (uMWP).

3.1. COMPANY EXPERIENCE

The bidder must have experience in providing limited assurance for infrastructure project financial models for projects with both:

- a minimum capital expenditure of at least R300 million per project; and
- at least 30% of each project funded through debt.

The bidder must have experience in providing limited assurance on a minimum of two qualifying projects.

3.2. PERSONNEL EXPERIENCE

The qualification and experience required:

Bidders to note that should the proposed individual(s) leave the services of the entity, the entity shall replace the individual(s) with another of equal or better qualifications, experience and other evaluated indicators to be approved by TCTA.

The bidder will be required to always have at least one member of the team be a Chartered Accountant (SA) for the duration of the contract.

- Project Leader:
 - Minimum of a post-graduate degree (NQF Level 8) in either Commerce, Finance, or other relevant numerate degree;
 - Experience in providing limited assurance for financial models.
- Model assurance team member 1:
 - Post-graduate degree (NQF Level 8) in either Commerce, Finance, or other relevant numerate degree;
 - Experience in providing limited assurance for financial models.
- Model assurance team members 2, 3 and 4:
 - Graduate degree (NQF Level 7) in either Commerce, Finance, or other relevant numerate degree;
 - Experience in providing limited assurance for financial models.

4. SCOPE OF WORK

4.1 (I) LIMITED ASSURANCE OF PROJECT FINANCE TARIFF MODELS

The successful bidder will be required to provide an annual limited assurance of the financial models as outlined below.

4.1.1 Model Details

Bidders shall take into account the following information on each project's Tariff Model:

4.1.1.1. Model structures

The Project Finance Tariff Models for TCTA's projects have been developed on a standardised Excel template and use the same format, logic and flow.

Each project has its own characteristics and parameters which will vary between projects, but in the main follows the template. These models have been reviewed in prior years by previous Service Providers, the most recent contract with TCTA came to an end in 2020. The common elements of the models include:

- They are planning tools and are forward looking. Actual historical data is captured to ensure the forecasts are as accurate as possible.
- The models have an annual timeline in general, and cover the time period of construction, and twenty years of debt repayment. Some sections may have monthly or quarterly information, but is consolidated into the annual timeline where appropriate.
- All models have the following worksheets:
 - A summary sheet reflecting the water tariffs and volumes for the remainder of the project, together with a number of graphs summarising the forecasts.
 - An input sheet where assumptions and inputs are captured.
 - A cashflow sheet. This is in the same format for all models. It includes the forecast cashflows for the remainder of the project for each year. It includes the following sections:
 - Water revenue which is the product of the forecast tariffs and water volumes;
 - Change in the forecast for accounts receivable;
 - Administration costs;
 - Capital expenditure cashflows;
 - The movement in the capital of assets and liabilities. This is where the capital repayments of the various loans are reflected;
 - Interest and other finance charges;
 - The net funding requirement;

- The forecast debt curve made up of long and short-term liabilities and assets.
- Actualised figures. In all models except the VRS model, the actual historical figures are captured in the section at the bottom of the cashflow sheet. In the VRS model there is a separate worksheet to capture the actuals.

For models where there is more than one end-user, or more than one phase, there may be a forecast cashflow worksheet for each end-user or phase, and a combined cashflow for all customers and phases.

- Loan schedules. These are the actual loan schedules agreed with lenders. Each sheet may have more than one loan schedule, and there is a summary at the top of each sheet.
- Sensitivity analysis data and graphs that are updated using a macro that changes five variables (demand, CPI, interest rates, admin costs, capex costs) and records the impact on the project's cashflows.
- Output sheets including:
 - Forecast debt curves (gross and net debt);
 - Forecast borrowing requirements and utilisation of borrowing limits (gross borrowings);
 - Projected debt service obligations;
 - Projected TCTA Going Concern calculations;
 - Reports for TCTA Treasury;
 - Sources and Uses of funding calculations;
 - Graphs reflecting capitalised interest
- Models may have other worksheets that include:
 - Outputs:
 - Reporting templates and graphs which are used for reports and presentations. These include tables and graphs summarising aspects of the project.
 - A check sheet with flags for if there are any errors.
 - Inputs:
 - Detailed long term capital plans.
 - Loan assumptions sheets prior to the use of the actual loan schedules.
 - Working sheets:
 - Loan consolidation sheets.

4.1.1.2. Tariff structure

- A “Goal seek” tariff is calculated for the existing tariff review period for each project. This tariff is usually then escalated at CPI for the remainder of the project. The tariff is set so that any remaining debt raised to pay for the construction costs is repaid within the prescribed period (normally 20 years from operational commencement).
- Tariff step-down structures exist in some projects where the debt would otherwise repay earlier than the prescribed 20-year period.
- Tariff phase-in structures exist in projects where further augmentation schemes are anticipated.
- Tariff structures or profiles may, in some instances, be unique to the specific project structuring and implementation requirements.
- Periodic tariff capping of the tariff exists in projects where the decision to increase/reduce the tariff is pending or may be premature due to uncertainty on input assumptions or will create unnecessary volatility.

4.1.1.3. Input Assumptions

- Input assumptions are sourced internally and externally to TCTA.
- Inputs assumptions include dates and timing, and forecasts water demand, royalties, operating and maintenance costs, admin costs, capital expenditure plans, CPI, PPI, interest rates, approved borrowing limits, capital allocation ratios, fiscal funding allocations, and agreed tariffs.
- The source document for each forecast is described as a note in each cell. The historical forecasts are not changed for years preceding the current year as they are often superseded by the actuals and current forecasts. The forecasts from previous years do not need to be reviewed for this exercise.

4.1.1.4. Model comparison

Details comparing the current components of each model can be found in the tables below. These details may change over the duration of the contract term. These details are to give bidders a sense of the size and complexity of the models:

TABLE 1: PROJECT FINANCE TARIFF MODELS CURRENTLY IN DEBT REPAYMENT PERIOD

	VRS	BWP	VRESAP	KWSAP	MCWAP
Project Phase	LHWP Ph 1: Debt repayment LHWP Ph 2: Project	Debt repayment	Debt repayment	Debt repayment	Phase 1: Debt repayment Phase 2: project

	VRS	BWP	VRESAP	KWSAP	MCWAP
	structuring phase Acid mine drainage (AMD): Short-term Debt repayment				structuring phase
Number of years remaining in forecast	27	7	9	13	Phase 1: 7 Phase 2: 27
Number of phases	2+AMD	1	1	1	2
Number of tariff calculations	5	2	3	1	3
Number of worksheets	52	22	34	25	41
Approximate Model Unique Formulae (total model formulae divided by number of columns in model):	136393 divided by 57 columns = 2400	93102 divided by 31 columns = 3000	76424 divided by 24 columns = 3200	30596 divided by 25 columns = 1200	221332 divided by 38 columns = 5800
Contain "Macro" calculations	Yes 9	Yes 4	Yes 3	Yes 2	Yes 4
Number of loans, sub-loans & financial instruments	Bonds 8 x long term loans Commercial Paper Programme (CPP)	3 x long term loans across 23 drawdowns Commercial Paper Programme	5x long term loans across 38 drawdowns Revolving facility Commercial Paper Programme (CPP)	4x long term loans Revolving facility Commercial Paper Programme (CPP)	3x long term loans across 14 drawdowns Revolving facility
Graphs / charts	45	15	26	20	32

TABLE 2: PROJECT FINANCE TARIFF MODELS CURRENTLY BEING STRUCTURED

	BRVAS	uMWP
Project Phase	Structuring	Structuring
Number of years remaining in forecast	20 years from first water delivery	20 years from first water delivery
Number of phases	1	1
Number of tariff calculations	2	2
Number of worksheets	22	22
Approximate Model Unique Formulae (total model formulae divided by number of columns in model):	65 442 divided by 29 columns is 2300	78 947 divided by 37 columns is 2100
Contain “Macro” calculations	Yes	Yes
Number of loans, sub-loans & financial instruments	2 X long term loans Commercial Paper Programme (CPP)	5x long term loans Revolving facility Commercial Paper Programme (CPP)
Graphs / charts	15	23

4.1.2 Services required from successful bidder:

The successful bidder will be required to provide limited assurance on the models and confirm:

4.1.2.1. General Input Assumptions

All input assumptions are consistent with the relevant source documentation, and that the general input assumptions for the year preceding the current year have been captured correctly, and that forecast periods are in line with relevant source documentation.

4.1.2.2. Loan Inputs

The accurate capturing and calculation of loan drawdowns for respective lenders and projects for the immediately preceding year (i.e., the actuals of previous year) and future periods including *inter alia* capitalised interest, capital repayments, interest payments and commitment fees.

4.1.2.3. Loan Workings

That the loans reflected in the Project Finance Tariff Models are reflected and calculated consistently with the relevant loan schedules.

4.1.2.4. Scenario Analyses

That scenarios including sensitivity analyses are working correctly and that they are linked to the relevant working cells.

4.1.2.5. Tariffs:

- The tariffs calculated in the models comply with the Implementation and Income Agreements per project;
- The accurate calculation of the required tariff to repay the debt within the set parameters e.g. by a given date per project (typically 20 years post operational declaration).

4.1.2.6. Gross Borrowings

The accurate calculation of gross borrowings per annum measured against the approved borrowing limit as provided by TCTA. This includes *inter alia* the calculations from the year prior to the current year as well as the forecast cashflows, closing balances, capitalisation of interest, inflationary growth on CPI linked instruments, and redemption provisions to determine peak of debt. Gross borrowings is to exclude financial assets.

4.1.2.7. Net Debt

The accurate calculation of the net debt outstanding per annum which is gross debt net of any assets.

4.1.2.8. Graphs and tables

The accurate reflection of graphical information extracted from the model including accurate data names, labels, titles, expression of information on axes etc. and tables used for reporting purposes.

4.1.2.9. Going concern calculations

The accurate linking to calculate any combined TCTA debt exposures and obligations including any Going Concern calculations.

4.1.2.10. Best Practice

Review the logic and accuracy of the computations and include a compliance assessment of the model with recommended best practice in the construction of project finance models.

4.1.3 Deliverables

The successful bidder will be required to:

- a) Deliver the initial findings and recommendations report relating to the limited assurance findings of each model as described in section 4.1.2 above. The report is to include findings and recommendations on the accuracy and integrity of each model and recommended best practice suggesting improvements to the model and highlighting issues for the attention of the TCTA in the Project Finance Tariff Models.
- b) Review changes made by TCTA to the Project Finance Tariff Models following the initial limited assurance findings and allow for at least three engagements and iterations per project between the Auditor and the TCTA financial modeller in order to check and review changes made.
- c) Deliver a preliminary report annually per project based on the limited assurance process of the Project Finance Tariff Models for TCTA's external stakeholders.
- d) Deliver two limited assurance conclusions annually per project as follows:
 - Limited assurance conclusion 1: For TCTA's internal purposes which includes main findings and details of findings, processes followed etc. which is for TCTA's attention to record the workings and findings; and
 - Limited assurance conclusion 2: For TCTA's external stakeholders which includes only the main findings; and
- e) When the need arises where the stakeholders may raise enquiries pertaining to the limited assurance findings; the enquiry and the Service Provider's response should be co-ordinated through TCTA.

4.2 (II) LIMITED ASSURANCE OF FINANCE TARIFF RECEIVABLE MODELS

The successful bidder will be required to provide limited assurance on the Finance Tariff Receivable Models as outlined below.

4.2.1. Model Details

4.2.1.1 Model structures

- The Finance Tariff Receivable Models for TCTA's projects have been developed on a standardised Excel template and use the same format, logic and flow as each other. The models generally have an annual timeline, and cover the time period of construction, and twenty years of debt repayment. The projects are at various stages.

- Each project has its own characteristics and parameters which will vary between projects, but in the main follows the template. The common elements of the models include:

4.2.1.2 Input Sheets

An input sheet for forecast annual cashflows that are captured and are supported by source documents, including:

- Revenue assumptions;
- Operating expenses;
- Capital expenditure;
- A debt input sheet that is linked to the debt schedules, and summarises debt cashflows per loan per annum;
- A general ledger (GL) input sheet that has the most recent year-end general ledger figures.
- A table that classifies the GL line items and is used in the workings sheets to pull in data from the GL.

4.2.1.3 Historical Data:

Worksheets that contain stored values from prior years' tables are kept for information purposes in the model. These include the prior year GL; prior years summary tables; prior years debt summary tables; and prior year assets and liabilities table. These do not need to be reviewed.

4.2.1.4 Working sheets:

A summary of debt cashflows summing the various individual loans from the debt input sheet.

4.2.1.5 Output Sheets:

- A worksheet that summarises the annual cashflows including the stored annual historical values, and forecast annual cashflows linked to the workings worksheets. This table calculates the following main outputs:
 - Annual Balance of the Tariff Receivable (Carrying amount);
 - Annual Interest Income based on calculated Effective Interest Rate (EIR);
 - Present Value of the Tariff Receivable balance;
 - Current and Non-Current calculation of Tariff Receivable;
 - Annual Debt balance;

- Annual Excess/required short-term funding.
- A worksheet that reconciles total receivables from the prior year.
- A worksheet that reconciles total contractual maturities from the prior year.
- A worksheet that tabulates the overall movements in the current and non-current liabilities over the most recent financial year.

4.2.1.6 Model comparison

Details comparing the current components of each model can be found in the tables below. These details may change over the duration of the contract term. These details are to give bidders a sense of the size and complexity of the models. There are currently only Tariff Receivable models for the projects that are in the debt repayment period, but as new project expenditure starts, Tariff Receivable Models will be developed for them:

TABLE 3: (II) FINANCE TARIFF RECEIVABLE MODELS CURRENTLY IN USE

	VRS	BWP	VRESAP	KWSAP	MCWAP
General Info:					
Formulas in model	11 000	7900	1 750	2300	1 900
Contain "Macro" calculations	No	No	No	No	No
Main Inputs:					
Revenue streams per project	1	1	1	1	1
Number of loans, sub-loans & financial instruments	Bonds 6 x long term loans Commercial Paper Programme (CPP)	3 x long term loan agreements across 23 drawdowns. Commercial Paper Programme	5x long term loans across 38 drawdowns Revolving facility Commercial Paper Programme (CPP)	4x long term loans Revolving facility Commercial Paper Programme (CPP)	3x long term loans across 14 drawdowns Revolving facility
Graphs / charts	0	0	0	0	0

4.2.2. Services required from successful bidder:

The successful bidder will be required to provide limited assurance on the models and confirm:

- a) General Input Assumptions – confirm accurate capturing of general input assumptions for the preceding financial year and forecast periods for *inter alia* tariff revenue, administration costs, O&M, capital expenditure and fiscal allocations in line with relevant source documentation.
- b) Confirm that the yearly Effective Interest Rate (EIR) is calculated accurately.
- c) Confirm accurate capturing or linking of all loan payments or receipts for each loan for the preceding financial year (i.e., actuals) and forecasts for future periods including *inter alia* capitalised interest, capital repayments, interest payments and commitment fees.
- d) Confirm that the loans reflected in the models are reflected accurately against the relevant loan schedules.
- e) Carrying amount of Tariff Receivable – accurate calculation of the carrying amount of tariff receivable balance per annum;
- f) Interest Income on the Tariff Receivable – accurate calculation of the interest income discounting the tariff receivable balance;
- g) Present Value of the Tariff Receivable - accurate calculation of the present value of the tariff receivable balance per annum;
- h) Current and non-current balances of the tariff receivable – accurate calculation of the current and non-current balances of the tariff receivable;
- i) Debt balance per facility – accurate calculation of debt balance per facility per annum to agree to loan amortisation schedules;
- j) Excess/required short-term funding – accurate calculation of the excess or shortfall short-term funding per year winding down to zero at the end of the debt repayment period.
- k) Review the logic and accuracy of computations contained and include a compliance assessment of the model with recommended best practice in the construction of financial models.

4.2.3. Deliverables

The bidder will be required to:

- a) Deliver the initial findings and recommendations report relating to the limited assurance findings of the models as described in section 4.2.1 above. The report is to include findings and recommendations on the accuracy, integrity and recommended best practice suggesting improvements to the model and highlighting issues for the attention of TCTA for the Finance Tariff Receivable Models.
- b) Review changes made by TCTA to the Finance Tariff Receivable Models following the initial limited assurance findings and allow for at least three engagements/iterations per project between the Auditor and the TCTA financial modeller in order to check and review changes made;
- c) Deliver one limited assurance conclusions annually **per project** as follows:
 - Limited assurance conclusion 1: For TCTA's internal purposes which includes main findings and details of findings, processes followed etc. which is for TCTA's attention to record the workings and findings

4.3 PROGRAMME

4.3.1 Project Finance Tariff Models:

The successful bidder shall be expected to undertake the limited assurance process for the Project Finance Tariff Models between the months of May and July of each year. For the first year of the contract the successful bidder shall be expected to undertake the assurance process of the five Project Finance Tariff Models that are in their debt repayment phase, and the uMWP Tariff Model in the development phase. In subsequent years, there may be additional models that have completed the structuring phase and have entered the debt repayment phase. These additional models will then need to undergo the annual assurance process.

TCTA was not able to review the 2021/22 and 2022/23 Project Finance Tariff Models and the 2023/24 limited assurance process commencing in May 2023 will supersede that requirement.

The successful bidder shall be expected to prepare a detailed programme indicating task breakdown, proposed resources, time allocation, and submission of deliverables and scheduling for the duration of the contract period per annum.

4.3.2 Finance Tariff Receivable Models:

The successful bidder shall be expected to undertake the limited assurance process of the existing Finance Tariff Receivable Models during May of each year. The review of the 2022/23 Tariff Receivables Models will take place in May 2023. The process must be completed by the end of May each year. In subsequent years there may be additional models that have completed the structuring phase. These additional models will then need to undergo the annual limited assurance process.

The successful bidder shall be expected to prepare a detailed programme indicating task breakdown, proposed resources, time allocation, and submission of deliverables and scheduling for the duration of the contract period per annum.

4.3.3 Timeline:

The anticipated timeline for the initial year of the limited assurance process is as follows:

Activity	Start date	End date
Appoint model assurance process service provider for five-year contract	15 April 2023	30 April 2023
2022/23 Tariffs Receivable Model assurance process including final report	1 May 2023	31 May 2023
2023/24 Tariff Financial Model external assurance process	01 May 2023	31 July 2023
2023/24 Tariff Financial Model preliminary reports from service provider	01 June 2023	30 June 2023
2023/24 Tariff Financial Model final reports from service provider	01 July 2023	31 July 2023

5. STAGE 1: RETURNABLES

ALL RETURNABLES ARE REQUIRED FOR PURPOSES OF EVALUATION IRRESPECTIVE OF WHETHER THEY ARE DESIGNATED MANDATORY OR NOT.

No.	Document Type	Description	Status
1.	Functionality Evaluation	Annexure A: Company track record Complete FORM 1	Non-Mandatory
2.	Functionality Evaluation	Annexure B: Project Team Experience 1. Project Leader - Complete FORM 2 2. Assurance team member 1 - Complete FORM 3 3. Assurance team member 2 - Complete FORM 4 4. Assurance team member 3 - Complete FORM 5	Non-Mandatory

No.	Document Type	Description	Status
		5. Assurance team member 4 - Complete FORM 6 With copies of highest relevant qualification or certificate where applicable	
3.	Functionality Evaluation	Copy of SAICA Chartered Accountant (SA) Certificate for at least one team member	Mandatory
4.	Administrative	Standard National Treasury Bidding Documents (SBD) - SBD1 - SBD 4 - SBD 6.1	Mandatory
5.	Administrative	Tax Compliance Status Pin	Non-Mandatory
6.	Administrative	Proof of registration on the National Treasury Central Supplier Database (CSD)	Non-Mandatory
7.	Evaluation	A valid BBBEE Certificate (Original or certified form) issued by SANAS accredited agency. In the instance of an EME or QSE in which case they must submit a validly commissioned affidavit. QSEs that do not meet level 1 or 51% black ownership thresholds are obliged to show compliance with all five of the categories on the BEE scorecard therefore, a B-BBEE certificates must be obtained from verification agencies accredited by SANAS	Non-Mandatory
8.	Evaluation	Bidders are required to provide a total fixed price over the contract period, broken down per annum and per project, for undertaking the scope of services as per the template contained in Annexure F	Mandatory

Any bidder who fails to submit a non-mandatory document will receive zero points where that document is linked to specific functionality criteria. Any bidder who fails to submit a mandatory document will be disqualified at this stage and not evaluated further.

6. STAGE 2: FUNCTIONALITY

TCTA will evaluate the submissions for functional capacity and capability. TCTA will evaluate the submissions in terms of the functional criteria set out below.

Functional Evaluation shall carry a maximum of one-hundred-and-five (105) points, and Bidders are required to achieve a minimum score of sixty-three (63) points. A bidder that

fails to meet the minimum score of sixty-three (63) points in total and the minimum requirement for company track record, shall be excluded from further consideration.

Bidders meeting the minimum threshold will proceed to Stage 3 of the evaluation process being Price and Preference evaluation in terms of 80/20 preference point system.

TCTA will evaluate the submissions in terms of the functional criteria set out below.

TABLE 4: TECHNICAL EVALUATION CRITERIA

TECHNICAL SUBMISSION				
Section 1	COMPANY TRACK RECORD		Maximum	Total
	1.1	A minimum of 2 limited assurance provided for a financial model of an infrastructure project with both; minimum capital expenditure of R300 million each, <u>and</u> at least 30% funded through debt ; • 0 -1 Projects = 0 points • 2 Projects = 5 points • Additional 5 points per project will be allocated to the maximum of 20 points. Minimum of two projects must be met. If minimum requirement is not met then bidders will be disqualified. <u>Contactable references</u> must be included in FORM 1 for all assurances listed in this section.	20	20
Section 2	PROJECT TEAM EXPERIENCE: The bidder will be required to have at least one member of the team be a Chartered Accountant (SA) for the duration of the contract. If this minimum requirement is not met, then the Bidder will be disqualified. Proposed individuals cannot be allocated multiple roles, i.e., one Individual must be proposed for a single role.			
	PROJECT LEADER			
	2.1 Details of Project Leader			
	2.1.1	Academic Qualifications Minimum of a post-graduate degree (NQF Level 8) in either Commerce, Finance, or other relevant numerate⁽¹⁾ degree for 5 points. If minimum requirement is not met, then zero points will be awarded for sections 2.1.1 and 2.1.2. (1) A numerate degree is any degree that equips students with the ability to manipulate data and to apply advanced math skills. Examples of numerate degrees include engineering, mathematics, computer science, statistics, actuarial science, economics, chemistry and physics	5	25
	2.1.2	Relevant experience	20	

TECHNICAL SUBMISSION				
		A. 4 points for every limited assurance provided for a financial model up to a maximum of 20 points.		
FINANCIAL MODEL ASSURANCE TEAM MEMBER 1				
2.2 Details of Financial Model Assurance Team Member				
	2.2.1	Academic Qualifications Minimum of a Post-graduate degree (NQF Level 8) in either Commerce, Finance, or other relevant numerate degree for 5 points. If minimum requirement is not met, then zero points will be awarded for sections 2.2.1 and 2.2.2.	5	15
	2.2.2	Relevant experience A. 2 points for every limited assurance provided for a financial model up to a maximum of 10 points.	10	
FINANCIAL MODEL ASSURANCE TEAM MEMBER 2, 3 and 4				
2.3 DETAILS of Financial Model Assurance Team Member				
	2.3.1	Academic qualifications Minimum of a graduate degree (NQF Level 7) in either Commerce, Finance, or other relevant numerate degree for 5 points. If minimum requirement is not met, then zero points will be awarded for sections 2.3.1 and 2.3.2.	5 for each of 3 members	45
	2.3.2	Relevant experience A. 2 points for every limited assurance provided for a financial model up to a maximum of 10 points.	10 for each of 3 members	
TOTAL POINTS FOR TECHNICAL EVALUATION				105

Bidder/s who does not meet the threshold of 63 points out of the 105 points, and the minimum required company track record, will be disqualified at the end of this stage and not evaluated further.

7. STAGE 3: SPECIFIC GOALS

The specific goals for this bid are as follows:

7.1. B-BBEE

The following table will be used to calculate the score out of 20 for BBEE:

7.1.1. B-BBEE Status Level of Contributor Number of Points for bids evaluated using 80/20.

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- 7.1.2. A joint venture or consortium must submit a consolidated B-BBEE certificate in order to earn B-BBEE points.
- 7.1.3. All B-BBEE certificates must be obtained from verification agencies accredited by SANAS unless the bidder is an EME or QSE in which case they must submit a validly commissioned affidavit.

Any bidder that does not meet the above-mentioned specific goals will not be disqualified but will be scored 0 for specific goals.

8. STAGE 4: PRICE

- 8.1. TCTA will treat the bids in terms of the Preferential Procurement Policy Framework Act, No.5 of 2000 (PPPFA).
- 8.2. If the price offered by the highest scoring bidder is not market related, TCTA reserves the right not to award to that bidder in terms of its Procurement policies.
- 8.3. Price must be reflected Excluding and Including VAT.
- 8.4. All prices must include disbursements.
- 8.5. Prices must be firm
- 8.6. Bidders are required to provide costing as outlined in **Annexure F**.

8.7. PREFERENTIAL POINTS CALCULATION

- 8.7.1. The following formula shall be used to calculate the points out of 80 for price in bids with a Rand value equal to or above R30 000 and up to a Rand value of R50 million, inclusive of all applicable taxes:

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

Where-

Ps = Points scored for price of bid under consideration;

Pt = Price of bid under consideration; and

Pmin = Price of lowest acceptable bid.

8.7.2. The 80/20 preference point system shall apply and that the lowest acceptable tender will be used to determine the applicable preference point system

8.7.3. The weighting of the Preferential points calculation is as follows:

Specific Goals = 20

Price = 80

Total Score = 100

9. STAGE 5: SUPPLIER VETTING

TCTA may disqualify a bidder who/whose:

- 9.1.1. Submits fraudulent information or information that they do not have to authority to submit;
- 9.1.2. Is listed on National Treasury's list of Blacklisted Suppliers or Defaulters or similar;
- 9.1.3. Poses a risk in terms of any vetting process conducted either by TCTA internally or the National Intelligence Agency;
- 9.1.4. Has a director and/or shareholder who is employed by any organ of state. This does not apply to any organ of state acting as a bidder. If a bidder has a director and/or shareholder who is employed by an organ of state, they must submit a letter from the relevant organ of state stating that they are allowed to do remunerative work outside of their employment contract and that they are not prohibited from doing business with other organs of state; and
- 9.1.5. Tax affairs are not in order at the time of award after being requested to resolve the non-compliance status with SARS within the prescribed period.

10. CONDITIONS OF BID

Any bid submission that does not meet the conditions of bid may be rejected and not evaluated at all. Such a bid submission will not be acceptable.

10.1. COSTS OF BIDDING

- 10.1.1. Bidders shall bear their own costs, disbursements and expenses associated with the preparation and submission of the Bid Submissions, including submission of any additional information requested by TCTA or attending the compulsory briefing session.
- 10.1.2. TCTA shall not under any circumstances be liable nor assume liability to any Bidder for costs, disbursements and/or expenses incurred by Bidders regardless of the outcome of the Bid process or by virtue of cancellation and/or postponement of the Bid process. Where applicable a non-refundable fee for documents may be charged.

10.2. CLARIFICATIONS

- 10.2.1. All questions or queries regarding the Request for Bid must be directed to the person stated on the front page of this document, stating the relevant Bid number in the subject field, at least five business days before the stipulated closing date and time of the Request for Bid. No e-mails, faxes and/or telephone calls should be directed to any other employees of TCTA.
- 10.2.2. TCTA shall not be liable nor assume liability for any failure to respond to any questions and/or queries raised by potential Bidders.
- 10.2.3. Should a Bidder fail to complete the annexures TCTA may call upon the Bidder to complete and submit such annexures except where such annexures are indicated as mandatory or are required for purposes of functional and preferential points evaluation.

TCTA reserves the right to request clarity and to clarify any ambiguities in the documents that have already been submitted. If a Bidder fails to submit any of the requested documents and / or annexures duly completed within 5 (five) working days of being called upon to do so, then the TCTA may disqualify the Bidder.

10.3. AMENDMENTS

- 10.3.1. TCTA reserves the right, in its sole and absolute discretion, to amend any terms and conditions of the Request for Bid and/or to stipulate additional requirements, provided that such amended terms and conditions and/or additional requirements are placed on TCTA's website at least 10 (ten) business days prior to the stipulated closing date and time.
- 10.3.2. Any amended terms and conditions and/or stipulation of additional requirements by TCTA shall be deemed to form part of this Request for Bid.
- 10.3.3. TCTA shall not be liable, nor assume liability of any nature whatsoever, for the failure of a Bidder to receive information if sent to the e-mail, fax or postal address supplied.

- 10.3.4. TCTA reserves the right to stipulate additional Bid requirements as it deems appropriate in its sole and absolute discretion.
- 10.3.5. TCTA shall not be liable nor assume liability to any potential Bidder/s for any failure by such Bidder/s to receive any request for additional information.
- 10.3.6. In the event that TCTA amends its Bid requirements or requests additional information, any Bidder shall be entitled to withdraw its Bid Submission submitted by it prior to the stipulated closing date and time and re-submit a replacement Bid Submission by not later than the stipulated closing date and time.

10.4. MODIFICATION, ALTERATION OR SUBSTITUTION AND/OR WITHDRAWAL OF A BID SUBMISSION

- 10.4.1. Any Bidder shall be entitled to withdraw or modify its Bid Submission at any time prior to the stipulated closing date and time.
- 10.4.2. Any amendment or alteration to the Bid documents must be received before the closing date and time of the Bid as stipulated in the Special conditions of Bid. The words "Amendment to Bid" and the description of the Bid must be clearly reflected on the envelope containing the documents or courier packaging as referred to in Condition 8.2.
- 10.4.3. No modification, alteration or substitution of Bid Submissions will be permitted after the stipulated closing date and time.
- 10.4.4. TCTA reserves the right to request Bids for clarification needed to evaluate their Bids, however, such request for clarification shall not allow or entitle Bidders to change the substance or price of their Bids after Bid opening. Any request for clarification and the Bidder's responses will be made in writing.

10.5. VALIDITY PERIOD

- 10.5.1. All Bid Submissions must remain valid from the stipulated closing date and time of the Request for Bid for the period stated in this Bid. Each Bid Submission will constitute an irrevocable offer which remains open for acceptance by TCTA during the validity period.
- 10.5.2. If TCTA issues a request to extend the validity period, failure to respond to such a request shall be deemed to be an approval to extend the bid validity period on the same terms and conditions as per your original bid submission.
- 10.5.3. If a bidder rejects the extension of validity period with no further comments. The bidder's rejection shall be accepted as a withdrawal from the bid process.
- 10.5.4. If a bidder rejects the extension of the validity period and requests an adjustment to their bid price. Such adjustment must be in line with the Consumer Price Index applicable at the

time of request for extension and/or a recognised industry pricing guide. Adjustments outside of these parameters or for any other reason will not be acceptable and the bidders original bid price shall be deemed to be applicable for the extended validity period.

10.6. DISCLAIMER - PROTECTION OF PERSONAL INFORMATION ACT

- 10.6.1. By participating in this bid process, you hereby acknowledge that you have read and accept the following Protection of Personal Information (POPI) disclaimer.
- 10.6.2. You (the Bidder, herein after referred to in the first person for purposes of this disclaimer) understand and agree that all information provided, whether personal or otherwise, may be used and processed by TCTA and such use may include placing such information in the public domain.
- 10.6.3. Further by partaking in this process you specifically agree that the TCTA will use such information provided by you, irrespective of the nature of such information.
- 10.6.4. TCTA shall take all reasonable measures to protect the personal information of users and for the purpose of this disclaimer “personal information” shall be defined as detailed in the Promotion of Access to Information Act, Act 2 of 2000 (“PAIA”) and the Protection of Personal Information Act, Act 4 of 2013 (“POPI”).
- 10.6.5. As per the POPI Act personal information refers to information that identifies or relates specifically to you as a person or data subject, for example, your name, age, gender, identity number and your email address.
- 10.6.6. We may collect the following information about you:
 - 10.6.6.1. Your name, address, contact details, date of birth, place of birth, identity number, passport number, bank details, details about your employment, tax number and financial information;
 - 10.6.6.2. Information about your beneficial owner if we are required to do so in terms of POPIA.
 - 10.6.6.3. Records of correspondence or enquiries from you or anyone acting on your behalf.
 - 10.6.6.4. Details of transactions you carry out with us.
 - 10.6.6.5. Details of contracts you carry out with us; and
 - 10.6.6.6. Sensitive or special categories of personal information, including biometric information, such as images, fingerprints, and voiceprints.
- 10.6.7. If you are under 18 years old, please do not provide us with any personal information unless you have the permission of your parent or legal guardian to do so.

10.6.8. Why we collect Personal Information

10.6.9. Employee and Contractor Information

- 10.6.9.1. To Remunerate the person.
- 10.6.9.2. To comply with laws authorizing or requiring such processing, including (but not limited to) the Basic Conditions of Employment Act 75 of 1997; the Labour Relations Act 66 of 1995 as amended; the Employment Equity Act 55 of 1998; the Occupational Health and Safety Act 85 of 1993, the Income Tax Act 58 of 1962 and the VAT Act 89 of 1991.
- 10.6.9.3. To Admit the person to the Pension Fund and/or Medical Aid providers, if applicable.
- 10.6.9.4. To conduct criminal, credit, employment reference and other related reference checks.
- 10.6.9.5. To provide value added services such as human resource administration, training, performance reviews, talent management and other reasons related to the management of employees and/or contractors.

10.6.10. Client Information

- 10.6.10.1. To render client related services and administration of client accounts.
- 10.6.10.2. To conduct criminal, credit, reference, and other related reference checks.
- 10.6.10.3. To authenticate the client.
- 10.6.10.4. To provide the client with information which TCTA believes may be of interest to the client, such as information relating to public awareness campaigns and matters of public interest in which TCTA is involved or has decided to lend its support to.

10.6.11. Supplier and Third-Party Contractor/Service Provider Information

- 10.6.11.1. To secure the products and services of the supplier/service provider or contractor as part of TCTA's product and service offering.
- 10.6.11.2. To manage the TCTA supply chain and relationship with the supplier and/or contractor for any purposes required by law by virtue of the relationship between the supplier and TCTA.
- 10.6.11.3. To render services relating to the administration of supplier supplier/service provider or contractor accounts.
- 10.6.11.4. To provide the supplier/service provider or contractor with information which TCTA believes may be of interest, such as information relating to public

awareness campaigns and matters of public interest in which TCTA is involved or has decided to lend its support to.

10.6.12. Sources of Personal Information

- 10.6.12.1. Personal information may be collected from the following sources:
- 10.6.12.2. Directly from the person when he/she applies for any TCTA related employment, provide services to TCTA, submit forms requests or transactions, use our websites, or make use of any of the TCTA services.
- 10.6.12.3. From public registers, credit bureaus and law enforcement agencies and any other organisation from which TCTA may acquire your information.
- 10.6.12.4. From people and entities employed by TCTA to provide services to TCTA which may be legally entitled to provide TCTA with personal information.

10.6.13. The Storage of Personal Information

- 10.6.13.1. All personal information collected by TCTA will be stored as follows:
- 10.6.13.2. In a secure and safe manner according to strict information security principles with safeguards to ensure its privacy and confidentiality.
- 10.6.13.3. For no longer than is necessary to achieve the purpose for which it was collected unless further retention is:
- 10.6.13.4. Required by law or contractual obligation.
- 10.6.13.5. Otherwise reasonably required by TCTA for lawful purposes related to its functions and activities.
- 10.6.13.6. Retained further with the person's consent:
- 10.6.13.7. After which the information will be de-identified and disposed of as per the TCTA Records policy.

10.6.14. Sharing of Personal Information

- 10.6.14.1. Any information supplied to TCTA will be treated as confidential and TCTA will not disclose information unless legally permitted thereto. No information will be transferred to a Third Party without the explicit consent of the data subject unless legally obliged thereto. By providing the personal information, the data subject agrees that TCTA may transfer the information to the following people and organisation's in pursuit of the data processing purposes set out in our Policy on the Protection of Personal Information.
- 10.6.14.2. To the divisions and departments in TCTA, including directors, employees, contractors, agents, auditors, legal and other professional advisors who are authorised to process this information.

- 10.6.14.3. To financial and government organisation's who may request information from TCTA, in which case the data subject will be notified in advance; the provision of such information, including banks, governmental, judicial, regulatory and law enforcement bodies including the South African Revenue services and the National Credit Regulator.
- 10.6.14.4. To persons employed by TCTA to provide services on our behalf and that adhere to principles like TCTA regarding the treatment of personal information.
- 10.6.14.5. To any person to whom TCTA cede, delegate, transfer or assign any of our rights or obligations pertaining to products and/or services provided to the person or contracts concluded with the person.
- 10.6.14.6. To any person who acts as legal guardian, executor of an estate, curator or in a similar capacity.
- 10.6.14.7. To any person or persons who may be permitted by applicable law or that you may consent to, including persons or entities who may request such information to evaluate the credit worthiness of the person.

10.6.15. Your Rights regarding your Personal Information

- 10.6.15.1. A data subject (employee, contractor, supplier and/or customer) has the following rights to his/her personal information collected, processed, and stored by TCTA:
- 10.6.15.2. Right of access to and the right to rectify or update the personal information collected.
- 10.6.15.3. The right to object at any time to the processing of the personal information in which event the consequences of the objection will be explained to the data subject.
- 10.6.15.4. The right to request TCTA to no longer process the personal information of the data subject should the information not be required for further processing or by law.

10.6.16. General Conditions pertaining to Personal Information

- 10.6.16.1. TCTA accepts no liability whatsoever for any loss, damage (whether direct, indirect, special, or consequential) and/or expenses of any nature whatsoever which may arise because of, or which may be attributable directly or indirectly from information made available on this document, or actions or transaction resulting there from.

- 10.6.17. This disclaimer shall be read together with the TCTA terms and conditions also available on the TCTA website <https://www.tcta.co.za>.

10.7. CONFLICTS OF INTEREST

- 10.7.1. Bidders are required to provide professional, objective and impartial advice/services and at all times and to hold the client's interest's paramount, without any consideration for future work and strictly avoid conflicts with other assignments or their own corporate interests.
- 10.7.2. Bidders may not be appointed for any bid that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of not being able to carry out the scope of work in the best interest of TCTA. The bidders appointment will be in the sole discretion of TCTA having considered the bidders connection to their earlier obligations to TCTA and shall be considered by Procurement on a case by case basis.
- 10.7.3. Without limitation on the generality of this rule, bidders should not be participating in the bid process and/or be appointed where the bidder:
 - 10.7.3.1. has been engaged by the accounting officer/authority to provide goods or works for a project and any of its affiliates, should be disqualified from providing consulting services for the same project.
 - 10.7.3.2. Has been appointed to provide consulting services for the preparation or implementation of a project and any of its affiliates, should be disqualified from subsequently providing goods or works or services related to the initial assignment (other than a continuation of the firm's earlier consulting services as described below) for the same project, unless the various firms (consultants, contractors, or suppliers) are performing the contractor's obligations under a turnkey or design-and-build contract;
 - 10.7.3.3. Bidders or any of their affiliates should not be hired for any assignment which, by its nature, may be in conflict with another assignment of that entity. As an example, bidders may be appointed to prepare an engineering design for an infrastructure project should not be engaged to prepare an independent environmental assessment for the same project, and bidders assisting a client in the privatization of public assets should not purchase, nor advise purchasers of such assets.
- 10.7.4. The limitation of participation shall not apply to bidders who are organs of state.

10.8. RIGHT NOT TO AWARD

TCTA reserves the right, at its sole discretion, not to award to any of the Bidders or to cancel a Bid in line with regulation 13 of the Preferential Procurement Regulations, 2017:

- 10.8.1. Due to changed circumstances; there is no longer a need for the goods, or the services specified in the invitation;
- 10.8.2. Funds are no longer available to cover the total envisaged expenditure;
- 10.8.3. No acceptable Bid is received; or
- 10.8.4. There are material irregularities in the Bid process

10.9. Subcontracting after award

The successful bidder:

- 10.9.1. May only subcontract this scope of work no less than 6 (six) months after award;
- 10.9.2. May only subcontract with the prior written approval from the Contract Manager appointed by TCTA.
- 10.9.3. May only sub-contract more than 25% of the contract to a third party that has a B-BBEE status level that is more or equal to that of the successful bidder unless the third party is an EME capable of executing the contract.

10.10. NOTIFICATION OF UNSUCCESSFUL BIDDERS

If no correspondence or communication is received from TCTA within the validity period, the relevant Bid Submissions submitted will be deemed to be unsuccessful.

10.11. PROHIBITION OF BRIBERY, FRAUDULENT AND CORRUPT PRACTICES

- 10.11.1. No Bidders shall directly or indirectly commit, or attempt to commit, for the benefit of the Bidder or any other person, any of the following:
- 10.11.2. Influencing, or attempting to influence, any TCTA's employees or agents in respect of the award of a Bid or the outcome of the Bid process in relation to any contract for the provision of goods or services; and/or
- 10.11.3. Offering, or giving gratification to, and/or inducing, or attempting to induce, as defined in the Prevention and Combating of Corrupt Activities Act No. 12 of 2004, as amended from time to time, any of TCTA's employees or agents, in favour of or for the benefit of the Bidder and/or any other party; and/or
- 10.11.4. Bribing, or attempting to bribe, any TCTA's employees or agents in order to influence the outcome of a Bid process in favour of or for the benefit of the Bidder and/or any other party.
- 10.11.5. TCTA shall be entitled to disqualify any Bidder/s if it has reason to believe that any conduct relating to that set out in Condition 16.1 above has occurred.

10.12. FRONTING

- 10.12.1. The TCTA supports the spirit of Broad-Based Economic Empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background TCTA condemns any form of fronting.
- 10.12.2. TCTA, in ensuring that Bidders conduct themselves in an honest manner will, as part of the bid evaluation process, conduct or initiate the necessary probity investigation to determine the accuracy of the representation made in the bid document. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry be established during such enquiry / investigation, the onus will be on the Bidder to prove that fronting does not exist.
- 10.12.3. Failure to do so within a period of 14 days from the date of notification may invalidate the Bid/contract and may also result in the restriction of the Bidder, by National Treasury, to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the National Treasury may have against the bidder concerned.

10.13. JOINT VENTURE OR CONSORTIUM

- 10.13.1. TCTA encourages the formation of a joint venture or consortium as a condition for the award of a contract, in order to promote the participation of Black Owned Enterprises. In this case, the TCTA has both a moral obligation and a vested interest in ensuring that both the Black Owned Enterprises and its established joint venture or consortium partner are treated reasonably and equitably in terms of a sound, written agreement.
- 10.13.2. The members of a joint venture or consortium formed in response to transformation policies should share in at least the following aspects of the joint venture or consortium's activities in a meaningful and equitable manner:
- 10.13.2.1. Control
 - 10.13.2.2. Management
 - 10.13.2.3. Operations
- 10.13.3. The joint venture or consortium agreement:
- 10.13.3.1. Must clearly and comprehensively set out the contributions to be made by each member towards the activities of the joint venture or consortium in securing and executing the contract and should allocate monetary values to such contributions.
 - 10.13.3.2. Must record the percentage participation by each member.

- 10.13.3.3. Must provide for meaningful input by all members to the policy making and management activities of the joint venture or consortium;
- 10.13.3.4. Must provide for the establishment of a management body for the joint venture or consortium;
- 10.13.3.5. Must provide measures to limit, as far as possible, losses to the joint venture or consortium by the default of a member;
- 10.13.3.6. Must promote consensus between the members whilst ensuring that the activities of the joint venture or consortium will not be unduly hindered by failure to achieve it;
- 10.13.3.7. Must provide for rapid, affordable and easy interim dispute resolution and for effective final dispute resolution, if required; and
- 10.13.3.8. Must be sufficiently flexible to allow for joint venture or consortiums which differ in nature, objectives, inputs by members, management systems, etc;
- 10.13.3.9. Must submit on annual basis consolidated BBBEE scorecard for the Joint Venture failure which TCTA will implement contractual remedies.

10.13.4. Right to review the joint venture or consortium agreement

TCTA reserves the right to review the joint venture or consortium agreement between the parties to ensure that the minimum conditions set out above are adhered to and that the Black Owned Enterprise partner is not disadvantaged by conditions of the resultant agreement.

10.13.5. Amendment of the joint venture or consortium agreement

The composition or the constitution of the joint venture or consortium shall not be altered without the prior consent of the Employer.

11. CONDITIONS OF CONTRACT

- 11.1. Once the successful bidder is issued with a Letter of Award, a pre-liminary contract will be deemed to have been concluded between TCTA and the successful Bidder, which contract will include the following documents:
 - 11.1.1. The contents of this Request for Bid, including all annexures hereto and any additional requirements as may have been stipulated by TCTA;
 - 11.1.2. The relevant Bid Submissions;
 - 11.1.3. The letter of acceptance to the successful Bidder/s; and

- 11.1.4. Any correspondence between TCTA and the relevant Bidder/s including all additional documents submitted by the relevant Bidder/s and accepted by TCTA for clarification purposes; and
- 11.1.5. The terms and conditions of any agreement/s proposed to be entered into by TCTA with the successful Bidder/s.
- 11.2. The Bidder will be deemed to have accepted the terms and conditions of an agreement and/or terms of reference attached to and issued with this Request for Bid. The terms and conditions of the attached agreement are non-negotiable
- 11.3. In the event that TCTA and the relevant Bidder are unable to reach consensus on the terms and/or conditions of the final written agreement, then TCTA reserves the right to cancel the award of the Bid, without liability of any nature, and to conclude an agreement with any other Bidder as may be necessary to meet TCTA's requirements.
- 11.4. Variations and Contract Price Adjustments
 - 11.4.1. No variations to the contract price or contract price adjustments will be accepted within 6 months from the date of award, unless otherwise stipulated in the Letter of Award.
 - 11.4.2. Notwithstanding the above, the increases to the contract value in terms of contract price adjustments (CPA), if expressly included as a condition in the Contract, shall be dealt with as follows:
 - 11.4.3. If the original award/contract made provision for the increase:
 - 11.4.3.1. The Contract Manager must prepare a notice of increase based on CPA to the service provider,
 - 11.4.3.2. Once the Contract Manager and the Procurement Specialist have signed the letter, the Procurement Specialist must issue the notice to the supplier;
 - 11.4.3.3. Such a letter must be sent at least 2 weeks prior to the effective date of the increase;
 - 11.4.4. If the original award/legal agreement did not make provision for the increase:
 - 11.4.4.1. The supplier must request the CPA increase in writing quoting the relevant contract name and PO Number and send the request to the Contract Manager;
 - 11.4.4.2. The Contract Manager must prepare a requisition for the variation to the relevant Procurement Specialist;
 - 11.4.4.3. The Procurement Specialist must together with the Contract Manager prepare a submission for variation of the contract;

- 11.4.4.4. The relevant authority must approve the submission and once done; the Procurement Specialist must request an addendum to the contract from the Legal Department;
- 11.4.4.5. Once an addendum has been prepared, the Contract Manager must ensure that both parties sign the addendum;
- 11.4.4.6. The original addendum must be provided to the Procurement Specialist for safekeeping and a copy can be emailed to the supplier notifying them of the increase.
- 11.4.4.7. The Procurement Specialist must notify the Procurement Administrator to adjust the contract register accordingly within 48 hours of receiving the signed addendum.

11.5. PERFORMANCE MANAGEMENT

- 11.5.1. This contract shall be subject to performance management in line with TCTA's Contract Management Policy and Procedure as amended from time to time. Failure to provide satisfactory goods or services may result in the bidder's blacklisting within TCTA or other organs of state.
- 11.5.2. If the final signed contract between the parties does not stipulate the number of times performance management meetings shall be held, they must be held as outlined below.

More than 3 years	at least twice in 12 months
1 year to 3 years	at least twice in the contract's duration
6 months to 1 year	at least once in the contract's duration
Less than 6 months	optional

11.5.3. Communication

The successful bidder must forward all communication in respect to this contract to the Contract Manager stipulated in the Letter to Award.

11.6. CESSION OF RIGHTS

- 11.6.1. The successful bidder may cede their rights to a third-party provided that:
 - 11.6.1.1. The cession does not take place less than 6 (six) months from the date of award;
 - 11.6.1.2. The third-party is registered on the CSD and its Tax affairs are compliant;
 - 11.6.1.3. The third-party has a BBBEE status level of contributor equal to or higher than that of the successful bidder;

11.6.1.4. The parties prepare a draft a cession agreement that meets all the legal requirements on a template of their own choosing and at their own legal costs; and

11.6.1.5. The cession agreement is submitted for vetting by TCTA prior to signature.

11.6.2. TCTA may reject the cession should it not meet the requirements set out above and provide reasons to the supplier.

11.7. SUPPLIER CODE OF CONDUCT

11.7.1. All suppliers and their representatives shall conduct their business activities in full compliance with the applicable laws and regulations of the Republic of South Africa while conducting business with and/or on behalf of the TCTA. In addition to any specific obligations under the supplier's agreement with TCTA, all suppliers shall, without limitation:

11.7.1.1. Comply with the anti-corruption laws of the Republic of South Africa and any other country in which it does business, including the Prevention and Combating of Corrupt Activities Act.

11.7.1.2. Conduct business in full compliance with antitrust and fair competition laws within the Republic of South Africa.

11.7.1.3. Comply with all applicable environmental laws and regulations regarding hazardous materials, air emissions, waste and wastewater discharges, including the manufacture, transportation, storage, disposal and release to the environment of such materials.

11.7.1.4. Be honest, direct and truthful in discussions with regulatory agency representatives and government officials.

11.7.2. Suppliers and their representatives shall conduct their business interactions and activities with integrity and in accordance with their obligations under their specific agreements. In addition to those obligations, all our suppliers shall, without limitation:

11.7.2.1. Honestly and accurately record and report all business information and comply with all applicable laws regarding their completion and accuracy.

11.7.2.2. Create, retain and dispose of business records in full compliance with all applicable legal and regulatory requirements.

11.7.2.3. Protect and responsibly use both the physical and intellectual assets of TCTA, including its property, data and equipment when authorized to use such assets.

11.7.2.4. Use TCTA provided information technology and systems (including email) only for authorized business-related purposes. TCTA strictly prohibits suppliers and their representatives from using Company-provided technology and systems to

create, access, store, print, solicit or send any material that is intimidating, harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate and/or send any false, derogatory or malicious communications using provided information assets and systems.

11.7.2.5. Comply with the intellectual property ownership rights of TCTA and others including but not limited to copyrights, patents, trademarks and trade secrets. Use software, hardware and content only in accordance with their associated license or terms of use.

11.7.2.6. Speak to the press on TCTA's behalf only if supplier and/or representative is expressly authorized in writing to do so by TCTA.

11.7.3. TCTA expects its suppliers to share its commitment to human rights and equal opportunity in the workplace. TCTA suppliers shall conduct their employment practices in full compliance with all applicable laws and regulations, and shall, without limitation:

11.7.3.1. Cooperate with TCTA's commitment to a workforce free of harassment and unlawful discrimination. We believe that supplier companies should not engage in discrimination in hiring, compensation, access to training, promotion, termination or retirement based on religion, age, disability, gender, marital status, sexual orientation, union membership, political affiliation or any other category protected by applicable law.

11.7.3.2. Comply in all respects with the Employment equity act, in line with TCTA's commitment to redress the racial makeup of the South African economy,

11.7.3.3. Provide a safe and healthy work environment and fully comply with all applicable safety and health laws, regulations and practices. Adequate steps shall be taken to minimize the causes of hazards inherent in the working environment. While on TCTA property, suppliers shall comply with all rules and regulations concerning the operation of the property and the interaction with other individuals with access to the property, whether TCTA, its clients, or other suppliers, employees or guests.

11.7.3.4. Prohibit the use, possession, distribution and sale of illegal drugs while on TCTA owned, leased or managed property.

11.7.3.5. Use only voluntary labour. The use of forced labour whether in the form of indentured labour, bonded labour, or prison labour by a Company supplier or its subcontractors is prohibited.

11.7.3.6. Workers should not be required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice without penalty.

- 11.7.3.7. Comply with all local minimum working age laws and requirements and not utilize child Employees shall not be under the legal minimum working age of the respective region or shall not be less than 16 years of age (whichever is higher). We only support the development of legitimate workplace apprenticeship programs for the educational benefit of younger people and will not do business with those who abuse such systems.
- 11.7.3.8. Not engage in physical discipline or abuse. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation is prohibited.
- 11.7.3.9. Pay living wages under humane conditions. All workers shall be provided with clear, written information about their employment conditions with respect to wages before they enter employment and as needed throughout their term of employment. Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the express permission of the worker concerned. All disciplinary measures should be recorded. Wages and benefits paid for a standard working week meet, at a minimum, national legal standards.
- 11.7.3.10. Not require workers to work more than the maximum hours of daily labour set by the Department of Labour; ensure that overtime is paid in accordance with applicable laws and
- 11.7.3.11. Keep employee records in accordance with acts and prescripts issued by the Department of Labour.
- 11.7.4. TCTA expects its suppliers to share the same social responsibility of growing business in a sustainable fashion. At TCTA, we believe that environmental stewardship and local business development are of utmost importance, and we constantly seek new ways to fulfil our responsibilities to the environment.
- 11.7.5. Adopt an environmentally friendly policy and share our commitment to sustainability. Comply with all applicable environmental laws and regulations.
- 11.7.6. TCTA expects its suppliers to share its commitment to Broad Based Black Economic Empowerment and supplier diversity. TCTA suppliers shall implement supplier diversity programs that meet the requirements of the Broad Based Black Economic Empowerment Codes of Good Conduct. At all times the supplier undertakes to ensure that they are in possession of a valid BBBEE certificate.
- 11.7.7. TCTA will not tolerate any retribution or retaliation taken against any individual who has in good faith sought out advice or has reported questionable behaviour or a possible violation.

11.8. PAYMENT PROCESS

- 11.8.1. Monthly invoicing and payment of fees and disbursements will take place based on the actual services rendered, and payment of invoices shall be affected within 30 days from date of receipt.
- 11.8.2. Invoices must be submitted with supporting documents, where requested. No invoice shall be accepted for goods/services that are not received unless otherwise stipulated in the contract between the parties.
- 11.8.3. No payment shall be made unless the following information has been presented to TCTA to its satisfaction:
 - 11.8.3.1. VAT registration certificate, if the successful Bidder is a VAT vendor;
 - 11.8.3.2. Without deduction of PAYE and/or SITE, if the successful Bidder is not registered for VAT; or
 - 11.8.3.3. Statement setting out details of services rendered, accompanying invoice.
 - 11.8.3.4. Statement of account detailing cumulative costs claimed from contract inception against the contract amount.
- 11.8.4. All invoices shall contain a Purchase Order number, TCTA and successful Bidder's VAT number, if registered for VAT, successful Bidder's name, date of invoice, amount due, services rendered, due date, and any other relevant details. TCTA's VAT number is 4360104923.
- 11.8.5. Payment will only be made against original invoices which complies with the requirements of the VAT Act. Failure to remit fully compliant invoice will result in late payment, without forfeiture of any settlement discounts that may be due to TCTA.

ANNEXURES A & B: TEMPLATES FOR BIDDER AND PERSONNEL EXPERIENCE

NOTE to Bidders:

It is **RECOMMENDED** that all Bidders complete the ANNEXURES A and B as provided. However, should a different lay-out be used, bidders must ensure that all the information contained in the template is retained.

ANNEXURE A: COMPANY EXPERIENCE

FORM 1: COMPANY TRACK RECORD - MODEL LIMITED ASSURANCE (REFER TABLE 5, 1.1.A)

Please note that this FORM has to be completed. If replaced with a different lay-out, the relevant information in the table below must be provided to score points. Please note that TCTA reserves the right to make contact with duly authorised contact persons, or references to confirm work performed during the evaluation process.

Name of Bidder:

Client Name and contact details (telephone number and email address)	Brief description of infrastructure project with a minimum capital expenditure of R300 million, for which the financial model was reviewed by the firm and a limited level of assurance provided.	Capital expenditure value	Percentage of project funded by debt

ANNEXURE B: PERSONNEL EXPERIENCE

The bidder will be required to have at least one member of the team be a Chartered Accountant (SA) for the duration of the contract. If this minimum requirement is not met, then the Bidder will be disqualified.

FORM 2: PERSONNEL EXPERIENCE FOR PROJECT LEADER (REFER TABLE 5, (2.1))

Please note that this FORM has to be completed. If replaced with a different lay-out, the relevant information in the table below must be provided to score points.

Name:

QUALIFICATIONS PROJECT LEADER (TABLE 5, (2.1.1))

Submit copy of the relevant qualifications.

#	Name of the Institution	Highest Relevant Qualification (Copy of highest relevant qualifications to be submitted)	Year Obtained
1			

PREVIOUS EXPERIENCE OF PROJECT LEADER IN PROVIDING LIMITED ASSURANCE FOR FINANCIAL MODELS (TABLE 5, (2.1.2 A))

Name of client for which financial model limited assurance work was undertaken. Refer to Table 5, (2.1.2.A)	List project or assignment for which limited assurance of the financial model was provided. Refer to Table 5, (2.1.2.A) ⁽²⁾

(2) – Review of models will be regarded as limited assurance.

FORM 3: PERSONNEL EXPERIENCE FOR FINANCIAL MODEL LIMITED ASSURANCE TEAM MEMBER 1 (REFER TABLE 5, (2.2))

Please note that this FORM has to be completed. If replaced with a different lay-out, the relevant information in the table below must be provided to score points.

Name:

QUALIFICATIONS MODEL LIMITED ASSURANCE TEAM MEMBER 1 (TABLE 5, (2.2.1))

Submit copy of the relevant qualifications.

#	Name of the Institution	Highest Relevant Qualification (Copy of highest relevant qualifications to be submitted)	Year Obtained
1			

REVIOUS EXPERIENCE MODEL LIMITED ASSURANCE TEAM MEMBER 1 IN PROVIDING LIMITED ASSURANCE FOR FINANCIAL MODELS
(TABLE 5, (2.2.2.A))

Name of client for which financial model limited assurance work was undertaken. Refer to Table 5, (2.2.2.A)	List project or assignment for which limited assurance of the financial model was provided Refer to Table 5, (2.2.2 A)

FORM 4: PERSONNEL EXPERIENCE FOR FINANCIAL MODEL LIMITED ASSURANCE TEAM MEMBER 2 (REFER TABLE 5, (2.3))

Please note that this FORM has to be completed. If replaced with a different lay-out, the relevant information in the table below must be provided to score points.

Name:

QUALIFICATIONS MODEL LIMITED ASSURANCE TEAM MEMBER 2 (TABLE 5, (2.3.1))

Submit copy of the relevant qualifications.

#	Name of the Institution	Highest Relevant Qualification (Copy of highest relevant qualifications to be submitted)	Year Obtained
1			

PREVIOUS EXPERIENCE OF MODEL LIMITED ASSURANCE TEAM MEMBER 2 IN PROVIDING LIMITED ASSURANCE FOR FINANCIAL MODELS (TABLE 5, (2.3.2.A))

Name of client for which financial model limited assurance work was undertaken. Refer to Table 5, (2.3.2.A)	List project or assignment for which limited assurance of the financial model was provided. Refer to Table 5, (2.3.2 A)

FORM 5: PERSONNEL EXPERIENCE FOR FINANCIAL MODEL LIMITED ASSURANCE TEAM MEMBER 3 (REFER TABLE 5, (2.4))

Please note that this FORM has to be completed. If replaced with a different lay-out, the relevant information in the table below must be provided to score points.

Name:

QUALIFICATIONS MODEL LIMITED ASSURANCE TEAM MEMBER 3 (TABLE 5, (2.4.1))

Submit copy of the relevant qualifications and certificates.

#	Name of the Institution	Highest Relevant Qualification (Copy of highest relevant qualifications to be submitted)	Year Obtained
1			

PREVIOUS EXPERIENCE OF MODEL LIMITED ASSURANCE TEAM MEMBER 3 IN PROVIDING LIMITED ASSURANCE FOR FINANCIAL MODELS (TABLE 5, (2.4.2.A))

Name of client for which model limited assurance work was undertaken. Refer to Table 5, (2.4.2.A)	List project or assignment for which limited assurance of the financial model was provided. Refer to Table 5, (2.4.2 A)

FORM 6: PERSONNEL EXPERIENCE FOR FINANCIAL MODEL LIMITED ASSURANCE TEAM MEMBER 4 (REFER TABLE 5, (2.5))

Please note that this FORM has to be completed. If replaced with a different lay-out, the relevant information in the table below must be provided to score points.

Name:

QUALIFICATIONS MODEL LIMITED ASSURANCE TEAM MEMBER 4 (TABLE 5, (2.5.1))

Submit copy of the relevant qualifications.

#	Name of the Institution	Highest Relevant Qualification (Copy of highest relevant qualifications to be submitted)	Year Obtained
1			

**PREVIOUS EXPERIENCE MODEL LIMITED ASSURANCE TEAM MEMBER 4 IN PROVIDING LIMITED ASSURANCE FOR FINANCIAL MODELS
(TABLE 5, (2.5.2.A))**

Name of client for which financial model limited assurance work was undertaken. Refer to Table 5, (2.5.2.A)	List project or assignment for which limited assurance of the financial model was provided. Refer to Table 5, (2.5.2.A)

ANNEXURE C: SBD 1

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	045/2022/PF&T/MODEL/RFB	CLOSING DATE:	30 March 2023	CLOSING TIME:	11h00
DESCRIPTION					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
Byls Bridge Office Park, Cnr Olievenhoutsbosch and Jean Avenue, Doringkloof, Centurion					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	The Receiving Officer		CONTACT PERSON	The Receiving Officer	
TELEPHONE NUMBER	012 683 1200		TELEPHONE NUMBER	012 683 1200	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	Tenders03@tcta.co.za		E-MAIL ADDRESS	Tenders03@tcta.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] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		TICK APPLICABLE BOX] ☐ Yes ☐ No
[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]					
1. ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		2. ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B TERMS AND CONDITIONS FOR BIDDING

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

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

2.2.1 If so, furnish particulars:

.....

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

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

YES/NO

- 2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3

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

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

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

ANNEXURE E: SBD 6.1

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

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

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences,

in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20 or 90/10

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) \quad \text{or} \quad Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20 or 90/10

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

- Ps = Points scored for price of tender under consideration
 Pt = Price of tender under consideration
 Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof

to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

- (a) disqualify the person from the tendering process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution, if deemed necessary.

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

ANNEXURE F: COSTING TEMPLATE

- **COSTING**

Costing must be provided as requested below expressed in South African Rand currency. The costing must be for each year for the limited assurance process of models from 2023/24 to 2027/28 and a total for the five years. The cost in later years must reflect any savings bidders expect to be able to make due to knowledge gained from previous years. The cost must include the projects currently in the structuring phase which will need assurance in future years. The cost must also include one additional project model of a similar size and complexity to the others which will need assurance in future years. Bidders are to use the same price for this model as they have used for the uMWP model.

Bidders are to include in their costing, the cost of providing responses to queries raised by external stakeholders such as TCTA's external auditors. Bidders are to assume 5 hours of work for each Project Finance Tariff Model per annum for this purpose.

An escalation factor equal to the CPI shall be applied annually on the anniversary date of the commencement day.

- **PROVISION FOR VAT**

For evaluation purposes, the current VAT rate of 15% (fifteen percent) should be included in the total costing below. The actual VAT as published and Gazetted by National Treasury shall apply to invoices when submitted.

COSTING:

ITEMS								
1.	Cost of providing assurance for TCTA's financial models	Amount (R) excluding VAT and escalation						
	Period of model to be reviewed	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
1.1	BWP							
1.1.1	Project Finance Tariff Model	N/A	R	R	R	R	R	R
1.1.2	Finance Tariff Receivable Model	R	R	R	R	R	N/A	R
1.1.3	Respond to queries from stakeholders	N/A	R	R	R	R	R	R
1.1.4	Sub-total BWP	R	R	R	R	R	R	R
1.2	KWSAP							
1.2.1	Project Finance Tariff Model	N/A	R	R	R	R	R	R
1.2.2	Finance Tariff Receivable Model	R	R	R	R	R	N/A	R
1.2.3	Respond to queries from stakeholders	N/A	R	R	R	R	R	R
1.2.4	Sub-total KWSAP	R	R	R	R	R	R	R
1.3	VRS							
1.3.1	Project Finance Tariff Model	N/A	R	R	R	R	R	R
1.3.2	Finance Tariff Receivable Model	R	R	R	R	R	N/A	R
1.3.3	Respond to queries from stakeholders	N/A	R	R	R	R	R	R
1.3.4	Sub-total VRS	R	R	R	R	R	R	R
1.4	MCWAP							
1.4.1	Project Finance Tariff Model	N/A	R	R	R	R	R	R
1.4.2	Finance Tariff Receivable Model	R	R	R	R	R	N/A	R
1.4.3	Respond to queries from stakeholders	N/A	R	R	R	R	R	R
1.4.4	Sub-total MCWAP	R	R	R	R	R	R	R
1.5	VRESAP							
1.5.1	Project Finance Tariff Model	N/A	R	R	R	R	R	R
1.5.2	Finance Tariff Receivable Model	R	R	R	R	R	N/A	R
1.5.3	Respond to queries from stakeholders	N/A	R	R	R	R	R	R
1.5.4	Sub-total VRESAP	R	R	R	R	R	R	R
1.6	uMWP							

ITEMS								
1.6.1	Project Finance Tariff Model	N/A	R	R	R	R	R	R
1.6.2	Finance Tariff Receivable Model	N/A	R	R	R	R	N/A	R
1.6.3	Respond to queries from stakeholders	N/A	R	R	R	R	R	R
1.6.4	Sub-total uMWP	R	R	R	R	R	R	R
1.7	BRVAS							
1.7.1	Project Finance Tariff Model	N/A	R	R	R	R	R	R
1.7.2	Finance Tariff Receivable Model	N/A	R	R	R	R	N/A	R
1.7.3	Respond to queries from stakeholders	N/A	R	R	R	R	R	R
1.7.4	Sub-total BRVAS	R	R	R	R	R	R	R
1.8	Future project							
1.8.1	Project Finance Tariff Model (assume the same as 1.7.1)	N/A	R	R	R	R	R	R
1.8.2	Finance Tariff Receivable Model (assume the same as 1.7.2)	N/A	R	R	R	R	N/A	R
1.8.3	Respond to queries from stakeholders	N/A	R	R	R	R	R	R
1.8.4	Sub-total Future Project	N/A	R	R	R	R	R	R
1.9	Sub-total excluding VAT (sum of lines 1.1.4, 1.2.4, 1.3.4, 1.4.4, 1.5.4, 1.6.4, 1.7.4, 1.8.4)	R	R	R	R	R	R	R
2.	VAT projected at 15% on line 1.9	R	R	R	R	R	R	R
3.	Total including VAT	R	R	R	R	R	R	R

Although pricing is required for **Project Finance Tariff Models** and **Finance Tariff Receivable Models** of each project, TCTA reserves the right to award the tender for **Project Finance Tariff Models** only depending on prevailing circumstances and reserves the right to award the tender in part or whole.

ANNEXURE G: ACCESS FORM

I hereby request for a pin code to access TCTA premises for the submission of the abovementioned bid, and give at least 24-hours notice for such request.

BID NUMBER:	045/2022/PF&T/MODEL/RFB
BID DESCRIPTION:	Appointment of a service provider to provide limited assurance on the annual financial models of TCTA projects for a period of 60 months.
REQUEST FOR ACCESS PIN DEADLINE	24 March 2023 @ 11h00
BID CLOSING DATE:	30 March 2023
BID CLOSING TIME:	11h00
NAME OF BIDDER:	
FULL NAME & SURNAME OF BIDDER'S REPRESENTATIVE:	
ID NUMBER OF BIDDER'S REPRESENTATIVE:	

SIGNATURE OF BIDDER'S AUTHORISED REPRESENTATIVE

DATE: _____