

**German Financial Cooperation with *South Africa***

**Project:** *Skills and Employment Program*

**Request for Proposals**

**for**

**Appointment of a Consultant to Provide Audit Services**

**Employer:** *National Business Initiative for Growth Development  
and Democracy NPC  
61 Katherine Street, Dennehof, Sandton, 2196*

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**Proposals Due:** **12:00 hrs CAT on 05 August 2025**

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## I. TENDERING PROCESS

### Instructions to Consultants

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## A. GENERAL PROVISIONS

### 1. SCOPE OF PROPOSALS AND DEFINITIONS

- 1.1 The Employer named in the **Data Sheet** intends to select a Consultant in accordance with the method of selection specified in the **Data Sheet**.
- 1.2 Throughout these Request for Proposal the following definitions apply:
- (a) “Affiliate(s)” means an entity that directly or indirectly controls, is controlled by, or is under common control with the Consultant.
  - (b) “Applicable Law” means the laws and any other instruments having the force of law in the Employer’s country, or in such other country as may be specified in the **Data Sheet**, as they may be issued and in force from time to time.
  - (c) “Consultant” means a legally-established professional consulting firm or an entity that may provide or provides the Services to the Employer under a Contract. The terms “Consultant” and “Bidder” are used in this document interchangeably.
  - (d) “Contract” means a legally binding written agreement signed between the Employer and the Consultant, which includes all the attached documents listed in its Clause 1 (the General Conditions (GC), the Special Conditions (SC), and the Appendices).
  - (e) “**Data Sheet**” means an integral part of the Instructions to Consultants (ITC) Section 2 that is used to reflect specific country and assignment conditions to supplement the provisions of the ITC. In case of conflict between the ITC and the **Data Sheet**, the **Data Sheet** shall prevail.
  - (f) “Day” means a calendar day.
  - (g) “Employer” means the contracting party that legally concludes the Contract for the Services with the selected Consultant notwithstanding the representation by KfW in case of an agency contract.
  - (h) “Experts” means, collectively, Key Experts, other experts, or any other personnel of the Consultant, Sub-consultant or Joint Venture member(s).
  - (i) “Government” means the government of the Employer’s country.
  - (j) “Guidelines” means Guidelines for the Procurement of Consulting Services, Works, Plant, Goods and Non-Consulting Services in Financial Cooperation with Partner Countries available at [www.kfw-entwicklungsbank.de](http://www.kfw-entwicklungsbank.de).
  - (k) “ITC” (Section 2 of this RFP) means the Instructions to Consultants that provides the shortlisted Consultants with all information needed to prepare their Proposals.
  - (l) “Joint Venture (JV)” means an association with or without a legal personality distinct from that of its members, of more than one Consultant where one member has the authority to conduct all business for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Employer for the performance of the Contract. The terms Joint Venture and Consortium can be used interchangeably.

- (m) “Key Expert(s)” means an individual professional whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract and whose CV is taken into account in the technical evaluation of the Consultant’s **Proposal**.
- (n) “LOI” (Section 1 of this RFP) means the Letter of Invitation being sent by the Employer to the shortlisted Consultants.
- (o) “Proposal” means the Technical Proposal and the Financial Proposal of the Consultant.
- (p) “RFP” means the Request for Proposals to be prepared by the Employer for the selection of Consultants.
- (q) “Services” means the work to be performed by the Consultant pursuant to the Contract.
- (r) “Sub-consultant” means an entity to which the Consultant intends to subcontract any part of the Services while remaining responsible to the Employer during the performance of the Contract.
- (s) “TOR” (Section V of this RFP) means the Terms of Reference that explain the objectives, scope of work, activities, and tasks to be performed, respective responsibilities of the Employer and the Consultant, and expected results and deliverables of the assignment.

1.3 The shortlisted Consultants are invited to submit a Technical Proposal and a Financial Proposal for consulting services required for the assignment named in the **Data Sheet**. The Proposal will be the basis for negotiating and ultimately signing the Contract with the selected Consultant.

1.4 The Consultants should familiarize themselves with the local conditions and take them into account in preparing their Proposals; including attending a pre-proposal conference if one is specified in the **Data Sheet**. Attending any such pre-proposal conference is at the Consultants’ expense.

1.5 The Employer will timely provide, at no cost to the Consultants, the inputs, relevant project data, and reports required for the preparation of the Consultant’s Proposal as specified in the **Data Sheet**.

## 2. SOURCE OF FUNDS, RESPONSIBILITIES

2.1 The Employer as indicated in the **Data Sheet** has applied or received financing (hereinafter called “funds”) from KfW Development Bank (hereinafter called “KfW”) towards the cost of the project named in the **Data Sheet**. The Employer intends to apply a portion of the funds to eligible payments under the contract(s) resulting from this procurement process.

2.2 The procurement process is the responsibility of the Employer. KfW shall verify that the procurement process is fair, transparent, economical, free of discrimination and according to the provisions in this document. KfW exercises its monitoring function on the basis of the contractual arrangements with the Employer and the Applicable Guidelines detailing the requirement for KfW’s approval and no objection. No contractual relationship between KfW and any third party shall be deemed to exist other than with the Employer.

## 3. SANCTIONABLE PRACTICE

3.1 KfW requires compliance with its policy in regard to Sanctionable Practice as defined and set forth in Section VI.

3.2 In further pursuance of this policy, Consultants shall permit and shall cause its agents to provide information and permit KfW or an agent appointed by KfW to inspect on site all accounts, records and other documents relating to

bid submission and contract performance (in the case of award), and to have them audited by auditors or agents appointed by KfW.

#### 4. ELIGIBLE CONSULTANTS AND ELIGIBLE MATERIALS, EQUIPMENT, AND SERVICES

4.1 A Consultant may be a firm that is a private entity, a government-owned entity — subject to ITC 4.3 — or a combination of such entities in the form of a joint venture (“JV”) under an existing JV Agreement or with the intent to enter into such an agreement supported by a Letter of Intent to execute a JV Agreement, in accordance with ITC 11.2. In the case of a JV, all members shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms. The Consultant shall nominate an authorized representative who shall have the authority to conduct all business for and on behalf of the Bidder and any and all its members, if the Consultant is a JV, during tendering and contract execution (in the event the Consultant is awarded the Contract). The authorization shall be in the form of a written power of attorney attached to the Technical Proposal. Unless specified in the **Data Sheet**, there is no limit on the number of members in a JV.

4.2 It is the Consultant’s responsibility to ensure that its Experts, joint venture members, Sub-consultants, agents (declared or not), sub-contractors, service providers, suppliers and/or their employees meet the requirements of eligibility and conflict of interest as established hereunder.

4.3 KfW’s eligibility criteria to bid are described in Section III, Eligibility Criteria.

4.4 This tendering procedure is open only to prequalified Consultants.

4.5 A Consultant shall provide such evidence of eligibility satisfactory to the Employer, as specified in Clause 4.3 or as the Employer shall reasonably request.

4.6 The materials, equipment and services to be supplied under the Contract and financed by the KfW may have their origin in any country subject to the restrictions specified in Section V, Eligibility Criteria, and all expenditures under the Contract will not contravene such restrictions. At the Employer’s request, Consultants may be required to provide evidence of the origin of materials, equipment and services.

#### 5. CONFLICT OF INTEREST

5.1 The Consultant is required to provide professional, objective, and impartial advice, at all times holding the Employer’s interests paramount, strictly avoiding conflicts with other assignments or its own corporate interests, and acting without any consideration for future work.

5.2 Bidders shall be disqualified if they:

- (a) are an affiliate controlled by the PEA or a shareholder controlling the PEA, unless the stemming conflict of interest has been brought to the attention of KfW and has been fully resolved to the satisfaction of KfW;
- (b) have a business or a family relationship with a PEA’s staff involved in the tender process or the supervision of the resulting Contract, unless the stemming conflict of interest has been brought to the attention of KfW and resolved to its satisfaction;
- (c) are controlled by or do control another Bidder or are under common control with another Bidder, receive from or grant subsidies directly or indirectly to another Bidder, have the same legal representative as another Bidder, maintain direct or indirect contacts with another Bidder which allow them to have or give access to information

contained in the respective applications, to influence them or influence the decisions of the PEA;

- (d) are engaged in a services activity which, by its nature, may be in conflict with the assignment that they would carry out for the PEA;
- (e) were directly involved in drawing up the terms of reference or other relevant information for the tender process. This shall not apply to consultants who have produced preparatory studies for the project or who were involved in a preceding project phase, insofar as the information they prepared, especially feasibility studies, was made available to all Bidders and the preparation of the terms of reference was not part of the activity.
- (f) were during the last 12 months prior to publication of the tender process indirectly or directly linked to the project in question through employment as a staff member or advisor to the PEA, and are or were able in this connection to influence the award of contract.
- (g) are state-owned entities, which are not able to provide evidence that
  - (a) they are legally and financially autonomous and
  - (b) they do operate under commercial laws and regulations.

5.3 The Consultant has an obligation to disclose to the Employer any situation of actual or potential conflict that impacts its capacity to serve the best interest of its Employer. Failure to disclose such situations may lead to the disqualification of the Consultant or the termination of its Contract.

## 6. UNFAIR COMPETITIVE ADVANTAGE

6.1 Fairness and transparency in the selection process require that the Consultants or their Affiliates competing for a specific assignment do not derive a competitive advantage from having provided consulting services related to the assignment in question or have otherwise been involved in the preparation of this tender procedure. To that end the Employer shall indicate in the **Data Sheet** and make available to all shortlisted Consultants together with this RFP all information that would in that respect give such Consultants any unfair competitive advantage over competing Consultants. Subject to aforementioned provision Consultants who have produced preparatory studies for the assignment or who were involved in the preceding phase may participate, except when they have prepared the Terms of Reference.

## B. PREPARATION OF PROPOSALS

### 7. GENERAL CONSIDERATIONS

7.1 In preparing the Proposal, the Consultant is expected to examine the RFP in detail.

7.2 A substantially responsive Proposal is one that conforms to the terms, conditions, and specifications of the RFP without material deviation or reservation which are likely to jeopardize the achievement of the objective of this assignment and which by their nature are beyond the pure technical evaluation as per ITC 21.1. A material deviation or reservation is one that:

- a) affects in any substantial way the scope, quality, or performance of the Services; or
- b) limits in any substantial way, inconsistent with the RFP, the Employer's rights or the Consultant's obligations under the Contract; or
- c) if rectified would unfairly affect the competitive position of other Consultants presenting substantially responsive Proposals.

Substantially non-responsive Proposals shall be rejected by the Employer.

### 8. COST OF PREPARATION OF PROPOSAL

8.1 The Consultant shall bear all costs associated with the preparation and submission of its Proposal, and the Employer shall not be responsible or liable for those costs, regardless of the conduct or outcome of the selection process. The Employer is not bound to accept any **Proposal**, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultant.

### 9. LANGUAGE

9.1 The Proposal, as well as all correspondence and documents relating to the Proposal exchanged between the Consultant and the Employer shall be written in the language(s) specified in the **Data Sheet**.

### 10. DOCUMENTS COMPRISING THE PROPOSAL

10.1 The Proposal shall comprise the documents and forms listed in the **Data Sheet**.

10.2 The Consultant shall include a Declaration of Undertaking in the format provided in Form TECH-2 (Section III).

10.3 The Consultant shall furnish information on commissions, gratuities, and fees, if any, paid or to be paid to agents or any other party relating to this Proposal and, if awarded, Contract execution, as requested in the Financial Proposal submission form (Section IV).

### 11. ONLY ONE PROPOSAL, SUB-CONSULTANTS, KEY EXPERTS

11.1 The Consultant (including the individual members of any Joint Venture) shall submit only one Proposal, either in its own name or as part of a Joint Venture in another Proposal. If a Consultant, including any Joint Venture member, submits or participates in more than one **Proposal**, all such **Proposals** shall be rejected. Sub-consultants may participate in more than one Proposal unless ITC 11.2 applies and if not otherwise stipulated in the **Data Sheet**.

11.2 A Sub-consultant whose qualification was taken into account during the prequalification phase along with the one of a Consultant shall only participate in the Proposal of this Consultant. The latter shall integrate services from the respective Sub-Consultant into the Proposal as indicated in the prequalification.

11.3 Individuals<sup>1</sup> (regular staff or temporarily engaged freelance experts) shall not participate as Key Experts in more than one Proposal unless when circumstances justify and if stated in the **Data Sheet**.

## 12. PROPOSAL VALIDITY

12.1 The **Data Sheet** indicates the period during which the Consultant's Proposal must remain valid after the Proposal submission deadline. During this period, the Consultant shall maintain its original Proposal without any change, including the availability of the Key Experts, the proposed rates and the total price.

12.2 A replacement of Key Experts in the initial Proposal validity period is acceptable only for duly justified reasons beyond the control of the Consultant (e.g. sickness or accident). The Consultant shall propose an alternative expert with an equal or better qualification. If the replacement Key Expert's qualification is not equal or better than the qualification of the initial candidate or the justification for replacement is unsubstantiated the Proposal shall be rejected.

Extension of Validity Period

12.3 The Employer will make its best effort to complete the evaluation within the **Proposal's** validity period. However, should the need arise, the Employer may request, in writing, all Consultants who submitted Proposals prior to the submission deadline to extend the Proposals' validity period.

12.4 If the Consultant agrees to extend the validity period of its Proposal, it shall be done without any change in the original Proposal and with the confirmation of the availability of the Key Experts.

12.5 The Consultant has the right to refuse to extend the validity period of its Proposal in which case such Proposal will not be further evaluated.

Substitution of Key Experts at Validity Extension

12.6 If any of the Key Experts becomes unavailable during the extended validity period, the Consultant shall provide a written substitution request to the Employer.

12.7 The replacement Key Expert shall have equal or better qualifications than the Key Expert being replaced. If the Consultant fails to provide a replacement Key Expert with equal or better qualification, such a Proposal will be rejected.

12.8 Substitution requests shall not delay the evaluation process.

Sub-Contracting

12.9 The Consultant shall not subcontract the whole of the Services to one or more Sub-Consultants.

## 13. CLARIFICATION AND AMENDMENT OF RFP

13.1 The Consultant may request a clarification of any part of the RFP until the deadline indicated in the **Data Sheet**. Any request for clarification must be sent in writing, or by standard electronic means, to the Employer's address indicated in the **Data Sheet**. The Employer will respond in writing, or by standard electronic means, and will send written copies of the response (including an explanation of the query but without identifying its source) to all shortlisted Consultants not later than ten (10) days prior to the deadline for the submission of Proposals. Should the Employer deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure described below:

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<sup>1</sup> An individual (natural person) which is not part of the regular staff ("freelancer") but engaged temporarily as Key Expert for the relevant Contract shall not be considered as Sub-Consultant (subcontractor) in this context.

13.1.1 At any time before the **Proposal** submission deadline, the Employer may amend the RFP by issuing an amendment in writing or by standard electronic means. The amendment shall be sent to all shortlisted Consultants and will be binding on them.

13.1.2 If the amendment is substantial, the Employer may extend the **Proposal** submission deadline to give the shortlisted Consultants reasonable time to take an amendment into account in their Proposals.

13.2 The Consultant may submit a modified Proposal or a modification to any part of it at any time prior to the Proposal submission deadline. No modifications to the Technical or Financial Proposal shall be accepted after the deadline.

#### 14. PREPARATION OF PROPOSALS – SPECIFIC CONSIDERATIONS

14.1 While preparing the Proposal, the Consultant must give particular attention to the following:

14.1.1 To establish that the Consultant continues to meet the eligibility and qualification criteria used at the time of prequalification, the Consultant shall submit the Form E/QUAL, as stipulated in the Section 3 – Technical Proposal Forms, and updated information on any assessed aspect that changed from that time.

14.1.2 If a shortlisted Consultant considers that associating with other Consultants in the form of a Joint Venture or as Sub-consultants may enhance its expertise for the assignment, it may do so with either (a) non-shortlisted Consultant(s), or (b) shortlisted Consultants with prior approval of the Employer, and only if sufficient competition continues to be guaranteed. Association with a non-shortlisted Consultant shall be subject to approval of the Employer. When associating with non-shortlisted firms in the form of a joint venture or a sub-consultancy, the shortlisted Consultant shall be the Lead Consultant. If shortlisted Consultants associate with each other, any of them can be the Lead Consultant.

14.1.3 The Employer may indicate in the **Data Sheet** the estimated Key Experts' time-input or the Employer's estimated total cost of the assignment, but not both. This estimate is indicative and the Proposal shall be based on the Consultant's own estimates.

14.1.4 If so required in the **Data Sheet**, the Consultant shall include in its Proposal at least the minimum time-input (in the same units) required from the Key Experts. If the Consultant includes a lower time input, the Employer shall adjust the respective Financial Proposal to make it comparable with the other Proposals in accordance with the method in the **Data Sheet**.

14.1.5 If the evaluation method as stipulated in the **Data Sheet** is not standard quality – cost based evaluation but fixed budget selection, the estimated time-input of the Key Experts shall not be disclosed, but the **Data Sheet** shall provide the total available budget for the assignment with an indication of whether taxes are included or are not included in this amount.

#### 15. TECHNICAL PROPOSAL FORMAT AND CONTENT

15.1 The Technical Proposal shall not include financial information. A Technical Proposal containing material financial information shall be declared non-responsive.

15.2 The Consultant shall not propose Key Experts inconsistent with the Key Experts profiles described in the TOR (Section V). Only one CV shall be submitted for each Key Expert position.

15.3 The Technical Proposal shall be prepared using the Standard Forms provided.

## 16. FINANCIAL PROPOSAL

16.1 The Consultant shall submit a Financial Proposal based on the requirement as described in the TOR (Section V). If a contract period is provided in the **Data Sheet** the Consultant shall assume this contract period in the preparation of the Financial Proposal. The Financial Proposal shall contain the information and be structured as detailed in Section IV. The **Data Sheet** may request the Consultant to provide services either by delivering or producing one or more deliverables for a fixed amount (Lump Sum Contract) or for a certain duration with remuneration according to time spend at fixed unit rates (Time-Based Contract) or a combination of both.

Price Adjustment 16.2 For assignments with a duration exceeding 24 months, a price adjustment provision for foreign and/or local inflation for remuneration rates shall apply in line with the provisions stated in the **Data Sheet**.

Taxes 16.3 The Consultant, its Sub-consultants and Experts are responsible for meeting all tax liabilities and public duties in connection with the Contract according to Applicable Law in the Employer's country, unless they are exempted from such payments. The details of the applicable regime are indicated in the **Data Sheet**. In any case taxes, duties, levies and fees payable by the Consultant, its Sub-consultants and Experts outside the Employer's country shall be considered to be included in the overhead fees.

Currency of Proposal 16.4 The Consultant may express the price for its Services in Euro unless otherwise stated in the **Data Sheet**. If indicated in the **Data Sheet**, the portion of the price representing local cost shall be stated in the national currency.

Currency of Payment and Payment Conditions 16.5 Payments under the Contract shall be made in the currency or currencies in which the payment is requested in the Proposal.

16.6 The Consultant shall calculate the Financial Proposal on the basis of the general payment conditions as per model Contract for consulting services attached under Section VIII if not otherwise stated in the **Data Sheet**.

Contributions by the Employer 16.7 The Consultant shall assume in the financial Proposal that the Employer shall make the following contributions:

16.7.1 provide the Consultant with all the information, documents, maps, aerial photographs, etc. in his possession and necessary for the completion of his services, free of charge, for the duration of the project;

16.7.2 ensure that the Consultant has all the necessary permits to obtain further documents, maps and aerial photographs;

16.7.3 support the Consultant in obtaining all the necessary working permits, residence permits and import licenses;

16.7.4 provide other contributions as stipulated in the **Data Sheet**.

## C. SUBMISSION, OPENING AND EVALUATION

### 17. SUBMISSION, SEALING, AND MARKING OF PROPOSALS

17.1 The Consultant shall submit a signed and complete Proposal comprising the documents and forms in accordance with ITC 10 (Documents Comprising Proposal). The submission can be done by mail (postal or courier service) or by hand.

17.2 The authorized representative of the Consultant according to ITC 4.1 shall sign the original submission letters in the required format for both the Technical Proposal and the Financial Proposal.

17.3 A Proposal submitted by a Joint Venture shall be signed by all members so as to be legally binding on all members, or shall be signed by the authorized representative according to ITC 4.1 who has a written power of attorney from each member signed by the member's authorized representative and attached to the Technical Proposal.

17.4 Any modifications, revisions, interlineations, erasures or overwriting shall be valid only if they are signed or initialized by the persons signing the Proposal.

17.5 The signed Proposal shall be marked "Original", and its copies marked "Copy" as appropriate. The number of copies and recipients are indicated in the **Data Sheet**. All copies shall be made from the signed original. If there are discrepancies between the original and the copies, the original shall prevail.

17.6 The original and all the copies of the Technical Proposal shall be placed inside of a sealed envelope clearly marked "Technical Proposal", "[Name of the Assignment]", reference number, name and address of the Consultant, and with a warning "Do Not Open until [insert the date and the time of the Technical Proposal submission deadline]."

17.7 Similarly, the original and all copies of the Financial Proposal (if required for the applicable selection method) shall be placed inside of a sealed envelope clearly marked "Financial Proposal" followed by the name of the assignment, reference number, name and address of the Consultant, and with a warning "Do Not Open With The Technical Proposal."

17.8 The sealed envelopes containing the Technical and Financial Proposals shall be placed into one outer envelope and sealed. This outer envelope shall bear the submission address, RFP reference number, the name of the assignment, Consultant's name and the address, and shall be clearly marked "Do Not Open Before [insert the time and date of the submission deadline indicated in the **Data Sheet**]".

17.9 If the envelopes and packages with the Proposal are not sealed and marked as required, the Employer will assume no responsibility for the misplacement, loss, or premature opening of the Proposal.

17.10 The original of the Proposal or its modifications must be sent to the address indicated in the **Data Sheet** and received no later than the deadline indicated in the **Data Sheet**, or any extension to this deadline. Any Proposal or its modification received after the deadline shall be declared late and rejected, and promptly returned unopened. The timely receipt of the original of the Proposal at the address and date indicated in the **Data Sheet** is decisive for the timely submission of the Proposal.

17.11 The Consultant may be requested to send additional copies of the Proposal to other recipients as indicated in the **Data Sheet**. In this case the same requirements for envelopes and packages apply as for the original of the Proposal. The receipt of such copies shall not be decisive for the timely submission.

- 18. CONFIDENTIALITY**
- 18.1 From the time the Proposals are opened to the time the Contract is awarded, the Consultant shall not contact the Employer on any matter related to its Technical and/or Financial Proposal. Information relating to the evaluation of Proposals and award recommendations shall not be disclosed to the Consultants who submitted the Proposals or to any other party not officially concerned with the process, until the Contract is awarded.
- 18.2 Any attempt by shortlisted Consultants or anyone on behalf of the Consultant to influence improperly the Employer in the evaluation of the Proposals or Contract award decisions may result in the rejection of its Proposal.
- 19. OPENING OF TECHNICAL PROPOSALS**
- 19.1 The Employer's evaluation committee shall proceed with the opening of the Proposals shortly after the submission deadline as indicated in the **Data Sheet** and establish and sign an opening protocol as per ITC 19.4.
- 19.2 The Employer's evaluation committee shall be composed of at least three members unless otherwise detailed in the **Data Sheet**. One member of the Evaluation committee shall not be staff from the Employer's administration or organisation. However, if a tender agent conducts the selection procedure on behalf of the Employer as indicated in the **Data Sheet** the opening of Proposals shall be done by the tender agent in presence of a witness and both shall sign the opening protocol as per ITC 19.4
- 19.3 The envelopes with the Financial Proposal shall remain sealed and shall be securely stored until they are opened in accordance with ITC 22.
- 19.4 At the opening of the Technical Proposals the following shall be recorded in the opening protocol: (i) the presence or absence of a signed Technical Proposal Submission Form (TECH-1) and the name and business address of the Consultant or, in case of a Joint Venture, the name and business address of the Joint Venture, the name and business address of the lead member and the names and business addresses of all members as stated in TECH-1; (ii) the presence or absence of a duly sealed envelope with the Financial Proposal; (iii) the presence or absence of the Declaration of Undertaking (TECH-2), (iv) any modifications to the Proposal submitted prior to the Proposal submission deadline; and (v) any other information deemed appropriate or as indicated in the **Data Sheet**.
- 20. PROPOSALS EVALUATION**
- 20.1 The evaluation of the Technical Proposals shall be conducted in conformity with the provisions below. The report shall include all clarifications with Consultants during the technical evaluation and be signed by all members of the Evaluation committee, pursuant to ITC 19.2.
- 20.2 The Consultant is not permitted to alter or modify its Proposal in any way after the Proposal submission deadline except as permitted in accordance with ITC 12.6. While evaluating the Proposals, the Employer will conduct the evaluation only on the basis of the submitted Technical and Financial Proposals.
- 20.3 Services or items that the Consultant is required to offer as an option as per the TOR shall not be included in the technical and financial evaluation, unless otherwise explicitly stated in the **Data Sheet**.
- 20.4 Alternative offers will not be taken into consideration unless permitted in the **Data Sheet**.
- 21. EVALUATION OF TECHNICAL PROPOSALS**
- 21.1 The Employer shall evaluate the Technical Proposals on the basis of the criteria and point system set out in the **Data Sheet**. Each responsive Proposal will be given a technical score. A Proposal shall be rejected at this stage if it is determined to be non-responsive in accordance with ITC 7.2 or if it fails to achieve the minimum technical score of 75 % of the maximum score in accordance with ITC 22.1. If specified in the **Data Sheet** a minimum score may be applied not only to the overall technical score but also to the achievement of the ESHS minimum score.
- 21.2 For the purposes of scoring individual sub-criteria the following qualitative approach may be applied:;

- a) 100% of the max. score: Excellent, no errors or omissions at all are noted. Exhaustive, conclusive, comprehensive, precise and further leading suggestion / idea / offering with respect to the sub-criterion.
- b) 75% of the max. score: Good, minimal errors or omissions noted. Exhaustive, conclusive, comprehensive and precise with respect to the sub-criterion.
- c) 50% of the max. score: Unsatisfactory, major errors or omissions noted not comprising the fulfilment of the sub-criterion, basically meets the requirement of the respective sub-criterion.
- d) 25% of the max. score: Poor, major errors or omissions are noted comprising the fulfilment of the sub-criterion, substantially deviates from or indicates misunderstanding of the requirement of the respective sub-criterion.
- e) 0 % of the max. score: Insufficient / Fail, does not meet the requirement of the respective sub-criterion at all or does not provide any information regarding the requirement of the sub-criterion.

**22. OPENING AND EVALUATION OF FINANCIAL PROPOSALS**

22.1 The Financial Proposals of those Consultants which have achieved the minimum score in accordance with ITC 21.1 shall be opened. The Financial Proposals of those Consultants below the minimum score shall not be opened and returned unopened after completing the selection process and Contract signing.

22.2 The opening of the Financial Proposals shall be done in accordance with ITC 19.2 and ITC 19.4.

**23. EVALUATION OF FINANCIAL PROPOSALS**

23.1 The Financial Proposals shall be assessed using the total price after correcting any arithmetical errors.

Lump Sum Contract

23.2 If a Lump Sum Contract form is included in the RFP, the Consultant is deemed to have included all prices in the Financial Proposal, therefore no price adjustments shall be made. The total price, net of taxes understood as per Clause ITC 25 below, specified in the Financial Proposal (Form FIN-1) shall be considered as the offered price.

Time Based Contract

23.3 If a Time Based Contract form is included in the RFP, the Employer's evaluation committee will (a) correct any computational or arithmetical errors, (b) adjust the prices if they fail to reflect the duration of the contract in accordance with ITC 14.1.3, and (c) adjust the prices if they fail to reflect all inputs, which, in accordance with the RFP have to be indicated and priced separately, using the highest rates for the corresponding items indicated in the Financial Proposals of competing Bids, determined to be responsive in accordance with ITC 7.2. In case of discrepancy between (i) a partial amount (sub-total) and the total amount, or (ii) between the amount derived by multiplication of unit price with quantity and the total price, or (iii) between words and figures, in each case the former will prevail. In case of discrepancy between the Technical and Financial Proposals in indicating quantities of input, the Technical Proposal prevails and the Employer's evaluation committee shall correct the quantification indicated in the Financial Proposal so as to make it consistent with that indicated in the Technical Proposal, apply the relevant unit price included in the Financial Proposal to the corrected quantity, and correct the total Proposal cost.

Other Cost

23.4 Notwithstanding the above, if the Consultant is required to separately offer equipment or miscellaneous items (collectively "Other Cost") not included in the lump sum or time based cost items as per Form FIN-2 the Financial Offer may be adjusted for such items to allow for comparison, but only for such items explicitly requested to be offered in the RFP. The financial evaluation will be inclusive of the total, possibly adjusted amount for Other Cost items.

23.5 In case of a mixed contract containing parts with Lump Sum remuneration (i.e. for project design) and Time Based remuneration (i.e. project supervision) corrections to the respective parts of the Proposal shall be applied according to the applicable provisions in ITC 23.2 and ITC 23.3.

#### 24. TAXES

24.1 The Employer's evaluation of the Consultant's Financial Proposal shall exclude customs and excise duties, taxes and levies in the Employer's country, directly attributable to the Contract, if not otherwise specified in the **Data Sheet**.

#### 25. CONVERSION TO SINGLE CURRENCY

25.1 For the evaluation purposes, prices shall be converted to a single currency using the selling rates of exchange, source and date indicated in the **Data Sheet**.

#### 26. COMBINED EVALUATION OF TECHNICAL AND FINANCIAL PROPOSALS

26.1 The Proposal Score shall be calculated by weighting the Technical Score with 80% and the Financial Score with 20% and adding them as per the formula and instructions in the **Data Sheet**.

26.2 A final evaluation report shall be established by the Evaluation committee with the result of the combined evaluation and including the verification of the qualification as per ITC 27. The Consultant with the highest Proposal Score shall be declared the winner and invited for negotiations.

#### 27. QUALIFICATION OF THE CONSULTANT

27.1 The Employer shall determine to its satisfaction whether the Consultant, whose Proposal has achieved the highest Proposal score in accordance with ITC 26.1 continues to meet the eligibility and qualifying criteria specified at the prequalification stage. The determination shall be based upon an examination of Form E/QUAL as provided in Section 3, Technical Proposal Forms.

27.2 An affirmative determination shall be a prerequisite for award of the Contract to the Consultant. A negative determination shall result in disqualification of the Proposal, in which event the Employer shall proceed to the Proposal, which has achieved the next-highest Proposal score to make a similar determination of that Consultant's eligibility and qualifications to perform satisfactorily.

#### 28. EMPLOYER'S RIGHT TO REJECT ALL PROPOSALS

28.1 The Employer reserves the right to annul the bidding process and reject all Proposals at any time prior to contract award, without thereby incurring any liability to Consultants

## D. NEGOTIATIONS AND AWARD

### 29. NEGOTIATIONS

29.1 The Employer shall conduct contract negotiations with the Consultant who has attained the highest Proposal Score in accordance with ITC 26.

29.2 The Employer shall prepare minutes of negotiations, which shall be signed by the Employer and the Consultant's authorized representative.

Availability of Key Experts

29.3 The invited Consultant shall confirm the availability of all Key Experts included in the Proposal as a pre-requisite to the negotiations, or, if applicable, a replacement in accordance with Clause 12 of the ITC. Failure to confirm the Key Experts' availability shall result in the rejection of the Consultant's Proposal, in which case the Employer shall proceed to negotiate the Contract with the next-ranked Consultant.

29.4 Notwithstanding the above, the substitution of Key Experts at the negotiations may be considered if due solely to circumstances outside the reasonable control of and not foreseeable by the Consultant, including but not limited to death or medical incapacity. In such case, the Consultant shall offer a substitute Key Expert within the period of time specified in the letter of invitation to negotiate the Contract, who shall have equivalent or better qualifications and experience than the original candidate.

Technical Negotiations

29.5 The scope of the contract negotiations shall be limited to the following points:

- clarifying the work and the methods to be used, where necessary adjusting the staffing schedule;
- clarifying any counterpart services to be provided by the Employer

Such negotiations shall be limited to items identified in the evaluation report and shall not be subject to material changes.

Financial Negotiations

29.6 Fees and unit prices for incidental costs and for all services that were to be offered on a lump-sum basis pursuant to the invitation to tender are in principle not subject to negotiation, as they were already taken into account during the evaluation of the Financial Proposal.

29.7 All terms and conditions of the Contract, including the payment schedule, shall be strictly in accordance with the terms and conditions set out in the contract form provided in Section VIII. For the avoidance of doubt, the Contract terms and conditions shall not be subject to any material changes in the course of negotiations.

### 30. CONCLUSION OF NEGOTIATIONS

30.1 The negotiations are concluded with a review of the finalized draft Contract, which then shall be initialled by the Employer and the Consultant's authorized representative.

30.2 If the negotiations fail, the Employer shall inform the Consultant immediately in writing of all pending issues and disagreements and provide a final opportunity to the Consultant to respond. If disagreement persists, the Employer shall terminate the negotiations informing the Consultant of the reasons for doing so and invite the next-ranked Consultant to negotiate the Contract. Once the Employer commences negotiations with the next-ranked Consultant, the Employer shall not reopen the earlier negotiations.

### 31. AWARD OF CONTRACT, INFORMATION OF CONSULTANTS

31.1 After completing the negotiations with the Consultant the Employer shall promptly inform all shortlisted Consultants on the outcome of the selection procedure. The information sent to the Consultants shall contain the name and the contract amount of the winning Consultant, the combined Proposal Score of the winner and the respective Consultant. Additional requirements for the

publication of the results of the selection procedure are indicated in the **Data Sheet**, if any.

31.2 In case a Consultant requests additional information on the result of the evaluation in writing to the Employer, the Employer shall promptly provide a debriefing to the Consultant informing on the weaknesses of the Proposal in relation to the winning Consultant. No additional information shall be disclosed.

31.3 Subject to KfW's no-objection to the draft Contract the Employer shall sign the Contract. The Consultant is expected to commence the assignment on the date and at the location specified in the **Data Sheet**.

## II. DATA SHEET

ITC Clause Provision Reference	
A. General	
1.1	<p>Employer is the “<b>National Business Initiative (NBI)</b>” as recipient and Project Executing Agency of the “<b>Skills and Employment Program</b>” funded by the Federal Republic of Germany through the KfW Development Bank.</p> <p>The method of selection is the least cost-based selection method attributing 70% weight to the Financial Proposal and 30% weight for compliance with social and economic transformation requirements (B-BBEE). Only bidders who meet all technical requirements stated in ITC26.1 will be considered for final selection based on the afore-mentioned method.</p>
1.2 (b)	South Africa
1.2 (n) & 4.4	The Letter of Invitation is for an open tender to all parties that are interested in bidding. i.e. there are no shortlisted Consultants.
1.3	<p>The name of the assignment is annual audit services for Phase I and Phase II of the “Skills and Employment Program for the establishment of Installation, Repair and Maintenance (IRM) Hubs”</p> <p>Phase I of the program entered the implementation stage with the signing of the FC Grant Agreement dated September 28<sup>th</sup>, 2023 for up to EUR 11 million. The expected implementation period is about 5 years until end of 2028.</p> <p>Phase II of the program is currently in preparation stage. The signing of the FC Grant Agreement over up to another EUR 11 million FC grant is envisioned before the end of 2025. The expected implementation time is until end of 2029.</p> <p>Phase I and II are envisioned to be implemented as one integrated program for the total grant amount of EUR 22 million. Approximately EUR 19.4 million will be disbursed through the Disposition Account managed by NBI as the grant recipient. Payments for the Implementation Consultant supporting NBI in the execution of the program, incl. the construction management and financial management will be made through KfW Direct Disbursement on behalf of NBI as the employer.</p>
1.4	No pre-proposal meeting will be scheduled.
1.5	The Employer will provide the following inputs to facilitate the preparation of the Proposals:

ITC Clause Provision Reference	
	<ul style="list-style-type: none"> <li>• “KfW Procurement Guidelines”</li> </ul> <p>Any other information can be requested and will be provided on request.</p>
6.	Not applicable
B. Preparation of Proposals	
9.1	Proposals shall be accepted in the <b>English</b> language, which shall be the governing language of the Contract. All correspondence exchange shall be in <b>English</b> language.
10.1	The Proposal shall be submitted in one envelope comprising the following documents: <ol style="list-style-type: none"> <li>1. A Technical Proposal Containing: <ol style="list-style-type: none"> <li>1.1. TECH-1 Technical Proposal Submission Form</li> <li>1.2. TECH-2 Declaration of Undertaking</li> <li>1.3. TECH-3 Curriculum Vitae</li> </ol> </li> <li>2. A Financial Proposal Containing: <ol style="list-style-type: none"> <li>2.1. FIN-1 Financial Proposal Submission Form</li> <li>2.2. FIN-2 Financial Proposal – Cost Breakdown</li> </ol> </li> </ol>
11.1	Sub-consultants may participate in more than one Proposal.
11.3	Individuals <b>may not</b> participate in more than one Proposal. In the case the same Key Expert appears in more than one Proposal, all Proposals concerned shall be rejected unless a bidder can demonstrate to have obtained the exclusive right of the respective Key Expert to include her/his curricula vitae in the proposal before the submission deadline has passed.
12.1	Proposals shall remain valid for <b>90 days</b> after the Proposal submission deadline.
13.1	The deadline for clarifications by Consultants is <b>3 days prior to the submission date</b> as per Clause 17.10.  Clarifications requests shall be addressed to the employer via Nombulelo Magaqa <a href="mailto:nombulelom@nbi.org.za">nombulelom@nbi.org.za</a> .
14.1.1	Not applicable
14.1.3	Not applicable

ITC Clause Reference	Provision
14.1.4	Not applicable
14.1.5	Not Applicable
16.1	<p>Bidders are requested to prepare two financial proposals for Audit Services of the FC program.</p> <ul style="list-style-type: none"> <li>- Proposal A shall be prepared for the accumulated program phases I and II (expected financial volume to be disbursed through the disposition account: approx. EUR 19.5 million EUR over the time period Sept. 2023 – Dec. 2029).</li> <li>- Proposal B shall be prepared for the ongoing program phase I (financial volume to be disbursed through the disposition account: approx. EUR 9.1 million over the period Sept. 2023 – Dec. 2028. The financial value of the second proposal shall not exceed 65% of the proposal for the accumulated funding phases I and II.</li> </ul> <p>Proposal A will apply for tender evaluation. The award of contract will be based on Proposal B with the option for contract extension on the basis of financial proposal A. The option for contract extension will be activated when the FC Grant Agreement for program phase II is signed.</p> <p>The Financial Proposal shall be calculated under the assumption that services will be remunerated on a lump sum basis based on deliverables as stated in the ToR.</p> <p>Cost of personnel shall include fixed daily fee rates (includes salary, social charges and overhead costs, vacation and sick leave, home office cost, communication cost with regard to the deployment, normal home office services - professional, personal and administrative support - cost of electronic data processing, company's professional insurances, risk and profit) and any other costs necessary to deliver the services as stated in the ToR.</p> <p>The Consultant shall use the Financial Proposal template for calculation of costs.</p>
16.2	The rates shall be fixed for the contract period as per ITC 16.1
16.3	The Financial Proposal shall be submitted as <b>net total</b> with <b>VAT to be stated separately</b> .
16.4	The Financial Proposal is to be calculated in South African Rands (ZAR). The Financial Proposal shall state local costs in the Employer's country currency.
16.6	Proposed Annual Disbursement Schedule:

ITC Clause Reference	Provision
	<p>Payment shall be made in equal annual amounts, as follows:</p> <ul style="list-style-type: none"> <li>• 10% advance payment at the commencement of the audit, against presentation of an invoice.</li> <li>• Remainder on submission of final signed audit report and invoice.</li> </ul> <p>The total amount billed over the contract period shall not exceed the total amount as calculated in the Financial Proposal B as per ITC 16.1</p>
16.7.4	Not applicable
<b>C. Submission, Opening and Evaluation</b>	
17.5	<p>Bidders must submit their technical and financial proposals in one envelope.</p> <p>The proposals must be placed in a sealed envelope marked “Confidential” with the name/address of submitting company and the project title.</p> <p>The proposals must be deposited in the NBI’s tender box to be located at the reception on the <b>Ground Floor, 61 Katherine Street, Dennehof, Sandton, 2196.</b></p> <p><b>Note:</b> In addition, bidders are requested to provide a flash disk containing <b>electronic copies</b> of the proposal to facilitate the circulation of documents to the bid evaluation committee.</p>
17.10	<p>The deadline for the submission of Proposals shall be: <b>05 August 2025, 12:00 hrs CAT</b></p> <p>The original of the Proposal shall be submitted at the following address: <b>61 Katherine Street, Dennehof, Sandton, 2196</b></p> <p>Timely submission means that the proposal is successfully deposited in the tender box by the deadline.</p>
19.1	<p>The opening of the technical proposals shall take place on <b>05 August 2025, 12:30 hrs CAT</b> at the following address: <b>61 Katherine Street, Dennehof, Sandton, 2196</b></p>
19.2	The Employer as indicated in ITC 1.1 will conduct the selection procedure.
21.1	The technical evaluation shall be carried out based on the pass/fail criteria. Only bidders who meet all the technical requirements stated in <b>ITC26.1</b> will be considered.
24.1	The Financial Proposal will be evaluated using the total price (excluding VAT). Only the financial proposals of bidders that have passed the technical evaluation shall be evaluated.

ITC Clause Provision Reference															
25.1	Not applicable														
6.1	<p>The matrix below will be used for the evaluation:</p> <table border="1"> <thead> <tr> <th>Criteria</th> <th>Weighting</th> </tr> </thead> <tbody> <tr> <td><b>1. Technical Proposal Evaluation</b></td> <td>Pass / Fail</td> </tr> <tr> <td> <p><b>Consultancy entity requirements:</b></p> <ul style="list-style-type: none"> <li>The Consultant is a member of an internationally recognised Audit network</li> </ul> <p><b>Minimum staff requirements and experience (based on CV):</b></p> <ul style="list-style-type: none"> <li>One senior expert (Partner) with 2 years' experience. This expert shall be overall responsible for the assignment</li> <li>One audit manager (responsible for the field work and the team on the ground) with 2 years' experience</li> <li>The above-mentioned staff to have done a minimum of 3 assignment for each of the following: <ul style="list-style-type: none"> <li>i. Have proven experience with Audits based on ISAE 3000 revised</li> <li>ii. Have proven experience with the verification of use of international donor funds</li> <li>iii. Have proven knowledge of public service institutions</li> </ul> </li> </ul> </td> <td></td> </tr> <tr> <td><b>2. Evaluation of Financial Proposal A</b></td> <td><b>70%</b></td> </tr> <tr> <td>Based on quoted price</td> <td></td> </tr> <tr> <td><b>3. BBBEE Weighting</b></td> <td><b>30%</b></td> </tr> <tr> <td>This will be based on the BBBEE level of the bidder</td> <td></td> </tr> </tbody> </table>	Criteria	Weighting	<b>1. Technical Proposal Evaluation</b>	Pass / Fail	<p><b>Consultancy entity requirements:</b></p> <ul style="list-style-type: none"> <li>The Consultant is a member of an internationally recognised Audit network</li> </ul> <p><b>Minimum staff requirements and experience (based on CV):</b></p> <ul style="list-style-type: none"> <li>One senior expert (Partner) with 2 years' experience. This expert shall be overall responsible for the assignment</li> <li>One audit manager (responsible for the field work and the team on the ground) with 2 years' experience</li> <li>The above-mentioned staff to have done a minimum of 3 assignment for each of the following: <ul style="list-style-type: none"> <li>i. Have proven experience with Audits based on ISAE 3000 revised</li> <li>ii. Have proven experience with the verification of use of international donor funds</li> <li>iii. Have proven knowledge of public service institutions</li> </ul> </li> </ul>		<b>2. Evaluation of Financial Proposal A</b>	<b>70%</b>	Based on quoted price		<b>3. BBBEE Weighting</b>	<b>30%</b>	This will be based on the BBBEE level of the bidder	
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This will be based on the BBBEE level of the bidder															
s27.1	Not Applicable														
29.7	A draft contract covering has been provided.														

<b>ITC Clause Provision Reference</b>	
	An amended contract will be entered into once funding for Phase II has been secured.
<b>C. Negotiations and Award</b>	
31.1.	Not applicable
31.2.	The expected commencement date of the assignment is no more than <b>one month after the signing of contract.</b>

### III. ELIGIBILITY CRITERIA

#### Eligibility in KfW-Financed Procurement

1. Consulting Services, Works, Goods, Plant and Non-Consulting Services are eligible for KfW financing regardless of the country of origin of the Contractors (including Subcontractors and suppliers for the execution of the Contract), except where an international embargo or sanction by the United Nations, the European Union or the German Government applies.
2. Applicants/Bidders (including all members of a Joint Venture and proposed or engaged Subcontractors) shall not be awarded a KfW-financed Contract if, on the date of submission of their Application/Offer or on the intended date of Award of a Contract, they:
  - 2.1 are bankrupt or being wound up or ceasing their activities, are having their activities administered by courts, have entered into receivership, or are in any analogous situation;
  - 2.2 have been
    - (a) convicted by a final judgement or a final administrative decision or subject to financial sanctions by the United Nations, the European Union and/or the German Government for involvement in a criminal organisation, money laundering, terrorist-related offences, child labour or trafficking in human beings; this criterion of exclusion is also applicable to legal Persons, whose majority of shares are held or factually controlled by natural or legal Persons which themselves are subject to such convictions or sanctions;
    - (b) convicted by a final court decision or a final administrative decision by a court, the European Union or national authorities in the Partner Country or in Germany for Sanctionable Practice during any Tender Process or the performance of a Contract or for an irregularity affecting the EU's financial interests, unless they provide supporting information together with their Declaration of Undertaking (Form available as Appendix to the Application/Offer which shows that this conviction is not relevant in the context of this Contract and that adequate compliance measures have been taken in reaction;
  - 2.3 have been subject within the past five years to a Contract termination fully settled against them for significant or persistent failure to comply with their contractual obligations during Contract performance, unless this termination was challenged and the dispute resolution is still pending or has not confirmed a full settlement against them;
  - 2.4 have not fulfilled applicable fiscal obligations regarding payments of taxes either in the country where they are constituted or the PEA's country;
  - 2.5 are subject to an exclusion decision of the World Bank or any other multilateral development bank and are listed in the respective table with debarred and cross-debarred firms and individual available on the World Bank's website or any other multilateral development bank unless they provide supporting information together with their Declaration of Undertaking which shows that this exclusion is not relevant in the context of this Contract or
  - 2.6 have given misrepresentation in documentation requested by the PEA as part of the Tender Process of the relevant Contract.

3. State-owned entities may compete only if they can establish that they (i) are legally and financially autonomous, and (ii) operate under commercial law. To be eligible, a state-owned entity shall establish to KfW's satisfaction, through all relevant documents, including its charter and other information KfW may request, that it: (i) is a legal entity separate from their state (ii) does not currently receive substantial subsidies or budget support; (iii) operates like any commercial enterprise, and, inter alia, is not obliged to pass on its surplus to their state, can acquire rights and liabilities, borrow funds and be liable for repayment of its debts, and can be declared bankrupt.

## **IV. KFW POLICY – SANCTIONABLE PRACTICE – SOCIAL AND ENVIRONMENTAL RESPONSIBILITY**

### **A. SANCTIONABLE PRACTICE**

The PEA and the Contractors (including all members of a Joint Venture and proposed or engaged Subcontractors) must observe the highest standard of ethics during the Tender Process and performance of the Contract.

By signing the Declaration of Undertaking the Contractors declare that (i) they did not and will not engage in any Sanctionable Practice likely to influence the Tender Process and the corresponding Award of Contract to the PEA's detriment, and that (ii) in case of being awarded a Contract they will not engage in any Sanctionable Practice.

Moreover, KfW requires to include in the Contracts a provision pursuant to which Contractors must permit KfW and in case of financing by the European Union also to European institutions having competence under European law to inspect the respective accounts, records and documents relating to the Tender Process and the performance of the Contract, and to have them audited by auditors appointed by KfW.

KfW reserves the right to take any action it deems appropriate to check that these ethics rules are observed and reserves, in particular, the rights to:

- (a) reject an Offer for Award of Contract if during the Tender Process the Bidder who is recommended for the Award of Contract has engaged in Sanctionable Practice, directly or by means of an agent in view of being awarded the Contract;
- (b) declare misprocurement and exercise its rights on the ground of the Funding Agreement with the PEA relating to suspension of disbursements, early repayment and termination if, at any time, the PEA, Contractors or their legal representatives or Subcontractors have engaged in Sanctionable Practice during the Tender Process or performance of the Contract without the PEA having taken appropriate action in due time satisfactory to KfW to remedy the situation, including by failing to inform KfW at the time they knew of such practices.

KfW defines, for the purposes of this provision, the terms set forth below as follows:

Coercive Practice	The impairing or harming, or threatening to impair or harm, directly or indirectly, any person or the property of the person with a view to influencing improperly the actions of a person.
Collusive Practice	An arrangement between two or more persons designed to achieve an improper purpose, including influencing improperly the actions of another person.
Corrupt Practice	The promising, offering, giving, making, insisting on, receiving, accepting, or soliciting, directly or indirectly, of any illegal payment or undue advantage of any nature, to or by any person, with the intention of influencing the actions of any person or causing any person to refrain from any action.

Fraudulent Practice	Any action or omission, including misrepresentation that knowingly or recklessly misleads, or attempts to mislead, a person to obtain a financial benefit or to avoid an obligation.
Obstructive Practice	Means (i) deliberately destroying, falsifying, altering or concealing evidence material to the investigation or the making of false statements to investigators, in order to materially impede an official investigation into allegations of a Corrupt Practice, Fraudulent Practice, Coercive Practice or Collusive Practice, or threatening, harassing or intimidating any Person to prevent them from disclosing their knowledge of matters relevant to the investigation or from pursuing the investigation, or (ii) any act intended to materially impede the exercise of KfW's access to contractually required information in connection with an official investigation into allegations of a Corrupt Practice, Fraudulent Practice, Coercive Practice or Collusive Practice.
Sanctionable Practice	Any Coercive Practice, Collusive Practice, Corrupt Practice, Fraudulent Practice or Obstructive Practice (as such terms are defined herein) which is unlawful under the Financing Agreement.

## **B. SOCIAL AND ENVIRONMENTAL RESPONSIBILITY**

Projects financed in whole or partly in the framework of Financial Cooperation have to ensure compliance with international Environmental, Social, Health and Safety (ESHS) standards (including issues of sexual exploitation and abuse and gender-based violence) Contractors in KfW-financed projects shall consequently undertake in the respective Contracts to:

- (a) comply with and ensure that all their Subcontractors and major suppliers, i.e. for major supply items comply with international environmental and labour standards, consistent with applicable law and regulations in the country of implementation of the respective Contract and the fundamental conventions of the International Labour Organisation (ILO) and international environmental treaties and;
- (b) implement any environmental and social risks mitigation measures, as identified in the environmental and social impact assessment (ESIA) and further detailed in the environmental and social management plan (ESMP) as far as these measures are relevant to the Contract and implement measures for the prevention of sexual exploitation and abuse and gender-based violence.

## V. TERMS OF REFERENCE

### 1. BACKGROUND

#### A. ABOUT THE NATIONAL BUSINESS INITIATIVE

The National Business Initiative (NBI) is a **not-for-profit development organisation** that works to address South Africa's most pressing social and environmental challenges. We are an independent and voluntary coalition of South African and multinational businesses, launched in 1995 by the then President Nelson Mandela. Since our formation the NBI has made a distinct impact in the spheres of housing delivery, crime prevention, local economic development, public sector capacity building, further education and training, schooling, and public private partnerships.

The NBI's **membership** encompasses approximately 100 leading South African corporations and multinationals. Our membership includes some of the country's leading listed companies, some of the major state-owned enterprises (and a variety of medium sized firms).

The NBI has strong ties and working **relationships** with several leading international organisations and business coalitions. The NBI is a global network partner of the World Business Council for Sustainable Development (WBCSD) and an implementation partner of We Mean Business, the CEO Water Mandate and CDP. The NBI plays an important bridging role between business, civil society, and government, including through supporting informal dialogue on key issues. This approach can assist in the development of partnerships across the public and private sector in South Africa, an approach that is key to solving many of the country's socio-economic challenges.

The NBI is governed by a board of business leaders who have the authority to manage and direct the business and affairs of the NBI, as contemplated in section 66(1) of the South African Companies Act. The Board meets at least four times a year. The Board has four sub-committees including the Finance and Risk Committee, a Remuneration Committee, a Membership and Fundraising Committee and a Social, Ethics and Transformation Committee.

The NBI has the following as its core objectives:

- **On environmental sustainability:** To empower business leaders so that they can make sense of the net effect of global environmental drivers on their businesses. This enables them to take decisions now that will help them ensure their business remains competitive in the future.
- **On social transformation:** To encourage bold, action-orientated dialogue about meaningful transformation in the workplace. This includes tackling corruption, while co-creating initiatives to achieve an inclusive and transformed workforce. This ensures businesses can be a valuable contributor to the economy, ensuring a cohesive and equitable South Africa.
- **On economic inclusion:** To work to understand the systemic barriers to driving economic inclusion and co-create interventions that enable change. This includes through ethical leadership, towards ensuring a sustainable and thriving South Africa.
- **On institutional and government capacity:** To offer a cross-cutting capacity building function through a focused and outcomes-based technical mentorship and development approach to strengthen Government's capacity. This includes Government's service delivery mandate, which contributes to the creation of conducive environments in which business and society can operate effectively.

## **B. AN OVERVIEW OF THE INSTALLATION, REPAIR AND MAINTENANCE (IRM) INITIATIVE**

Since 2019, the NBI, together with a range of partners, have been implementing an initiative that seeks to expand opportunities for township enterprises and unemployed youth in Installation, Repair and Maintenance (IRM) occupations i.e. the IRM Initiative.

IRM occupations refer primarily to jobs or professions that use artisanal skills to install, repair and/ or maintain tools, equipment, machinery, and infrastructure. These occupations also refer to jobs and professions that use artisanal skills to manufacture functional, innovative and/or decorative products partly or entirely by hand e.g. welders who produce window frames and burglar bars; carpenters that produce building frames, roof trusses and furniture; electronic technicians who can diagnose and repair different types of electronic equipment, such as computers or microwaves and can produce and install new technology e.g. smart meters and leak detectors etc. Green occupations and the green economy are a cross-cutting feature of IRM, particularly in the areas of energy, water, and waste efficiency.

The IRM Initiative seeks to expand learning and employment pathways towards artisanal occupations across the infrastructure and other value chains. The Initiative operates at the interface between supply and demand, unlocking the demand for skills in these various industries and supporting, enabling public TVET Colleges to respond to this demand through agile and flexible occupational training, and supporting young people to navigate the transition through TVET into the labour market.

## **C. THE CONCEPT OF THE IRM HUB**

As part of this initiative, the NBI, through a partnership with the German Development Bank (KfW) and German Development Cooperation (GIZ), is establishing Skills and Enterprise Development hubs (IRM hubs) in targeted locations across the country. IRM hubs are interfaces between supply and demand of labour within a local ecosystem. They support all facets of job creation throughout the value chain. As such, they are ideally positioned in industrial areas near to or within townships to assure easy access and short distances for all beneficiaries. They are envisioned to be typically – but not exclusively – located on TVET college campuses and under the TVET college’s governance and organization. The other possibility is to locate them (partly or wholly) in and under the auspices of industrial parks, special economic zones (SEZ) or industrial development zones (IDZ), because these are also publicly managed bodies.

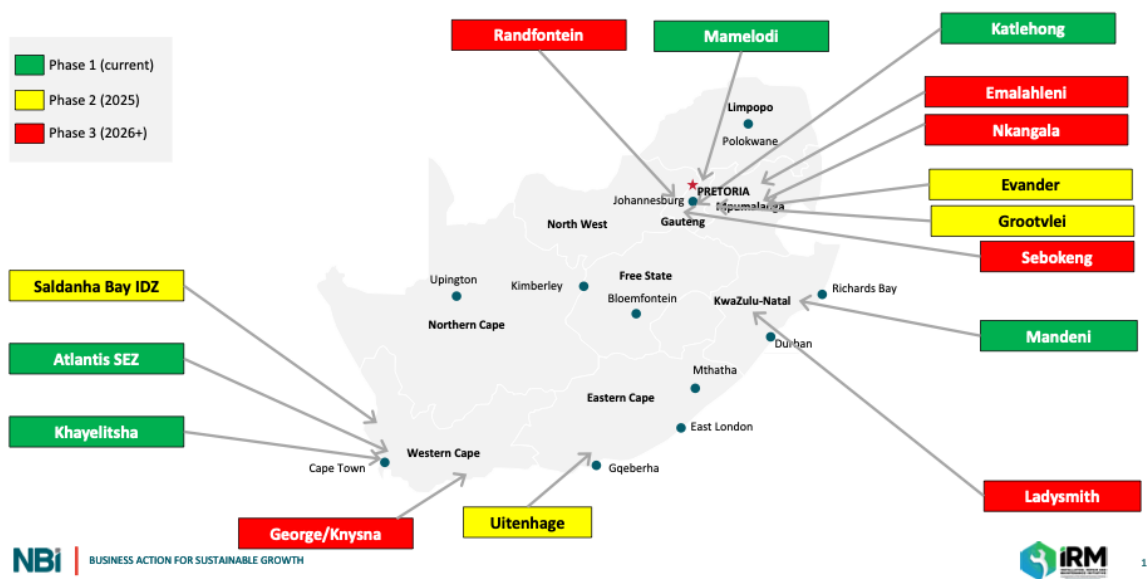
The establishment of IRM hubs within targeted geographic areas will act as a mechanism to particularly address the demand-side challenges so that SMMEs in the township economy are better equipped to train and employ young people, and young people are able to find training and employment in the places in which they live, rather than having to travel outside of the township to find opportunities that are inaccessible.

The IRM enterprises that are supported through the IRM township hub receive business development support and skills development, have access to the hub’s production workshops and to the digital platform to access business opportunities. They also become potential sites for workplace learning and employment for young people that have enrolled in IRM programmes. The IRM skills programme is aligned to the skills needs of IRM SMMEs but also offer a pathway to formal qualifications in various IRM-related trades. Young graduates from IRM skills programmes can remain employed as IRM assistants in an established IRM SMMEs or enter the incubation programme to become self-employed, using their skills to start a new business, and/or progress to further studies.

#### D. IRM PROGRAMME EXPANSION: PHASE II

For Phase II the intention is to expand the IRM programme to several locations as a mechanism to support South Africa’s Just Energy Transition Skilling Program which is aligned to the Just Energy Transition Framework and the Investment Plan. This phase will specifically target locations in the coal belt of Mpumalanga (which is at the heart of decarbonisation efforts) and relevant hotspots for the development of green industries such as the Industrial Zones of Saldanha Bay (which is an integral part of the Western SADC Hydrogen Corridor) and Kariega (Uitenhage) in the Eastern Cape (which is an integral role player in the transition towards New Electric Vehicles [NEVs]).

#### IRM HUB LOCATIONS



Phase II also seeks to support and entrench the interventions that are identified in the Just Energy Transition Implementation Plan (JET-IP) and are at the heart of the Just Energy Transition Skills for Employment Programme (JET SEP) i.e.:

- JET skills ecosystem and skills forum focusing on a coordinated approach to skills anticipation, development, and utilization
- JET Skills Development Zones (SDZs) focused on three core value chains focused on applied skills anticipation, development, and utilisation for the three value chains – Electric Vehicles, Green Hydrogen, RE and Transmission
- JET skills development needs assessments for the three core value chains
- Providing support to existing, growth oriented IRM SMEs/entrepreneurs to increase enterprise capacity, technical skills, and market access, on the proviso that they train and employ youth.
- Foundational skills development support to teachers and educators

Please refer to the letter of invitation which sets out the related financial information for the above-stated activities of the program.

## E. REQUEST FOR PROPOSALS

### 1. Scope of Work

Refer to the “2022\_ToR ISAE 3000 Dispofund” document for the scope of work.

### 2. Evaluation Process

The NBI will run this competitive procurement process in a manner which is open and transparent and ensures equal treatment of applicants in the process. Decisions will be made based on the stated criteria in ITC 26.1. Applicants must respond to all questions set out herein as well as at any time between the issuing and close of the RfP.

### 3. Contract Award Criteria

Only the highest scoring applicant will be invited by the Bid Evaluation Panel to enter contract negotiations. Being invited to participate in contract negotiation does not obligate the NBI to enter into any agreement, contract, or representation but only to negotiate exclusively to arrive at an agreement. Negotiations will be based on a draft contract prepared by the NBI.

The selected applicant will be expected to sign the Declaration of Conflict-of-Interest statement found in **Technical Proposal Standard Forms**.

### 4. Project and Audit Services Duration

Phase I of the project is expected to run over a 5-year period (4<sup>th</sup> Quarter 2023 – 3<sup>rd</sup> Quarter 2028). Therefore, the audit services required will cover this period and an additional period for Phase II which is expected to be implemented from 3<sup>rd</sup> Quarter 2025 to 4<sup>th</sup> Quarter 2029 if approved and implemented.

### 5. Time Schedule for Deliverables

Signed audit report for each of the following audit periods, covering both Phase I and II activities, must be submitted by the stated delivery dates stated in the table below:

<b>Audit Period</b>	<b>Delivery date</b>
01 Nov 2023-31 Dec 2024 (Phase I only)	30 September 2025
01 Jan 2025-31 Dec 2025 (probably Phase I only)	31 March 2026
01 Jan 2026-31 Dec 2026 (Phase I & II)	31 March 2027
01 Jan 2027-31 Dec 2027 (Phase I & II)	31 March 2028
01 Jan 2028-31 Dec 2028 (Phase I & II)	31 March 2029
01 Jan 2029-31 Dec 2029 (Phase II only)	31 March 2030

## VI. TERMS AND CONDITIONS

This section provides the Terms and Conditions which will govern your submission of a proposal to the NBI. You are required to read this section carefully together with the Request for Proposal (RfP) (including all its annexes) before submitting a proposal. By submitting a proposal, you accept these Terms and Conditions, and you agree to abide by them. If you do not agree to these Terms and Conditions, please do not submit a proposal.

- 1) Submitting a proposal
  - a) By submitting a proposal, you confirm that:
    - i) you have legal capacity to submit a proposal in response to this RfP and are acting lawfully, ethically and in good faith in your dealings with the NBI;
    - ii) you have sufficient time, skills, experiences, and resources to carry out the services to the highest professional standards expected of a competent supplier of services identical or similar and can obtain all necessary rights, licences, consents, waivers, approvals, permissions, permits, certificates, and insurances necessary to provide the services to the NBI;
    - iii) all information contained in your proposal is true, accurate and not misleading; and
    - iv) the NBI may share your proposal with any third party as the NBI, in its absolute discretion deems necessary for the purpose of evaluation.
  - 2) Conflict of Interest
    - a) You must declare any actual or potential conflict of interest with the NBI (including the NBI's Board, or employees) and describe the nature in full. The NBI reserves the right to determine the appropriate course of action.
    - b) If at any time during the RfP process you discover an actual or potential conflict of interest, you must inform the NBI promptly. The NBI reserves the right to determine the appropriate course of action.
  - 3) Compliance
    - a) The NBI reserves the right to reject or disqualify your proposal, without any incurrence of costs or damages, where:
      - i) you fail to comply with the requirements of this RfP (including but not limited to these Terms and Conditions), your proposal is incomplete, or you are guilty of a serious misrepresentation in supplying information in response to this RfP;
      - ii) your proposal is received after the deadline set out in this RfP. The NBI will not consider any requests for an extension of the time or date fixed for the submission of responses;
      - iii) there is a change in your identity, control, financial standing or any other factor impacting on the selection and/or evaluation of your proposal;
      - iv) you are or become insolvent or have a petition issued against you;
      - v) you do not have the economic and financial standing and/ or the technical and professional ability to carry out the services;
      - vi) you are suspected either directly or indirectly of behaving in a collusive, canvassing, or anticompetitive manner or you offer or accept an inducement or reward to gain a commercial, contractual, regulatory, or personal advantage; and/or
      - vii) you (or if you are a commercial entity, a director or person who has the power of control or power to make representations or decisions on your behalf) have committed any offence relating to conspiracy, corruption, bribery, fraud, money laundering or any other criminal offence related to your course of business or profession, or in the NBI's opinion have acted in such a manner that is at odds with internationally accepted ethical standards.
    - b) The NBI reserves the right in its absolute discretion, without any incurrence of costs or damages, to:

- i) refuse any proposal submitted;
  - ii) extend the time or date for fixed submission. In such circumstances the NBI will endeavour to notify all bidders of any change;
  - iii) amend any aspect of this RfP (including but not limited to the evaluation criteria and the timeline) or cease the process at any time;
  - iv) negotiate the award of additional services which are a repetition of the services advertised in this RfP to the successful applicant;
  - v) limit the number of proposals invited to participate in any follow-up activity or to dispense with any follow-up altogether.
  - vi) require that you clarify your proposal in writing and/ or provide additional information and/or adequate references to the NBI's satisfaction. A failure to respond adequately may result in you not being selected.
- 4) Bidder's Responsibilities
- a) You shall be responsible for all your own costs, expenses and losses which may be incurred in relation to the preparation of your proposal, provision of additional information, or attendance at interviews or similar.
  - b) You shall, always, treat the contents of the NBI's documentation as confidential, as well as any information regarding the NBI imparted to you by any other means, and only disclose such information as may be necessary for the preparation of a compliant response. At the NBI's request you shall return or destroy all documents, other materials, working papers relating to this RfP and all copies thereof including all electronic copies. When completed you shall confirm such to the NBI in writing.
  - c) You shall not before the date and time specified within the RfP documentation disclose to any person the amount of your proposal except where the disclosure in confidence is necessary to obtain insurance premiums or guarantees required as part of any proposal to the NBI.
  - d) Any contract entered because of this RfP will be based on the draft contract submitted by the NBI. No third-party general Terms and Conditions will apply.
- 5) Intellectual Property
- a) All intellectual property rights in this RfP and all materials provided by the NBI or any third party acting on its behalf shall remain the property of the NBI.
  - b) Any intellectual property arising out of the provision of the services shall belong absolutely and exclusively to the NBI.
- 6) Warnings/Disclaimers
- a) Nothing contained in this RfP, or any other communication made in respect of it between the NBI or its representatives and any party will constitute an agreement, contract, or representation between the NBI and any other party. For the avoidance of doubt, receipt by you of this RfP does not imply the existence of a contract or commitment by or with the NBI for any purpose.
  - b) The information contained in this RfP does not purport to contain all the information which you may require. While the NBI has taken all reasonable steps to ensure, as at the date of this RfP that the facts contained in it are true and accurate in all material respects, the NBI does not make any representation or warranty as to the accuracy or completeness or otherwise of this RfP.
  - c) The NBI accepts no liability to you whatsoever and however arising and whether resulting from the use of this RfP, or any omissions from or deficiencies in it.

7) Waiver

Failure or neglect by the NBI to enforce at any time any of the provisions of these Terms and Conditions shall not be construed nor shall it be deemed to be, a waiver of our respective rights hereunder, nor in any way affect the validity of the whole or any part of this agreement, nor prejudice our respective rights to take subsequent action.

8) Jurisdiction

This RfP shall be solely governed by and interpreted in accordance with the laws of the Republic of South Africa and subject to the exclusive jurisdiction of the South African courts.