

Date: 2022-06-013

Enquiries: Mr. Mohau Lesikara

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Dear Tenderer

SUBJECT: RESPONSE TO REQUEST FOR CLARIFICATION NO.2

SCOPE: INVITATION TO TENDER FOR THE PROVISION OF NON-STATUTORY AUDIT SERVICES FOR ESKOM HOLDINGS SOC LIMITED AND ITS SUBSIDIARIES, OVER A PERIOD OF THREE (3) YEARS. TENDER REF: MWP1264CX

This letter serves to respond to enquiries raised as per the Invitation to Tender Process above:

1) Extension Request

Please advise if the closing date of the tender can be extended? The institutes have a long turnaround time to obtain our certificates. *Response: Extension cannot be granted as this the panel has to be in place as soon as possible. This tender has been issued or more than 21 days.*

2) With reference to the aforementioned opportunity, we would like to clarify the following:**a) Mandatory Professional Registration and Membership - Technical Evaluation****Stage:**

All members of the proposed team must be active members of the IIA or South African Institute of Chartered Accountants (SAICA) at the time of tendering and for the entire duration of the contract:

- The IIA membership or SAICA certificates must be provided for all members listed in the tender documents. If an active and current membership certificate is not provided, the team member will not be considered, and the firm will be disqualified.

- Tenderers are discouraged from proposing team members who are not in possession of a valid membership certificated at the time of tender closing.

As this will lead to disqualification of the tenderer's proposal

This is a mandatory requirement. Failure to meet this requirement at tender closing, the tenderer will be immediately disqualified.

With specific reference to the above mandatory requirement, if we obtain a letter from the IIA SA or SAICA, confirming the total number of staff with active membership and/or are in good standing, excluding names and ID numbers (due to POPIA), would this suffice for the purposes of this requirement? *Response: No, If we don't see the names how do we now who is a member and in good standing. Please include the names.*

3) We write to seek further clarifications on matters below which emanate from Annexure O – Technical Evaluation Scoring:

1. Qualifications of Directors/Partners

Point 1.1 states that we can submit CVs for up to 6 Directors to score maximum points on this one. When we look at point 2.5, it states that "The Director/Partner of the Eskom account is a Chartered Accountant (CA), Certified Internal Auditor (CIA), Professional Internal Auditor (PIA) or General Internal Auditor (GIA)." We understand this to mean the Lead Director/Partner. Please confirm that the other 5 directors do not necessarily have to have these qualifications but may have other relevant qualifications and experience.

Or should it be taken that all the 6 directors/partners must have CIA or CA (SA) or PIA or GIA? Note that the maximum points for the Director/Partner qualifications is only 2 which would support the idea that at least only one of them should have this qualification. *Response: The directors or partners can have relevant qualifications. The director or partner responsible for the Eskom Account must be Chartered Accountant (CA), Certified Internal Auditor (CIA), Professional Internal Auditor (PIA) or General Internal Auditor (GIA). The lead partner/director must have one of those qualifications. The other 5 must have or will have relevant qualifications to the position of partner/director.*

2. Qualifications of Managers.

Point 1.1 states that we can submit CVs for up to 6 Managers to score maximum points on this one. When we look at point 2.7, it states that "The Senior Manager of the Eskom account is a Certified Internal Auditor (CIA), Professional Internal Auditor (PIA) or General Internal Auditor (GIA)." We understand this to mean at least one Senior Manager. Please confirm that the other 5 Managers do not necessarily have to have these qualifications but may have other relevant qualifications and experience.

Or should it be taken that all the 6 directors/partners must have CIA or CA (SA) or PIA or GIA? Note that the maximum points for Senior Manager qualifications is only 2 which would support the idea that at least only one of them should have this qualification. *Response: Same response as above point 1. This is the same as for partner/director. This will be applicable to Senior Manager in the same way as for partner/director.*

3. Numbering of Part 2 – Knowledge and Experience

The section does not have numbers 2.4, 2.6 and 2.8. Please confirm that these sections were not unintentionally hidden and do not contain information that might be useful to the submission. *Response: That is correct. These were removed and the numbering were not adjusted. So, no hidden fields.*

4. Professional Memberships of Resources of Other Specialist Professions Other than Audit

Section 2.3 requires that we submit CVs for Specialists that will include the following professions:

- a. Procurement/Commercial specialist/Public sector/PFMA/PPPFA specialist

- b. Risk management specialist
- c. Corporate governance specialist
- d. IT Audit
- e. SHEQ Specialist

These professions are not governed by IIA and therefore one would not expect these specialists to belong to SAICA or IIA. For example, A Risk Management Specialist would belong to IRMSA, a Procurement Specialist would belong to the Institute of Purchasing and Supply and an IT Auditor would belong to ISACA. Yet there is a gatekeeper that requires all of these to belong to either IIA or ISACA when their professions do not demand so. How do you reconcile the two? *Response: In addition to their IIA and ISACA Memberships, they might have those memberships or qualifications as specialists as well which will qualify for additional points.*

5. Professional Memberships Trainees

- a) Trainees on a project are usually recruited when the Project starts and that is when the firm would start paying for their professional memberships (when they are undergoing the training). While small to medium firms may be able to identify trainees by bid submission date, these trainees will usually not be on the firm's payroll until a contract is signed with Eskom. The minimum number of trainees required on this project is 15, in order to score maximum points. For the small firm to pay joining fees and membership fees for all of these when they are not assured of getting on the panel, let alone getting work from Eskom, it may be a tall order. Please confirm that even the trainees recruited for the purposes of this project need to be members of either IIA or SAICA, without exception. *Response: It is not a minimum requirement. It is additional points that can be scored up to a maximum of 15 points.*
- b) Will trainees and professionals registered with SAIPA be accepted? Our firm has SAIPA professionals as well as SAIPA trainees? *Response: Our gatekeeper states that as part of the Eskom team you need to be a IIA OR SIACA. As part of Capacity of the firm you can belong to SAIPA*

6. Furthermore to my question below, please can you clarify the following:

2.3	Does the company have the following type of specialists available: (maximum of 15 points for this section)	A summarised CV for each resource must be listed in the tender documentation under the technical proposal. The CV for each resource should not exceed 1 page. If the CVs for the resource is not provided, no points will be allocated for the resource.	15	15	
	- Procurement/Commercial specialist/Public sector/PFMA/PPPFA specialist (3 points)				
	- Risk management specialist (3 points)				
	- Corporate governance specialist (3 points)				
	- IT Audit (3 points)				
	- SHEQ Specialist (3 points)				

With reference to the above requirement, can we use 1 person for more than 1 specialist area? E.g. a resource can be a Governance and Risk Management specialist? Also, can the senior manager/manager who will be handling the Eskom account be used as one of the specialists? **Response:** *If they have the necessary qualification or accreditation as a specialist it is fine to be more than one specialist.*

7. Clarification request on the quality report (technical)

Please advise regarding the EQCR report. IRBA had last inspected our firm more than 5 years ago. IRBA only reviews selected auditors on an annual basis. We have not been reviewed since. Will the old report older than 5 years be acceptable together with a letter of good standing from IRBA? **Response:** *Our criteria states, not older than 5 years. If older than 5 years, no points to be awarded. We can't now change criteria, or relax criteria.*

Yours sincerely,

Mohau Lesikara [Signed]
Senior Advisor Procurement
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DATE: 13/06/2022