TERMS OF REFERENCE FOR APPOINTMENT OF SERVICE PROVIDER/S TO CONDUCT INVESTIGATION INTO NON-COLLECTION OF REVENUE AND CIRCUMSTANCES THAT LED TO NON-COMPLIANCE WITH SECTION 38(1)(C)(I) OF THE PFMA AND TR11.2.1(B) AND TO COMPREHENSIVELY REVIEW AND VERIFICATION OF THE COMPLETENESS, ACCURACY, AND VALIDITY OF THE DATABASE FOR PROSPECTING AND PETROLEUM FEES FOR THE PERIOD OF THREE (03) MONTHS.

1 BACKGROUND

1.1 The Accounting Section 38(1)(c)(i) of the Public Finance Management Act No.1 of 1999 (PFMA), the Accounting Officer for a department, trading entity, or constitutional institution must take effective and appropriate steps to collect all money due to the department, trading entity or constitutional institution.

1.2 The Treasury Regulations 11.2 require the Accounting Officer to take effective and appropriate steps to timeously collect all money due to the Department, including, as necessary – (a) maintenance of proper accounts and records for all debtors, amounts received in part payment.

1.3 The Department of Mineral and Petroleum Resources (DMPR) seeks to appoint a service provider/s to conduct an investigation into non-collection of revenue and circumstances that led to non-compliance with section 38(1)(c)(i) of the PFMA and TR11.2.1(b) and to comprehensively review and verification of the completeness, accuracy, and validity of the database from prospecting and petroleum fees of the Department. This is to accurately determine debtors and the reasonable prospects of recovering outstanding prospecting and petroleum fees owed to the Department for the period of three (03) months.

1.4 The Mineral and Petroleum Resources Development Act (Act No.28 of 2002) "MPRDA" as amended, requires prospecting and petroleum fees to be payable by holders of prospecting rights for the duration of the contracted period. Therefore, the Department maintains a database of prospecting and petroleum fees as part of its revenue management processes.

2. CONTRACT PERIOD

2.1 The contract period is three (3) months after the signing of the service level agreement.

3. OBJECTIVE

The primary objective for the project is for the service provider/s to:

3.1 Conduct an investigation into non-collection of revenue

3.2 Circumstances that led to non-compliance with section 38(1)(c)(i) of the PFMA and TR11.2.1(b)

3.3 Provide the department with a complete, accurate and valid database of prospecting and petroleum fees due to the department.

4. SCOPE OF WORK

4.1 The successful service provider/s is expected to conduct an investigation into non-collection of revenue, and circumstances that led to non-compliance with section 38(1)(c)(i) of the PFMA and TR11.2.1(b). The service provider/s will review all active prospecting and petroleum contracts and reconcile the prospecting and petroleum fees due to the department.

4.2 The report should comprehensively identify and assess the root causes, reasons, responsible official, and the required corrective actions.

4.3 Quantify loss for prospecting and petroleum fees from 1 April 2015 to 30 September 2026.

4.4 Conduct a thorough, comprehensive review and verification of the completeness, accuracy, and validity of the database of prospecting and petroleum fees due to the department.

4.5 The work will also involve review of all existing Data, billing letters, reminder letters, and contracts on revenue collection and interviewing of officials including the State Accountant, Head Admin, and the Regional Manager in each of the (9) regions. regions.

4.6 The service provider will be expected to identify and document shortcomings as well as inaccuracies in the database.

4.7 Where applicable, policy gaps shall be identified, and corrective actions identified.

4.8 The trading status of each mining and petroleum company with the records of the Companies and Intellectual Property Commission (CIPC) should be verified.

4.9 Duplicate accounts shall be identified and the matching of outstanding fees with State Accountant records.

4.10 The audit and verification must be able to populate the details of the prospecting and petroleum fees as per the contract that are due to the department for reconciliation reporting purposes.

4.11 Due to the magnitude and the urgency of the work, the service provider/s must select the region and quote accordingly. Also, the service provider is allowed to choose multiple regions for this assignment.

Regions and numbers for both prospecting and petroleum contracts/files.

No.	Province	Regional Offices Locations	Number of executed contract files for Prospecting and number of licenses issued for petroleum
1.	Western Cape	Cape Town	**Prospecting: 209** **Petroleum: 2077**
2.	Eastern Cape	Port Elizabeth	**Prospecting: 133** **Petroleum: 1376**
3.	Northern Cape	Kimberly	**Prospecting: 2213** **Petroleum: 591**
4.	Free-State	Welkom	**Prospecting: 543** **Petroleum: 1037**
5	North - West	Klerksdorp	**Prospecting: 1843** **Petroleum: 1078**
6.	Mpumalanga	Witbank	**Prospecting: 1218** **Petroleum: 1645**
7.	Gauteng	Braamfontein	**Prospecting: 295** **Petroleum: 7643**

8.	Limpopo	Polokwane	**Prospecting: 1275** **Petroleum: 1881**
9.	KZN	Durban	**Prospecting: 412** **Petroleum: 2229**

4.12 Take note that the assignment will require a 100% review and verification, and no sampling will be used.

4.13 The outcome of the review is expected by 01 March 2027.

4.14 The Department reserves the right to appoint more than one service provider due to tight reporting deadlines.

5 DELIVERABLES OR PROJECT OUTPUT AND/OR OUTCOME

5.1 A report indicating the reasons for non-collection of revenue,

5.2 Circumstances that led to non-compliance with section 38(1)(c) (i) of the PFMA and TR11.2.1 (b),

5.3 The report should comprehensively identify and assess the root causes, reasons, responsible official and the required corrective actions.

5.4 The successful service provider/s is expected to produce a comprehensive report with a complete, accurate and valid database of prospecting and petroleum fees due to the department.

5.5 The report shall be addressed to the Director General, Deputy-Director General: Minerals and Petroleum Regulation and the Chief Financial Officer.

5.6 The successful service provider/s is expected to convene a meeting as and when required.

5.7 The venue for these meetings will be the Department's offices. The service provider's Project Manager will be obliged to attend.

6 Evaluation Criteria

This bid will be evaluated in four stages, i.e., mandatory requirements, functionality, administrative compliance, and point scoring system.

6.1 Gate 01 – Mandatory requirements

The following requirements are mandatory. Bidders who do not comply with the mandatory requirements will be disqualified.

(i) Team Leader must be registered with a professional body representing forensic science practitioners

6.2 Gate 02 – Functionality

Bidders will be scored in terms of the functional requirements indicated in the table below. The corresponding points and weightings will be used to calculate the overall score a bidder has achieved. The minimum threshold for this bid is **70%**. Bidders who score less than **70%** will be disqualified. Only bidders that score 70% or more will be considered further.

No.	***Evaluation criteria***	***Points***	***Weight***
1.	**Company Experience**		**25**
	Bidders should have experience of having undertaking projects in respect of collection of revenue/financial investigations. **(Supported by relevant Testimonials/references letters from a contactable reference)**	6 or more projects = 5 points 5 projects = 4 points 4 projects = 3 points 3 projects = 2 points 2 or less projects = 1 point	25
2	**Experience of Team Leader and Team Members** **(i) Team Leader** The team leader must have a good understanding of forensic science	6 or more projects = 5 points 5 projects = 4 points	**35** 15

No.	*Evaluation criteria*	*Points*	*Weight*
	principles, techniques, and legal procedures. **Attach a detailed CV highlighting relevant projects, with contactable references**	4 projects = 3 points 3 projects = 2 points 2 or less projects = 1 point	
	(ii) Team members Team member/s must have strong investigative skills for conducting thorough investigations and gathering evidence. **Attach a detailed CV highlighting relevant projects, with contactable references**.	Have experience or knowledge in the dynamics of forensic investigations and Knowledge of disciplinary and court processes = 5 points No experience or knowledge in the dynamics of forensic investigations and Knowledge of disciplinary and court processes = 0 points	**20**

No.	*Evaluation criteria*	*Points*	*Weight*
3	**Project Plan**		**30**
	Detailed project plan with o Project deliverables o Logistics plan o Key milestones o Scope o Schedule o Contingencies ***Attach the project plan.***	Detailed Project plan with all six indicated items = 5 points Project plan with 5 items = 3 points Project plan with less than 5 items = 0 points	**20**
	Propose a methodology outlining o The proposed work methods. o Processes to be followed. o Alignment with the TOR. o Innovative or value-adding solutions. **(Attach methodology proposal)**	Methodology proposal addressing all 4 items = 5 points Methodology proposal addressing 3 items excluding Innovative or value-adding solutions. = 3 points Methodology addressing only 2 items proposal = 0 points	**10**

No.	*Evaluation criteria*	*Points*	*Weight*
	Qualification of Team Leaders Team leaders must possess relevant SAQA-compliant qualifications, including Certified Fraud Examiner / CA/ CIA.	NQF level 10 with CFE = 5 points NQF level 9 and CFE = 4 points NQF level 8 with CFE = 3 points NQF level 7 with CFE = 2 points NQF level 6 = 1point Below NQF level 6 = 0 points	**10**
	Qualification of Team Members Team members must possess a relevant SAQA-compliant qualification in the areas of investigations.	NQF level 9 and above with CFE = 5 points NQF level 8 with CFE = 4 points NQF level 7, with CFE = 3 points NQF level 6 = 2 points NQF level 5 = 1point Matric or no relevant qualifications = 0 points	**5**

Formula; $\frac{A}{B} \times 100 = C\%$

Where: A = Total score for the bid under consideration

B = Maximum possible score

C = Percentage score for the bid under consideration

6.3 **Gate 03 - Administrative compliance**

(i) Compliance with the specification / Terms of Reference.

(ii) Fully completed SBDs (Duly signed and dated) listed hereunder:

- SBD 1
- SBD 4
- SBD 6.1

(iii) The following will be regarded as non-compliance.

- Price amendments / other amendments without signature/initials.
- Use of correction fluid
- Completion of the bid document in coloured ink other than black ink

(iv) Bidders must attach company profile to the technical proposal.

6.4 Gate04 – Point Scoring System

6.4.1 Bids will be evaluated on the 80/20 preference point system as outlined in the Preferential Procurement Regulation of 2022.

- Price points = 80
- Preferential points = 20

6.4.2 The bidder that scores the highest points in this phase will be awarded the tender.

6.4.3 Should more than one bidder score the same number of points, the award will be made to the bidder who scores more points on specific goals.

6.4.4 Should there be more than one bidder who scores the same number of points overall and the same points on specific goals, the award will be made to the bidder who scored the highest points on functionality.

6.4.5 Should there be more than one bidder who scores the same number of points in all aspects, the bid will be determined by the drawing of lots.

6.4.6 The preferential points will be allocated in terms of the Departmental objectives on specific goals. Points allocation on specific goals is tabulated hereunder.

6.4.7 Bidders who do not submit proof (means of verification) of specific goals claimed will not qualify for preference points for specific goals.

Specific Goal	**Number of points (80/20 Preference System)**	**Means of Verification**
Enterprise owned by Black people	4	Identity documents and CIPC document
Enterprise owned by Women	4	Identity documents and CIPC document
Enterprise owned by Youth	4	Identity documents and CIPC document
Enterprise owned by disabled persons	4	Medical certification
Enterprise owned by SMMEs (QSE or EME)	4	B-BBEE certificate issued by a SANAS-accredited agency or DTIC, or Sworn affidavit

NB: "Ownership = 51% of the company share. Designated group/person that are part of the entity's directorship but have less than 51% share = points will be calculated on a pro-rata basis in relation to the share/s held by the designated group/persons.

E.g. Number of women directors = 01

Shares owned by women = 20%

Specific goal for women = 4 points

Points claimable for women ownership = $\frac{20}{100} \times 4 =$ **0.8 points**

7. REPORTING REQUIREMENTS

7.1 The service provider/s shall report to the Chief Director: Internal Audit.

7.2 The service provider will submit a report which:

7.2.1 Indicate the reasons for non-collection of revenue;

7.2.2 Circumstances that led to non-compliance with section 38(1)(c) (i) of the PFMA and TR11.2.1 (b)

7.2.3 The report shall identify the authenticity, accuracy, and completeness of the information in the current database and indicate all instances of inaccuracy.

7.3 The template for reporting will be provided to the successful bidders.

8. WORK PLAN AND METHODOLOGY

8.1 The service provider/s must provide:

8.1.1 A project proposal that demonstrates comprehension and competence to deliver on what is required in line with the scope of work under section 4.

8.1.2 A preliminary project plan outlining key activities, milestones, timeframes, and resources to be committed to the project.

9. ROLE AND RESPONSIBILITY

9.1 A Service Level Agreement will be entered into with the successful service provider/s which will include, *inter alia*, obligations of the DMPR and the successful service provider/s.

9.2 The DMPR reserves the right to appoint more than one service provider/s for the project.

9.3 The successful service provider/s must develop a detailed project schedule/ plan.

9.4 The service provider/s shall disclose all information in its proposal regarding any interests that may result in an actual or perceived conflict of interest.

10. CONFIDENTIALITY OF INFORMATION

10.1 The names of all the members of the service provider/s team must be disclosed for the prior approval of DMPR. Any changes, replacements, and additions should be submitted for prior approval of DMPR.

10.2 All members will have to sign a Non-Disclosure Agreement before project commencement and may be required to undergo security screening and tests as the DMPR deems necessary.

11. PAYMENT

11.1 The Department will not make an upfront payment to a successful service provider/s.

11.2 Payment will only be made in accordance with the delivery of service that will be agreed upon by both parties and upon receipt of an original invoice.

11.3 The payment will be made at the completion of service.

12. TAX CLEARANCE CERTIFICATE

12.1 Bidders must ensure compliance with their tax obligations.

12.2 Bidders are required to submit their unique personal identification number (PIN) issued by SARS to enable the organ of state to view the taxpayer's profile and tax status.

12.3 Application for tax compliance status (TCS) or PIN may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website www.sars.gov.za.

12.4 A bidder may also submit a printed TCS together with the proposal.

12.5 In proposals where consortia / joint ventures / sub-contractors are involved, each party must submit separate proof of TCS / PIN / CSD number.

12.6 Where no TCS is available, but the bidder is registered on the central supplier database (CSD), a CSD number must be provided

13. DOCUMENTATION

The successful bidder is expected to work in conjunction with the Chief Directors of the Minerals and Petroleum Regulation Branch on the planning of the phases of the investigation.

13.1 The final report shall be addressed to the Director General, Deputy-Director General: Minerals and Petroleum Regulation and the Chief Financial Officer.

13.2 All intellectual property, including the reports, working papers, and other supporting documents shall remain the property of DMPR.

13.3 All information obtained from DMPR will be regarded as classified information, and as such, be handled properly as required by the Minimum Information Security Standards (MISS) policy.

14. COST / PRICING

14.1 The bidders are requested to provide a quoted proposal regarding the work to be undertaken.

14.2 Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. The total cost must be VAT inclusive and should be quoted in South African Rands (i.e. ZAR).

14.3 Bidders should provide hourly rates as prescribed by the Department of Public Service and Administration (DPSA), Auditor- General (AG) or the body regulating the profession of the consultant.

14.4 Bidders should provide (Subsistence &Travel (S&T)) rates that are aligned to the National Treasury instruction notes as follows:

i) Hotel Accommodation – R1700 per night per person, including breakfast, dinner and parking.

ii) Air travel must be restricted to economy class.

iii) Claims for kilometres may not exceed the rates approved by the Automobile Association of South Africa.

15. CONDITIONS OF THE CONTRACT

15.1 The General Conditions of Contract must be accepted as these are issued by National Treasury and are non-negotiable.

15.2 The successful service provider/s will sign a confidentiality agreement regarding the protection of DMPR information that is not in the public domain.

15.3 No state information may be furnished/ communicated to the public or news media by the service provider/s or any of their employees.

15.4 The successful service provider/s shall ensure that the contract is executed in line with the scope of work.

15.5 The successful service provider/s may be subjected to security screening by the State Security Agency.

15.6 The DMPR reserves the right to verify the authenticity of the information submitted. any falsified information may result in the disqualification or cancellation of the contract.

16. FORMAT OF SUBMISSION OF PROPOSAL

16.1 Bidders are requested to submit the technical proposal online through E-tender portal.

16.2 Bidders are requested to index their proposals for easy reference.

17. PRE-BID MEETING / BRIEFING SESSION DETAILS

17.1 A non-compulsory briefing session will be held on **03 November 2026** at **11h00**, through **Microsoft teams**

Meeting ID: 344 496 406 841 558 1

Passcode: Yy3PD2Eg

18. CLOSING DATE

18.1 Proposals must be submitted on or before **12 November 2026 at 12h00** through National Treasury E-tender portal

19. ENQUIRIES

19.1 **All general enquiries relating to bid documents should be directed to:**

Ms Lucia Nkhethoa

Email: Lucia.Nkhethoa@dmpr.gov.za

Tel: 012 444 3778

19.2 **Technical enquiries can be directed to:**

Ms. Rebone Nkambule (Prospecting)

E-mail: Rebone.Nkambule@dmpr.gov.za

Tel: 012 444 3967

Mr Avishkar Nandkishore (Petroleum)

Email: Avishkar.Nandkishore@dmpr.goz.za

Tel: 012 444 3724