

<u>CONTRACT NUMBER:</u>	JW CHR 004/26
<u>CONTRACT TITLE:</u>	APPOINTMENT OF THE SERVICE PROVIDER FOR THE FULL IMPLEMENTATION OF THE REVISED GRAP 104 (EXPECTED CREDIT LOSS (ECL) IMPAIRMENT MODEL)
<u>DEPARTMENT:</u>	FINANCE
<u>DATE OF MEETING:</u>	10 April 2026
<u>TIME OF MEETING:</u>	12:00
<u>VENUE FOR MEETING:</u>	Microsoft Teams
<u>CLOSING DATE:</u>	4 MAY 2026
<u>CLOSING TIME:</u>	10:30AM

WELCOME

Ms Nthabiseng Matabane welcomed everyone who attended the meeting and introduced JW personnel.

NAME & SURNAME	EMAIL ADDRESS	DEPARTMENT
Maria Chirindze	maria.chirindze@jwater.co.za	Supply Chain Management
Nthabiseng Matabane	nthabiseng.matabane@jwater.co.za	Supply Chain Management
Nadia Naiken	nadia.naiken@jwater.co.za	Finance

2. CONTACT PERSONS

Ms Nadia Naiken

Email: nadia.naiken@jwater.co.za

Telephone number:011 688 1402

Ms. Nthabiseng Matabane

Email:nthabiseng.matabane@jwater.co.za

Telephone number:011 688 1512

3. SCM – ADMIN AND BID DOCUMENTATION PRESENTATION BY NTHABISENG MATABANE

- Ms Nthabiseng Matabane indicated that this is an open tender and the meeting is **NONE COMPULSORY**, therefore bidders who did not attend the meeting will be considered for this tender, however bidders must ensure that they sign the attendance register.
- Tender documents are available in PDF format at no cost on the Joburg water website and eTender portal

- Tender documents need to be bound and contain all pages. Tenderers, therefore, need to ensure that the tender document is submitted in its entirety with no pages or parts missing. The order of the documents must be as set out as on the Web page and all pages arranged correctly.
- The tender document must be filled in using black ink only, any other colour pen or pencil is prohibited.
- Tender documents may be completed electronically without altering or tampering of any of the text (terms, conditions, specifications etc.) in the tender documents.
- Any mistakes must be struck off and corrected with a single black ink line and signed (authenticated) by the tenderer. Tenderers were also advised to sign (authenticate) each alteration where there are any to avoid being disqualified.
- The use of correction fluid (Tippex) to correct mistakes is not allowed and if used the tender will be disqualified.
- The tender document must be completed in full, and all the forms must be fully completed and signed accordingly. Tenderers must not leave any blank spaces upon completion of the tender document.
- Tenderers must refer to the checklist on page 5 to 9 of the tender document for guidance.
- Make sure that your pricing schedule is fully completed and signed.
- Each bid must be submitted in a separate, properly sealed envelope/ package on which the Name, email address and telephone number of the tenderer must be indicated. The Tender number and Description must be clearly written on the envelope/ package.
- Tender documents submitted via courier services will be accepted provided that the bidder instructs such courier company or its representative to deposit the tender document in the tender box provided. Under no circumstances should tender documents be handed to an employee of JW. JW will not be held liable for any documents that are not in the tender box at the time of closing.
- Tender documents may not be submitted via the South African Post Office as only tender documents received in the Tender box at the time of closing will be considered.
- Tenderers are required to submit a hard copy document and an electronic copy on a USB flash drive, however tenderers who did not submit the USB will not be disqualified. Electronic submissions of tenders are **NOT** allowed.

- Tenderers must be registered on Central Supplier Database (CSD) and provide their registration MAAA**** number on the cover page of the tender document. Tenderers must ensure that they are always tax compliant on CSD.
- The 80 / 20 0 points scoring system will be applicable to this tender. 80 points will be allocated to Price, and the remaining 20 points will be for specific goals.

SPECIFIC GOALS POINTS ALLOCATION
80/20 POINTS ALLOCATION

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)
Business owned by 51% or more- Women	5
SMME (An EME or QSE) owned by 51% or more - Black People	10
Businesses located in a region within the boundaries of the COJ, COJ municipality or in the Gauteng province	5
TOTAL	20

- Attention must be brought to the documentation the tenderers must submit in order for JW to verify points claimed. If the tenderer has claimed more points, then the verification document supports, JW will adjust the points claimed when calculating the preference points in line with verification documents submitted.
- Tenderers tendering as JV must submit a JV BBBEE certificate.
- In bids where consortia / joint ventures / sub-contractors are involved; each party must submit a separate TCS certificate / pin / CSD number.
- Tenders will be valid for 90 days after the closing date or any other duration agreed to by the tenderer and JW prior to tender validity expiring.
- Co-bidding is prohibited. (Tenderer being a member / owner / shareholder in more than one consortium / entity for the same project). Please read MBD 9 Certificate of Independence prior to signing the declaration.
- Tenderers are encouraged to truthfully declare all other company interests they may have, with specific reference to Question 3.14, of which if not fully completed, might lead to disqualification. Tenderers are encouraged to utilise the CIPC bizportal (www.bizportal.gov.za) , free registration to check the

companies for which a director is a director for. This can be done by inserting an ID number for the director tendering and the portal will show all companies, whether active or not.

- No bids will be considered from persons in the service of the state.
- Tenderers must recheck on the JW website page for any communication send to tenderers as there might be a problem with the emails send to the tenderers. This communication might include addendums to tender for extension of closing dates, changes in the tender specification, changes in pricing schedules, or any other matter affecting the tender in question, and which might have an impact on how tenderers respond.
- Tenders will be opened in public soon after the closing time and recording of received documents but not later than 11:00 at the tender office located at Turbine Hall, 65 Ntemi Piliso Street, Newtown, 2001, ground floor. Tenderers' names and total prices, where practical will be read out.
- Tenderers are encouraged to note the closing date and time of the tender; late tenders will not be accepted. The closing date for this tender is 29 May 2026 at 10:30.
- All bids are to be deposited in the tender box allocated on the ground floor at No.65 Ntemi Piliso street Turbine Hall, Newtown.

SUPPORTING DOCUMENTS

1. SARS one-time TAX PIN
2. Where business and/or director premises are owned, a municipal rates and taxes statement of account must be submitted (not older than three (03) months and NOT IN ARREARS for more than 90days). If in arrears an acknowledgement of debt agreement must be entered into with municipality concerned and submitted with the tender.
3. Where business and/or director premises are leased/ hired/ rented, a valid lease agreement should be submitted duly signed and indicating the address at which the business is situated and where the director resides. The lease should be valid and active at time of tender submission and closing.
4. Joint Venture / Consortium Agreement signed by all parties.
5. Valid BBBEE Certificate issued by a SANAS accredited verification agency or copy thereof or a valid (EME/QSE) sworn affidavit/ or CIPC EME affidavit
6. A completed and signed Invitation to Bid form MBD 1
7. A completed and signed Pricing Schedule – Firm Prices (Purchases) MBD 3.1
8. A completed and signed Declaration of Interest form MBD 4
9. A completed and signed Preference Points (Specific Goals) Claim Form MBD 6.1

10. A completed and signed Declaration of Bidder's Past Supply Chain Management
a. Practices MBD 8

11. A completed and signed Certificate of Independent Bid Determination (MBD 9)

Ms Nadia Naiken Presented the following:

SCOPE OF WORK, REQUIREMENTS AND SPECIFICATIONS

12. SCOPE OF WORK

Johannesburg Water SOC Ltd intends to appoint a suitably qualified and experienced service provider to assist with the automated solution, full implementation of the revised GRAP 104 standard, specifically focusing on the design, development, implementation, and operationalisation of an Expected Credit Loss (ECL) impairment model and the broader financial instrument requirements of the standard.

The appointed service provider will be required to provide professional advisory, and technical services to ensure that Johannesburg Water's financial reporting and accounting treatment of financial instruments fully comply with the revised GRAP 104 standard.

1. Stage 1: Mandatory Evaluation Criteria:

EVALUATION CRITERIA: (GATE KEEPERS)		
#	MANDATORY CRITERIA	COMPLY (YES/NO)
1	Completed and signed Pricing Schedule	Yes
2	The Director of the accounting firm must be registered with the South African Institute of Chartered Accountants (SA). To provide proof of registration Certificate	Yes
3	The Project Manager must be registered with the South African Institute of Chartered Accountants (SA) and provide proof of registration Certificate	Yes

NOTE: Johannesburg Water will verify the authenticity and validity of the SAICA registration directly with the relevant issuing bodies, regulatory authorities, or institutions through their official websites or verification systems. Should any submitted SAICA registration be found to be invalid, incorrect, or misrepresented, Johannesburg Water reserves the right to disqualify the bidder from the procurement process.

2. Stage 2: Administrative Evaluation Criteria:

NO.	REFERENCE TO TENDER DOCUMENT	DESCRIPTION	REQUIREMENT
1.	Annexure	Certificate of Authority or Board Resolution Letter granting authority to sign	Complete and submit
2.	MBD 1	Invitation to Bid Form	Completed and signed MBD 1 Form.
3.	CSD	Central Supplier Database Registration	Provide proof of CSD registration. Complete MAAA number on cover page or copy of CSD report.
4	MBD 3.1	Pricing Schedule – Firm Prices (Purchases)	Completed MBD 3.1 Form.
5.	MBD 4	Declaration of Interest	Completed and signed MBD 4 Form.
6.	MBD 5	Declaration of Procurement Above R10m (All Applicable Taxes Included)	Completed and signed MBD 5 Form.
7.	MBD 6.1	Preference Points Claim in Terms of The Preferential Procurement Regulations 2022	Completed and signed MBD 6.1 Form.
9.	MBD 8	Declaration of Bidder's Past Supply Chain Management Practices	Completed and signed MBD 8 Form.
10.	MBD 9.	Certificate of Independent Bid Determination	Completed and signed MBD 9 Form.
11.	Annexure – Proof of Specific Goals	Refer to documents listed in 4.3 verification documents to be submitted with the tender document	Submit applicable documentation with the tender submission – If not submitted with the tender document points for Specific Goals won't be allocated.
12.	Annexure	Municipal Rates and Taxes for the Tenderer - Current municipal rates for the entity not in arrears by more than 90 days. If leasing/renting, submitted copy of valid lease agreement where premises are rented OR Confirmation that suitable arrangements are in place for arrear municipal obligations with your local municipality OR Current municipal rates which is not older than 90 days or valid lease agreement with affidavit from owner of property in cases stated in Proof of Good Standing with regards to Municipal Accounts document	Submit applicable documentation with the tender submission
13.	Annexure	Municipal Rates and Taxes - Current municipal rates for the directors of the entity not in arrears by than 90 days. If leasing/renting, submitted copy of valid	Submit applicable documentation with the tender submission

MEDICAL AID BROKERS FOR JOHANNESBURG WATER FOR A PERIOD OF THIRTY-SIX (36) MONTHS

TENDER BRIEFING - MINUTES

		lease agreement where premises are rented OR Confirmation that suitable arrangements are in place for arrear municipal obligations with your local municipality OR Current municipal rates which is not older than 90 days or valid lease agreement with affidavit from owner of property in cases stated in Proof of Good Standing with regards to Municipal Accounts document.	
14.	Annexure	Occupational Health and Safety Declaration form – if applicable	Occupational Health and Safety Declaration form – if applicable
15.	Annexure	Joint Venture, Consortium,	Joint Venture, Consortium, parties – if applicable.

Tenderers will be notified of any omitted, outstanding, missing and or incomplete administrative documents and will be offered a period of 3 days to complete or submit those pages i.e., Municipal Bidding Documents (MBD), authority to sign and other administrative documents that require completion and signatures. These exclude documentation on functionality, price and preference points for specific goals, and MBD 6.2 Local Production and Content.

Tenders that are received contrary to the above requirements will be disqualified after three (3) days period has lapsed.

If locality is a specific goal in MBD6.1 – the requested documentation may not be used to allocate points for specific goal

EVALUATION

JW FIN 05/25 APPOINTMENT OF THE SERVICE PROVIDER FOR THE FULL IMPLEMENTATION OF THE REVISED GRAP 104					
NO #	CRITERIA	EVIDENCE	SUB CRITERIA	MAX SCORE	SCORE
1.	Company's relevant experience in the application of GRAP and the implementation of new GRAP Standards in the financial and accounting functions of a municipal environment	<p>Full company profile must incorporate the relevant experience in the application of Generally Recognised Accounting Practice (GRAP) and the implementation of new Generally Recognised Accounting Practice (GRAP) Standards in the financial and accounting functions of a municipal environment.</p> <p>The profile must clearly indicate the specific Generally Recognised Accounting Practice (GRAP) standards implemented and the relevant periods.</p>	The company has less than four (4) years experience in the application of Generally Recognised Accounting Practice (GRAP) and the implementation of new Generally Recognised Accounting Practice (GRAP) Standards in the financial and accounting functions of a municipal environment or no relevant experience.	30	0
			The company has four (4) to seven (7) years' experience in the application of Generally Recognised Accounting Practice (GRAP) and the implementation of new Generally Recognised Accounting Practice (GRAP) Standards in the financial and accounting functions of a municipal environment		22.5
			The company has more than seven (7) years' experience in the application of Generally Recognised Accounting Practice (GRAP) and the implementation of new Generally Recognised Accounting Practice (GRAP) Standards in the financial and accounting functions of a municipal environment		30

EVALUATION

2.	<p>Company experience demonstrated in the number of projects for the application and implementation of Expected Credit Loss (ECL) models in accordance with the principles of IFRS 9 (International Financial Reporting Standards) within the last 8 years</p> <p>The reference letters must clearly outline the scope of work performed, and the periods during which the Expected Credit Loss (ECL) models were developed and implemented.</p>	<p>The contactable reference letter template must be completed by the referee and included in the tender submission. Alternatively, the client's letterhead may be used for this purpose provided it complies with the functional criteria requirements. A separate form must be completed for each reference as required in the evaluation criteria. The Information provided will be verified and if found to be false or misrepresented, punitive measures will be instituted against the respective party including blacklisting and restriction from participating in any future government tender</p>	<p>Company experience demonstrated in less than two (2) projects for the application and implementation of Expected Credit Loss (ECL) models in accordance with the principles of IFRS 9 (International Financial Reporting Standards) or no relevant experience within the last eight (8) years</p>	0
			<p>Company experience demonstrated in two (2) to four (4) projects for the application and implementation of Expected Credit Loss (ECL) models in accordance with the principles of IFRS 9 (International Financial Reporting Standards) within the last eight (8) years</p>	30
			<p>Company experience demonstrated in more than four (4) projects for the application and implementation of Expected Credit Loss (ECL) models in accordance with the principles of IFRS 9 (International Financial Reporting Standards) within the last eight (8) years</p>	40
3	<p>Project management experience demonstrated through overseeing the full implementation of the financial instruments impairment project in accordance with Generally Recognised Accounting Practice (GRAP).</p>	<p>Provide a detailed CV clearly indicating the periods and companies where Generally Recognised Accounting Practice (GRAP) financial instruments impairment projects were managed and implemented.</p>	<p>Project manager has less than two (2) years' experience or no experience in overseeing the full implementation of the financial instruments impairment project in accordance with Generally Recognised Accounting Practice (GRAP).</p>	0
			<p>Project manager has two (2) to four (4) years' experience overseeing the full implementation of the financial instruments impairment project in accordance with Generally Recognised Accounting Practice (GRAP).</p>	22.5

EVALUATION

			Project manager has more than four (4) years' experience overseeing the full implementation of the financial instruments impairment project in accordance with Generally Recognised Accounting Practice (GRAP).		30
MINIMUM QUALIFYING SCORE					75
MAXIMUM QUALIFYING SCORE					100

PRICING DATA

No	DESCRIPTION	Estimated quantity	Rate for Year 1	Year 1 Total Incl VAT	Rate Year 2	Year 2 Total Incl VAT	Rate Year 3	Total for Year 3 Incl VAT	Total for years 1 to 3 Incl VAT
1	Supply, development and implementation of an Automated the ECL model aligned to the Revised GRAP 104 standard (<i>Any proposed subsistence and travel should be included in the price</i>)	Once off incl VAT			N/A	N/A	N/A	N/A	
2	Annual License fee for the ECL model (if applicable)	Per year							



			EVALUATION						Johannesburg Water
3	Ad-hoc consulting/support fees per hour	Estimated 480 hours per annum							
4	Training including training material	Estimated 10 persons			N/A	N/A	N/A	N/A	
TOTAL COST)				R					

** The 480 hours consulting/ support fees is used as a guideline for evaluation purposes only. It should be noted that the actual number of hours will depend on the actual need at the time when required.*



a world class African city

EVALUATION

QUESTION & ANSWER SESSION

<u>QUESTIONS</u>	<u>RESPONSES</u>
<p>For compatibility with the existing financial reporting systems, could you clarify the direction of the data flow? Specifically, will the solution only extract data from SAP, as indicated in the RFI, or will it also allow data to be uploaded back into the system?</p>	<p>With regard to the data requirements, the required data will be obtained from the City of Johannesburg. The successful bidder will need to advise which specific data is required for the solution.</p> <p>At this stage, the system will not be directly integrated with SAP. Instead, the required data will be provided by the City of Johannesburg based on the bidder's specifications, and the successful bidder will then be responsible for importing that data into the automated system.</p>
<p>Once the data has been imported into the model, will there be any requirement to upload the processed data back into your systems or any other financial reporting systems, or will the data flow be one-way only, namely extraction and import into the solution?</p>	<p>The process will initially involve extracting the required data. Once the computations have been completed, the successful bidder may advise on the format for re-uploading the results into SAP.</p> <p>The re-upload will not involve the full dataset, but rather the processed output required for financial reporting purposes. In particular, the computation must provide a breakdown of impairment by the three categories—government, domestic, and commercial—as well as by the relevant aged buckets, as these are required for disclosure.</p> <p>If the output is provided in the form of a journal entry for capture in SAP, that would be acceptable.</p>
<p>Do you know which SAP modules the data will be extracted from within the City of Johannesburg?</p>	<p>At this stage, the specific SAP modules have not been identified. The successful bidder will need to advise which data tables or modules are required, as this may differ depending on each service provider's solution and data requirements within the SAP ERP environment</p>



a world class African city

EVALUATION

With regard to the requirement to integrate with BI and Excel tools, could you clarify the direction of the data flow? In addition, which BI tool is Johannesburg Water currently using?

The detailed BI integration requirements and the specific tools used will be confirmed once the successful bidder has been appointed. The matter will then be taken up with the IT department of Johannesburg Water, who will provide further technical clarification.

At this stage, the primary requirement is the development of an automated model that produces outputs aligned with the Annual Financial Statements (AFS) disclosure requirements, particularly the consumer data disclosure as reflected in Johannesburg Water’s published financial statements.

Any additional information required by bidders will be coordinated through IT and communicated accordingly once engagement with the successful bidder has commenced.

Could you confirm whether Johannesburg Water is currently using a BI tool, and if so, which one?

In addition, could you clarify the preferred hosting arrangement for the solution—whether it should be hosted by Johannesburg Water or by the successful bidder

The preferred approach is that Johannesburg Water would work with the solution internally on a month-to-month basis. Accordingly, the preference is for Johannesburg Water to host the solution.

However, this may also depend on the capabilities and proposed platforms of the service provider, as different providers may offer different hosting and deployment models

Does the tool need to integrate with market data, and does Johannesburg Water currently have existing market data providers in place?

This requirement will be supported by the service provider. The solution is expected to incorporate an actuarial component, including the use of relevant market data such as interest rate risk, credit risk, and broader economic assumptions.

Accordingly, the service provider will be required to assist Johannesburg Water with the incorporation and interpretation of relevant economic conditions and market data inputs necessary for the model and its computations.

EVALUATION

Does the tool need to integrate with external parties, or extract reports from external counterparties such as banks or other transaction counterparties?

With regard to integration with external parties (such as banks and other transaction counterparties), the requirement will be determined by the service provider as part of the proposed solution. A comprehensive end-to-end solution is expected, based on the revised ECR model and the updated GRAP 104 requirements.

The solution must ensure that all inputs, including any externally sourced data where required, are supported by a clear, consistent, and auditable methodology. This includes ensuring that the approach is fully aligned with GRAP 104 to avoid any audit findings.

Will this tool be used for management decision-making, daily operations, or both?

The tool will be used for management decision-making as well as reporting purposes.

In addition, the impairment module will support monthly computation of impairment requirements on a month-to-month basis.

Does Johannesburg Water operate as a credit provider at all?

In relation to the previous question, if you consider the nature of water and electricity services, the municipality renders services and then issues a bill for payment within a specified period.

In that sense, Johannesburg Water does not provide credit in the traditional or financial institution sense. Customers are expected to pay within the billing cycle as determined by the municipality, rather than being granted formal credit facilities

in terms of the software used for calibrating the models, does Tswelopele Water have a SAS license, or would we need to use open-source languages like Python or R instead?

Normally, with RICA and similar requirements, bidders are expected to advise and provide the necessary software licenses themselves.

So, in practice, they would typically factor that into their bid and bill Johannesburg Water accordingly. We do not provide or supply those licenses from our side



a world class African city

	EVALUATION
--	-------------------

CLOSURE

Should bidders need any clarity, all queries are to be submitted 10 days before the closing date.

Ms Nthabiseng Matabane thanked all who attended the briefing, and the meeting was adjourned.



a world class African city

EVALUATION