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|-----------------------------|--|
| TENDER No.:                 | TIA001/2021  |
| DESCRIPTION:                | APPOINTMENT OF THE TECHNOLOGY ACQUISITION AND DEPLOYMENT FUND (TADF) TECHNICAL RESOURCE ORGANISATION   |
| MANDATORY BRIEFING SESSION: | Date: 19 February 2021<br>Time: 11:00am<br>(Applicants to email <a href="mailto:briefingsession@tia.org.za">briefingsession@tia.org.za</a> for the link) and this will be via <u>Microsoft Teams</u>   |
| CLOSING TIME AND DATE       | 8 March 2021, 11:00am  |
| DELIVERY DETAILS:           | Electronic submissions: <a href="mailto:Tenders@tia.org.za">Tenders@tia.org.za</a><br><br><u>Please note that our servers will block any file greater than 200MB. If your file is greater than 200MB, please divide your submission into parts that are equal or less than 200MB and state on the subject 'Part 1, Part2 or Part 3'.</u><br><br><u>E.G. TIA001/2021 – PART 1</u> |
| TELEGRAPHIC TENDERS:        | Will not be accepted   |
| REQUIRED TENDER VALIDITY:   | 120 days   |
| CONTACT PERSON:             | Mandisa Pitso ( <a href="mailto:mandisa.pitso@tia.org.za">mandisa.pitso@tia.org.za</a> ) and state <u>TIA001/2021</u> on the subject line  |
| DURATION OF CONTRACT        | For a period not exceeding two (2) years, based on performance and requirements  |



## **TERMS OF REFERENCE**

### **APPOINTMENT OF THE TECHNOLOGY ACQUISITION AND DEPLOYMENT FUND (TADF) TECHNICAL RESOURCE ORGANISATION**

#### **1. INTRODUCTION**

The White Paper on Science, Technology and Innovation policy intent 4.5 (use of public procurement as a vehicle to further innovation) and 4.13 (strengthen government's role as an enabler of innovation). These policy intents allude that strategies should be developed to ensure that government is the first customer when it comes to using locally developed technologies. The policy further reinforces a Cabinet decision that the DSI should explore and implement policy instruments and strategies to enable the exploitation and uptake of locally developed technologies to improve service delivery and enable transitioning to knowledge economy.

Government's infrastructure build programme is one example where locally developed technologies could be supported and tested. However, a supportive legislative environment is required to ensure the success of new industry development efforts through use of locally produced technology products e.g. in the fields of medical devices, ICT and environmental technologies. All of this depends on the government's procurement processes being open to innovation and products from technology SMME's and local innovators.

In order to create an open and responsive policy environment to realise these objectives, the DSI has instituted a Technology Acquisition and Deployment Fund as a policy instrument which is part of the broader strategy to support the deployment and commercialization of locally developed technologies.

The Technology Acquisition and Deployment Fund (TADF) is a funding instrument intended to promote and enable the first-time acquisition and deployment of locally developed technology solutions by government through facilitating the Acquisition and Deployment process and market entry. This instrument also promotes the uptake of local technology products and innovations mainly by the public sector i.e. government departments, municipalities and public entities. It is believed that such acquisition will encourage long - term off take agreements between the technology developer and the user/ client department. It also envisaged that the acquisition process will provide opportunities for exploitation of local innovations to improve public entity operations, enhance service delivery and to address persistent socio-economic challenges.

As a response, the DSI has appointed the Technology Innovation Agency (TIA) to implement the TADF in order encourage the uptake and deployment of locally developed technologies and create an environment where this can be managed differently by departments and



municipalities to improve service delivery and catalyze / stimulate the commercialization of these technologies locally in the long run.

TIA was setup by government, through an Act of Parliament, to stimulate and intensify technological innovation to improve economic growth and the quality of life of all South Africans by developing and exploiting technological innovations. The latter part of TIA's mandate (technology exploitation / commercialization) has suffered the most due to various reasons, one being the low or no uptake of these innovations by the public-sector due to a number of reasons i.e. non-existent of a conducive policy environment to promote the acquisition and deployment of locally developed technology solutions by government. Sometimes innovative user specification requirements are complex where an innovation does not have track record in the market or requires pre-commercialization support in order to enter the market.

## **2. BACKGROUND**

The environment to promote the acquisition and deployment of locally developed technology solutions by government, either does not exist and if it does, it is incidental and lacks the requisite deliberateness in design. Apart from this, there exists several entry barriers for local technology products adoption and scale up and as such many of the locally developed solutions are not finding traction and uptake in the public sector and or in the market.

A report on Government Funding for Scientific and Technological Activities (STAs) produced by the DSI in 2016 revealed that an estimated R23,4 billion was spent on STAs in the 2015/16 financial year, this amount represents a nominal increase of 6,4% from the R22,0 billion recorded in 2014/15. In real terms, STAs increased by 6,6% from 2014/15 to 2015/16. The MTEF appropriations indicated that expenditure on STAs would increase to R26 billion by 2018/19. None of the spend is realised as a return on investment, with just only 8.7% (See Figure 1 below) commercialisation traction (market uptake) of these research outputs and innovations which are partly due to procurement processes that render it impossible for a new technology or product innovation to enter the public-sector market.

|   |   |  |  |
|---|---|--|--|
| Pipeline of publicly financed IP<br>(since 2 Aug 10):<br>1409 disclosures |   | Of which have a granted IP right<br>243 disclosures<br>(21.2%)             | Of which have been commercialised<br>122 disclosures<br>(8.7%) |
| Exclusive licences<br>78  | Licences granted to SMMEs / BBBEE entities<br>41  | Revenue received by institutions from commercialised IP<br>> R10.6 million |  |
| OTT Support Fund funding to date<br>R140.3 million                        | No. of institutions who have received support<br>28 institutions and 2 regional offices | No. of highly specialised technology transfer posts created<br>104 (+28)   |  |
| IP Fund funding to date<br>R139.0 million                                 |   | No. of institutions who have received support<br>24 institutions           |  |

**Figure 1: Seven (7) year R&D outputs and commercialisation 2010-2017**

This continues to perpetuate the trade deficit, for instance, South Africa reported a R2.88 billion trade deficits for July 2019 which was attributable to exports of R112.94 billion and imports of R115.82 billion. This trade deficit could also indicate a slow uptake of locally developed technologies and a slow rate at which local technology products enter the market.

While Government allocates funds for new technology and product development, the uptake of these technologies is limited by the following barriers:

- **Lack of access to markets** - The inability for technology SMMEs to access markets has been noted as one of the major factors threatening their longevity. Access to markets is one of the fundamental requirements (by credit providers) to access funding and mentorship at an early stage.
- **Procurement (buying as a first purchaser), to fund first purchase** - according to the Global Entrepreneurship Monitor (GEM) SA 2014 report, lack of access to finance and poor profitability, are among the chief reasons for business discontinuance in SA. Given their highly conservative nature, South African banks, buyers, lenders are more inclined to put resources in small technology businesses in their later stages of development. They are less likely to lend and buy from start-ups and SMMEs (Financial Services Regulatory Task Group, 2007). The degree of these inclinations, however, can vary depending primarily on locational differences.

- **Procurement Bureaucracy (Inefficient government bureaucracy)** - Government policies are instrumental in enhancing entrepreneurial activities, as they set the platform upon which new businesses can be started and sustained. The World Economic Forum (WEF) 2014/2015 Global Competitiveness Report listed government bureaucracy as one of the major obstacles to entrepreneurial and business activity in SA. Delays in payment of invoices by government entities and the time required to obtain permits and licenses was one of the aspects mentioned in the WEF report. The report also highlighted that there is red tape associated with starting up and managing a business.

Small Businesses and Start-ups (businesses that are pre-revenue and have not made any or very low sales due to the newness of the product or technology in the market) represent 98% of the firms in South Africa, but only have a 9% survival rate over a 10-year period and this is also due to lack of continued sustainability and competitiveness.

**Recent technology SMME research studies** indicate that few technology SMME's businesses progress beyond the seed and start-up phase and it is for this reason a major emphasis should be placed on Enterprise and Supplier Development to ensure long-term sustainability of these small businesses. For innovation and technology SMMEs to remain competitive and sustainable they need to continuously innovate and thus a focus on SMMEs with new innovations, technologies and products should be included as the order of the day in enterprise supplier development (ESD) programmes or when a new programme for innovation uptake is introduced and established, as this will enable sustainability of innovation and technology based SMMEs and continued global competitiveness.

*In this context*, the Technology Acquisition and Deployment Fund has been set up by the Department of Science and Innovation (DSI) and is implemented by the Technology Innovation Agency (TIA) to serve as a mechanism through which the acquisition of locally developed technologies and innovations is expedited.

Research indicates that the slow uptake of locally developed technologies especially in the public sector. This is attributed technology SMME's having technology products with no proof of technology in the market- products are not tested in the market for consumer feedback and production re-design; unfavourable procurement rules for innovation uptake;



risks associated with buying as a first purchaser of a locally developed technology/ product; , difficulties associated with outlining adequate user specification for innovative solutions as these may not be determinable based on standard requirements. In order for a user/ client (public sector) to procure, they need to have the specification of a particular product or technology, and this is often not easily unpacked for new innovations/ technologies. Sometimes such technologies have to operate on their business environment in order for them to record the specification and technology performance parameters etc.

### **3. PURPOSE**

The purpose of this bid is to appoint a suitably qualified and experienced professional service provider / constituted as a consortium to provide technical support services and a professional resource team for the implementation of the Technology Acquisition and Deployment Fund (TADF). The technical support services required from the service provider includes; assessing technology product's fitness for purpose, conducting technology due diligence, conducting commercial due diligence, quality assurance, facilitating technology readiness for acquisition and deployment to user clients and implementing monitoring & evaluation activities of technology product's performance during deployment to user clients. The service provider will support technology SMME's who apply through the fund to have their technologies deployed to user clients by producing certificates of assurance for all TADF business process activities as outlined in the TADF Standard Operating Procedures (SOP).

### **4. GLOBAL TRENDS AND PRACTICES**

#### **4.1 CURRENT GLOBAL TADF RELATED MODELS**

The model for public procurement of locally developed innovations with similar objectives to the TADF have been successfully implemented by several countries such as the USA, UK, Netherlands, Australia that have mostly relied on the Small Business Innovation Initiative (SBIR) and India that enacted the Technology Acquisition and Development Fund (TADF).

#### **4.1.1 INDIA**

*India's Technology Acquisition and Development Fund*, launched in 2015 through the Ministry of Commerce & Industry, is by far the closest to the TADF proposed for South Africa. The fund was established as a specialized scheme to facilitate the acquisition of clean, green and energy efficient technologies available in both the Indian market and globally, by SMMEs across various sectors to bridge the technological gap at an affordable cost. This scheme is implemented by the Global Innovation and Technology Alliance (GITA), a non-profit Joint Venture PPP between the Department of Science & Technology and the Confederation of Indian Industry.

#### **4.1.2 QUEENSLAND (AUSTRALIA) - SMALL BUSINESS INNOVATION RESEARCH (SBIR)**

The Government of Queensland in Australia also established the SBIR programme, largely modelled around the UK programme. Its stated objective is to “fund the research and development of innovative solutions to specific Queensland Government challenges”

#### **4.1.3 UNITES STATES - SMALL BUSINESS INNOVATION RESEARCH**

The US SBIR is by far the most well-known programme and model for utilising government spend to stimulate technology development, acquisition and deployment through the Small Business Innovation Research scheme. The SBIR is a legislated instrument, established through the Small Business Innovation Research Act of 1982 that directs Federal Departments with an annual budget of \$100m to allocate 2.8% of their budgets to support the development of innovative solutions by SMMEs in support of their respective mandates. Its stated objectives are to stimulate technological innovation; use small businesses to meet federal R&D needs; foster participation by women-owned and minority-owned small businesses; and increase private sector commercialization of innovation derived from federal R&D. This has 11 participating Federal agencies that have now increased their allocations to 3.2%. The SBIR is complimented by the Small Business Technology Transfer Programme (STTR) that requires Federal agencies with extramural budgets exceeding \$1 billion to set aside 0.4% of their annual extramural R&D budget for small businesses that work with publicly-funded research institutions. The objective of the STTR is to facilitate transfer of technology and research from these institutions to commercial use and encourage innovation.



#### **4.1.4 UNITED KINGDOM - SMALL BUSINESS RESEARCH INITIATIVE (2001)**

The UK's Small Business Research Initiative (SBRI) programme, modelled around the US SBIR, was launched in 2001 and its implementation later (2009) centralized, to be managed by the Technology Strategy Board (now Innovate UK). The UK's SBRI programme aims to position government as a lead customer for technological (product or service) innovation by means of a two-stage competitive process - similar to the US model - consisting of funding for feasibility of the product, service or idea and development of a prototype. Its stated objectives are to meet government's operational requirements for innovation or support the development of innovations to address specific policy problems where the government will not itself be a purchaser of the innovation but where the market, left to itself, might not be expected to deliver solutions (i.e. where there is market failure).

#### **4.1.5 NETHERLANDS - SBIR (2004)**

The Netherlands launched its SBIR Programme in 2004 and is administered by the Dutch innovation agency, NL Agency, as a variation of the US model and adapting this to comply with the general EU rules on procurement and State Aid. The programme was launched as an agile and rapid instrument that can respond to the quick turnaround times demanded by small business. Its stated objectives are to solve societal challenges (grand challenges) through innovation; increase the service level of government through innovation; and stimulate innovation, particularly in SMMEs. The programme is run on only two competitive funding stages and is largely based on contract approach rather than grant approach.

The various models briefly described above indicates that there are many variations that could offer useful insights to South Africa considering the relevant socio-economic and political context of the country. A high-level conclusion may also be drawn that some programmes are of a general nature, i.e. based on open calls for small businesses to secure funding for the development of solutions and others calls directly targeted at the procurement of solutions for which there is a direct need by the government. In this context, government plays the part of "lead customer" and facilitates first entry of these new product innovations into the market.



## **5. CHARACTERISTICS AND OBJECTIVE OF THE TADF**

### **5.1 CHARACTERISTICS OF THE TADF**

- TADF is a funding instrument that supports entrepreneurs to access financial assistance to produce samples for testing & validation and eventually attain off-take agreements, letters of intent and / or letters of support by user/client in the public sector
- The applicants and user client of the TADF includes the public sector, municipalities and entities and is not necessarily limited to technology developer, entrepreneur and innovators. The public-sector user client will identify the technology or innovation product and initiate the TADF acquisition application process, or the technology developer will identify a potential public-sector user client, engage with them to determine if the technology is required / needed and can apply through the TADF for the deployment of the technology to that specific user client. The user client will then initiate the application process to deploy the innovation / technology to the user client's environment.
- The TADF technology support specialist team will work with the technology developer / entrepreneur to take the locally developed technology / innovation to the user client (Public sector entity, government department or municipality) and provide market entry support to innovation and technology Start-ups and SMMEs. However, it remains the responsibility of the innovator/ entrepreneur to negotiate a long term off take agreement with the user client following the user client's procurement processes.

### **5.2 OBJECTIVES OF THE TADF**

- To facilitate first market entry of locally developed technology innovations in the public sector;
- To promote and enable the acquisition and deployment of locally developed technology solutions by government;
- To provide market entry support to technology Start-ups, and SMMEs
- To provide a fund that de-risks the acquisition of locally developed technology innovations by public entities;
- To position government as an enabler of first purchase of locally developed technology and innovations that could lead to long term off take agreements between the Technology providers and user client departments;
- Deploy locally developed technologies and innovations to improve service delivery in the public sector;

- Allow a process by which government departments can provide challenges and call for locally technology innovations to solve policy challenges and service delivery challenges;
- Facilitate a potential matchmaking process between the user client departments and technology innovators and entrepreneurs
- To enable public sector first time acquisition of locally developed technologies to:
  - improve their operations,
  - enhance service delivery and
  - address persistent socio-economic challenges.

## 6. SCOPE OF WORK

The successful service providers will be appointed on a performance-based reward system to assist TIA with technical support services required to implement the Technology Acquisition and Deployment Fund. This includes undertaking technology acquisition and deployment activities such as:

- Conducting technology due diligence.
- Conducting commercial due diligence.
- Quality assurance.
- Technology product's fitness for purpose.
- Technology products monitoring & evaluation during deployment and
- Supporting TIA with producing certificates for various business process and activities of the TADF Standard Operating Procedures.

The scope of work will be governed by a service level agreement between TIA and the successful service provider. Diverse capability of the project team from the service provider in technology sectors covered by the TADF will be an added advantage. The TADF sectors are as follows:

- Energy water
- Education
- Human settlements

- Waste management
- Environment
- Sanitation
- Information communication technologies etc.

## 6.1 TYPICAL ACTIVITIES TO BE PERFORMED BY THE SERVICE PROVIDER:

- **Acquisition - Due Diligence and Contracting**
  - Prepare Due Diligence Report
  - Confirmation of user requirements and business requirements/needs
  - Confirmation of site suitability
  - Confirmation of environmental fit
  - Confirmation of technology fitness for purpose
  - Technical assessment, performance and /or accreditation
  - Guide and Review commercial agreements (e.g. agreements between Innovator and User Client, SLAs, Tripartite agreements etc)
  - Produce all certificates for this stage in line with the TADF SOP
- **Deployment - Product preparation for deployment**
  - Confirmation of installation requirements
  - Independent Health & Safety Assessment
  - Facilitate product testing
  - Preparation of technology readiness report
  - Produce all certificates for this stage in line with the TADF SOP.
- **Deployment - Monitoring and Evaluation**
- Typical support Activities to be facilitated
  - Specialists to support the M&E Process by providing Technical Reports
  - Visits at client sites
  - Monitor performance of technologies and use by user & client for 12 months
  - Quarterly report on technology use and adaption by client user using progress reporting template
  - Periodically test and facilitate offtake agreements

- Submission of final close out report of technology acquisition and deployment process to the Steering Committee
- Document technology performance against user client requirements
- Guide and Review commercial agreements (offtake agreements between Innovator and User client)
- Produce all certificates for this stage in line with the TADF SOP

## **6.2 ORGANISATIONAL EXPERIENCE:**

The organisation must have expertise in providing technical resource support and professional resource team/s on similar or related programmes / work with specific expertise in fund management and certificate-based business processes and disbursement of funds in diverse sectors by indicating their years of experience as an organisation which must be accompanied by the following supporting documents / information.

### **6.2.1 SUPPORTING DOCUMENTS REQUIRED:**

- Provide a list of projects where technical support or professional resource expert team/s were provided to help implement a programme not more than 10 years ago to account for experience relevant to the project requirements (should include contact details for verification purposes).
- The organisation should indicate experience in conducting similar projects or providing professional support services or professional resource team and technical support to projects similar to the TADF which includes milestone based disbursement of funds or certification based business processes).
- The organisation should also demonstrate that it's core business is relevant to the assignment i.e. quality assurance, programme management, fund management, technology acquisition, technology transfer, innovation management and technology product development, and its business offering has relevance to the TADF scope of work as articulated in this document.
- Organisations whose core business is in programme and project management, fund management and certificate-based business processes and has product / service offering in product quality assurance, technology transfer, technology commercialization will have an advantage.



- The organisation is required to provide proof that they have successfully executed similar projects as well as the duration of the project. This must be signed testimonial(s) or reference letter(s) on formal letterheads of the companies that received the service (not copies of the purchase order). These testimonials will be used to confirm the relevant experience claimed by the prospective bidders. Testimonial(s) or Reference Letter(s) should include contact details for verification purposes. The service provider should provide reference letters for projects implemented not more than 10 years ago.

*Summary of reference letters / testimonials attached:*

| Project Name | Project Value | Project Type | Role and Activities Performed |
|--------------|---------------|--------------|-------------------------------|
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Testimonials **MUST** indicate all of the above.

TIA reserves the right to interview the persons mentioned on the references letters as well as the resources allocated for this project.

### **6.3 EXPERIENCE OF KEY PERSONNEL – TEAM LEADER**

The project leader is a technology or innovation management specialist or project management specialist and has experience in undertaking projects for:

- fund management and certificate-based business processes,
- disbursement of funds or acting as a professional resource team leader and
- Innovation Management,
- Technology and Innovation Development,
- Product Quality Assurance,
- Technology Transfer,
- Technology Acquisition,
- Technology deployment management,
- Business Analysis and;
- any other related/relevant specialization will also be an advantage.
- The team leader should have a minimum of 8-10 years proven experience in technology application development / system development and should have implemented at least 1-2 similar projects. Experience of the team leader in certificates-based business processes for disbursement of funds will have an advantage.

The team leader who will be working on the project must have:

- a 3-year qualification in Science and Engineering
- a project management professional certification with a professional body in project specializations / competencies i.e. Project Management Professional (PMP) / Prince 2 or equivalent;

The above experience and qualification must be accompanied by a detailed CV.

Should the need arise, during implementation, only the resources with the same skill level will be allowed as a replacement of the resources listed on the approved proposal.

#### 6.4 DESIRED EXPERIENCE OF KEY PERSONNEL – TEAM MEMBERS

Team members have deep knowledge / skills and experience in undertaking similar projects (fund management and certificate-based business processes, disbursement of funds or acting as a professional resource team).

The team members who will be working on the project should ideally have a minimum of three (3) years qualification in Engineering or Technology Product Development, Innovation Management, Project Management or equivalent / related. Professional certification with a professional body in project specializations / competencies i.e. Project Management Professional or Prince 2; Technology and Innovation Development, Product Quality Assurance, Technology Transfer, Technology Acquisition, Technology deployment management, Business Analysis, and any other related/relevant specialization will also be an advantage.

The Team members should have at least a minimum of 8-10 years proven combined experience in (fund management and certificate-based business process, disbursement of funds or acting as a professional resource team) and should have combined experience in 1-2 similar projects as a minimum. Team members with combined experience in certificate-based business processes will be an advantage. The number of resources allocated should be informed by the specification of this TOR. The proposal should clearly identify the roles of different team members proposed for the project.

#### 6.5 LIST OF TECHNICAL SPECIALISTS REQUIRED

**TABLE 1: SPECIALISTS REQUIRED**

| No. of Specialists | Role                                 | Function/Activity  | Required Skill & Qualification  |
|--------------------|--------------------------------------|--|---|
| 1                  | Technical and Engineering Specialist | <ul style="list-style-type: none"> <li>• Technical due diligence</li> <li>• Technology performance measurement</li> <li>• Project performance reporting to Technology Acquisition and Deployment specialist</li> </ul> | <ul style="list-style-type: none"> <li>• Science and/or Engineering,</li> <li>• Product development,</li> <li>• Product testing</li> <li>• Certification in Project management</li> </ul> |
| 1                  | Technology Transfer and              | Guide and Review commercial agreements (e.g. agreements  | <ul style="list-style-type: none"> <li>• Law and Intellectual Property</li> </ul>   |

| No. of Specialists | Role   | Function/Activity  | Required Skill & Qualification  |
|--------------------|--|--|---|
|                    | Commercial Specialist                            | between Innovator and User Client, offtake agreements, SLAs etc)   | <ul style="list-style-type: none"> <li>• Business</li> <li>• Public sector procurement,</li> <li>• Technology</li> <li>• Innovation/Development</li> </ul>                                      |
| 1                  | Quality Assurance Specialist                     | Quality assurance  | <ul style="list-style-type: none"> <li>• Quality,</li> <li>• Health &amp; Safety,</li> <li>• Fitness for purpose</li> </ul>   |
| 1                  | Product Development Specialist                   | Product preparation and testing  | <ul style="list-style-type: none"> <li>• Engineering and/or Science,</li> <li>• Product development,</li> <li>• Product testing and</li> <li>• Product certification</li> </ul>                 |
| 1                  | Technology Acquisition and Deployment specialist | <ul style="list-style-type: none"> <li>• Technology acquisition and deployment coordination</li> <li>• Compiling first draft of monthly reports to TIA Project and Fund Manager</li> </ul> | <ul style="list-style-type: none"> <li>• Business Analysis</li> <li>• Business Risk management</li> <li>• Technology Risk Management</li> <li>• Safety</li> <li>• Project management</li> </ul> |

## 6.6 PROJECT MANAGEMENT APPROACH & METHODOLOGY

Outline the methodology to be adopted to meet the business requirements and demonstrate in the proposal how the project will be executed and successfully implemented. The services of the consortium / professional specialist team will be required for a period of a 24 months.

The response on the project management approach and methodology should provide details on the following:

- Full understanding of the requirements
- Recognizable project management methodology and approach stipulation deliverables on each phase of the project and the envisaged governance structure for the project considering there is an existing project steering committee led by the project owner.
- The detailed project schedule clearly detailing major milestones.
- Team Organogram
- The plan should detail possible risks and mitigation plans based on prior experience on common risks when taking on such a project within the stipulated time frames (i.e. project risk register).
- Innovativeness in your approach & methodology



- The project management methodology in response to the TADF vision, functionality and specification set out in this document will have an advantage.

## 7. MANDATORY REQUIREMENTS

- Compliant Tax Status on the Central Supplier Database (CSD) report by the time TIA appoints.
- Registration on the Central Supplier Database
- All Standard Bidding Documents on this request filled and attached
- Attendance of the Compulsory Briefing session on 19 February 2021 (via Microsoft Teams)
- CV's for all Resources Required:
  - Programme Team Leader
  - Technical and Engineering Specialist
  - Technology Transfer and Commercial Specialist
  - Quality Assurance Specialist
  - Product Development Specialist
  - Technology Acquisition and Deployment specialist
- Certified letter of good standing (COIDA).
- Proof of Professional Indemnity Insurance of R 10 000 000.00 (If it's consortium, each member should have its own)
- Proof of Registration with a recognized professional body/ institution for the listed team
- SANAS Accredited ISO 9001
- If bidding as a consortium, in addition to all the documents the following additional documents are required:
  - Signed consortium agreement which includes details on the lead partner's roles and responsibility
  - The consortium agreement must also clearly identify the Lead Partner, with the power of attorney to bind the other party / parties in respect of matters pertaining to the consortium arrangement.
  - All members of the Consortium need to be registered on the CSD and be tax compliant by the time TIA appoints
  - Joint BBBEE Certificate for the Consortium



- Attendance to the online Briefing session. Applicants to email [briefingsession@tia.org.za](mailto:briefingsession@tia.org.za) for the link which will be facilitated through Microsoft Teams on 19 February 2021 at 11:00am

## **8. PROPRIETARY INFORMATION**

TIA considers this Request for Proposal (“RFP”) and all related information, either written or verbal, which is provided to the Bidder, to be proprietary to TIA. It shall be kept confidential by the Bidder and its officers, employees, agents and representatives.

The Bidder shall not disclose, publish, or advertise this specification or related information in part or as a whole to any third party without the prior written consent of TIA. This applies regardless of whether the recipient of this RFP responds with a proposal or not.

## **9. MEDIUM OF COMMUNICATION**

All documentation submitted in response to this RFP must be in English.

## **10. VERIFICATION OF DOCUMENTS**

Respondents should check the numbers of the pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by TIA with regard to anything arising from the fact that pages are missing or duplicated.

## **11. SUBMISSION OF RFP’s**

The proposal should be submitted to [tenders@tia.org.za](mailto:tenders@tia.org.za)

It is the responsibility of the prospective supplier to ensure that the proposal is submitted by no later than **8 March 2021 at 11:00am**

## **12. GENERAL TERMS AND CONDITIONS**

The Respondent is responsible for all costs incurred in the preparation and submission of the proposal.

A copy/s of any affiliations, memberships and/or accreditations that support your submission must be included in the proposal.

Kindly note that TIA is entitled to:

- 12.1 Amend any RFP conditions, validity period, specifications, or extend the closing date and/or time of RFP's before the closing date. All Respondents, to whom the RFP documents have been issued, will be advised in writing of such amendments in good time;
- 12.2 Verify any information contained in a proposal;
- 12.3 Not appoint any bidder;
- 12.4 Vary, alter, and/or amend the terms of this RFP, at any time prior to the finalisation of its adjudication hereof;
- 12.5 Disqualify proposals that contain an omission of disclosure of material information, that is factual inaccurate, and/or contains a misrepresentation of facts. This could also lead to the cancellation of any subsequent contracts;
- 12.6 Not accept the lowest proposal or any proposal in part or in whole. TIA normally awards the contract to the Bidder who proves to be fully capable of handling the contract and whose proposal is technically acceptable and/or financially advantageous to TIA. Appointment as a successful contractor shall be subject to the parties agreeing to mutually acceptable contractual terms and conditions. In the event of the parties failing to reach such agreement within 30 (thirty) days from the appointment date, TIA shall be entitled to appoint the contractor who was rated 2nd (second), and so on;
- 12.7 Award this RFP as a whole or in part without furnishing reasons;
- 12.8 Cancel or withdraw from this RFP as a whole or in part without furnishing reasons and without attracting any liability;
- 12.9 The Bidder hereby offers to render all of the services described in the attached documents (if any) to TIA on the terms and conditions and in accordance with the specifications stipulated in this RFP documents (and which shall be taken as part of, and incorporated into, this proposal at the prices inserted therein);
- 12.10 This proposal and its acceptance shall be subject to the terms and conditions contained in this RFP document; and

- 12.11 The Respondent shall prepare for a possible presentation should TIA require such and the Respondent shall be notified thereof no later than 4 (four) days before the actual presentation date.
- 12.12 Joint Venture /a Consortium must clearly set out the roles and responsibilities of the Lead Partner. The agreement must also clearly identify the Lead Partner, with the power of attorney to bind the other party / parties in respect of matters pertaining to the joint venture and / or consortium arrangement.
- 12.13 Bidders must submit a concrete proof of the existence of the Joint Venture / Consortium arrangements. TIA will accept signed agreement as acceptable proof of the existence of a joint venture and or a consortium arrangement.

### 13. EVALUATION CRITERIA

a) **First Stage evaluation criteria**

Submissions will be evaluated for functionality based on the below criteria:

| Evaluation categories and criteria   | Weight | Maximum Score |
|--|--------|---------------|
| <p><b><u>Organisational Experience (Provide Company Profiles)</u></b></p> <ul style="list-style-type: none"> <li>• Organisation has 10+ years' experience and expertise in providing technical resource support and professional resource team/s on similar or related programmes / work with specific expertise in fund management and certificate-based business processes and disbursement of funds in diverse sectors = <b>5</b></li> <li>• Organisation has 8-10 years' experience and expertise in providing technical resource support and professional resource team/s on similar or related programmes / work with specific expertise in fund management and certificate-based business processes and disbursement of funds in diverse sectors = <b>4</b></li> <li>• Organisation has 6-8 years' experience and expertise in providing technical resource support and professional resource team/s on similar or related programmes / work with specific</li> </ul> | 0,20   | 5             |

|   |      |   |
|---|------|---|
| <p>expertise in fund management and certificate-based business processes and disbursement of funds in diverse sectors = <b>3</b></p> <ul style="list-style-type: none"> <li>• Organisation has 4-6 years' experience and expertise in providing technical resource support and professional resource team/s on similar or related programmes / work with specific expertise in fund management and certificate-based business processes and disbursement of funds in diverse sectors = <b>2</b></li> <li>• Organisation has 2- 4 years' experience and expertise in providing technical resource support and professional resource team/s on similar or related programmes / work with specific expertise in fund management and certificate-based business processes and disbursement of funds in diverse sectors = <b>1</b></li> <li>• Organisation has less than 2 years' experience and expertise in providing technical resource support and professional resource team/s on similar or related programmes / work with specific expertise in fund management and certificate-based business processes and disbursement of funds in diverse sectors = <b>0</b></li> </ul> |      |   |
| <p><b><u>References (refer to page 12, item 6.2.1 for a description on the requirement for the reference letters)</u></b></p> <ul style="list-style-type: none"> <li>• The applicant provides 5 or more signed testimonial(s) or reference letter(s) on formal letterheads of the companies for similar or related services = 5</li> <li>• The applicant provides 4 signed testimonial(s) or reference letter(s) on formal letterheads of the companies for similar or related services = 4</li> <li>• The applicant provides 3 signed testimonial(s) or reference letter(s) on formal letterheads of the companies similar or related services = 3</li> <li>• The applicant provides 2 signed testimonial(s) or reference letter(s) on formal letterheads of the companies similar or related services = 2</li> <li>• The applicant provides 1 signed testimonial(s) or reference</li> </ul>   | 0,05 | 5 |

|   |      |   |
|---|------|---|
| <p>letter(s) on formal letterheads of the companies similar or related services = 1</p> <ul style="list-style-type: none"> <li>The applicant provides no signed testimonial(s) or reference letter(s) = 0</li> </ul>  |      |   |
| <p><b><u>Experience of Key Personnel – Team Leader</u></b></p> <p>The Team Leader should have a minimum of a 3-year qualification in Science and Engineering and a project management professional certification with a professional body in project specializations / competencies i.e. Project Management Professional or Prince 2.</p> <ul style="list-style-type: none"> <li>Team leader has 10+ years' experience (refer to experience listed in item 6.3 of this document) = 5</li> <li>Team leader has 8-10 years' experience (refer to experience listed in item 6.3 of this document) = 4</li> <li>Team leader has 6-8 years' experience (refer to experience listed in item 6.3 of this document) = 3</li> <li>Team leader has 4-6 years' experience (refer to experience listed in item 6.3 of this document) = 2</li> <li>Team leader has 1-4 years' experience (refer to experience listed in item 6.3 of this document) = 1</li> <li>Team leader has no experience (refer to experience listed in item 6.3 of this document) = 0</li> </ul> | 0,15 | 5 |
| <p><b><u>Desired Experience of Key Personnel – Team Members</u></b></p> <p><b><i>With reference to Table 1 on page 15</i></b></p> <p>With reference to Table 1 on page 15 the proposed resources must have, at minimum a 3-year qualification (<i>Technical &amp; Engineering Specialist, Technology Transfer and Commercial Specialist, Quality Assurance Specialist, Product Development Specialist and Technology Acquisition and Deployment specialist</i>). The team members should have at least a minimum of 8-10 years proven combined experience in similar projects.</p> <ul style="list-style-type: none"> <li>Proposed resources have 10 + of combined years of experience in fund management, management of similar /</li> </ul>   | 0,20 | 5 |

|  |      |   |
|--|------|---|
| <p>related projects and has the relevant qualifications (<i>Refer to Table 1 on page 15</i>) = 5</p> <ul style="list-style-type: none"> <li>Proposed resources have 8-10 years of combined experience in fund management, management of similar / related projects and has the relevant qualifications (<i>Refer to Table 1 on page 15</i>) = 4</li> <li>Proposed resources have 5-7 years of combined experience in fund management, management of similar / related projects and has the relevant qualifications (<i>Refer to Table 1 on page 15</i>) = 3</li> <li>Proposed resources) have 3-4 years of combined experience in fund management, management of similar / related projects and has the relevant qualifications (<i>Refer to Table 1 on page 15</i>) = 2</li> <li>Proposed resources have 1-2 years of combined experience in fund management, management of similar / related projects and has the relevant qualifications (<i>Refer to Table 1 on page 15</i>) = 1</li> <li>Proposed resources have no experience in fund management, management of similar / related projects and has the relevant qualifications (<i>Refer to Table 1 on page 15</i>) = 0</li> </ul> |      |   |
| <p><b>Approach &amp; Methodology (Risk, Timeline, Activities)</b></p> <ul style="list-style-type: none"> <li>The proposed project management approach &amp; methodology demonstrates a full (meets 100% of the requirements) description of the project plan, methodology, technical proposal, innovativeness, originality addressing the requirements, time efficiency, associated risks &amp; the mitigation strategies, clear justification of the rationale behind the methodology and the approach chosen to deliver the project = 5</li> <li>The proposed project management approach &amp; methodology demonstrates a partial (meets 80%of the requirements) description of the project plan, methodology, technical</li> </ul>   | 0,40 | 5 |

proposal, innovativeness, originality addressing the requirements, time efficiency, associated risks & the mitigation strategies, partial (meets 80%of the requirements) justification of the rationale behind the methodology and the approach chosen to deliver the project = 4

- The proposed project management approach & methodology demonstrates a partial (meets 60%of the requirements) description of the project plan, methodology, technical proposal, innovativeness, originality addressing the requirements, time efficiency, associated risks & the mitigation strategies, partial (meets 60%of the requirements) justification of the rationale behind the methodology and the approach chosen to deliver the project = 3
- The proposed project management approach & methodology demonstrates a partial (meets 40%of the requirements) description of the project plan, methodology, technical proposal, innovativeness, originality addressing the requirements, time efficiency, associated risks & the mitigation strategies, partial (meets 40%of the requirements) justification of the rationale behind the methodology and the approach chosen to deliver the project = 2
- The proposed project management approach & methodology demonstrates a partial (meets 20%of the requirements) description of the project plan, methodology, technical proposal, innovativeness, originality addressing the requirements, time efficiency, associated risks & the mitigation strategies, partial (meets 20%of the requirements) justification of the rationale behind the methodology and the approach chosen to deliver the project = 1
- The proposed project management approach & methodology has no (meets 0%of the requirements) description of the project plan, methodology, technical proposal, innovativeness, originality addressing the requirements, time efficiency,



|   |            |  |
|---|------------|--|
| associated risks & the mitigation strategies, no justification of the rationale behind the methodology and the approach chosen to deliver the project = 0 |            |  |
| Total weighted score/Maximum possible score   | 1          |  |
| <b>Minimum qualifying score (expressed as percentage)</b>   | <b>70%</b> |  |

b) **Second Stage Evaluation in Terms of 80/20**

Bidders who met the 70% threshold will be evaluated further based on 80/20 preferential point system as below:

| Evaluation Categories                     | Points     |
|---|------------|
| 1. Bid Price                              | 80         |
| 2. Points awarded for B-BBEE Status Level | 20         |
| <b>Total points</b>                       | <b>100</b> |

## 14. ENQUIRIES AND SUBMISSION

All enquiries regarding this tender shall be submitted in writing to [mandisa.pitso@tia.org.za](mailto:mandisa.pitso@tia.org.za) with **'APPOINTMENT OF THE TECHNOLOGY ACQUISITION AND DEPLOYMENT FUND (TADF) TECHNICAL RESOURCE ORGANISATION – TIA001/2021'** as a subject.

## 15. PRICE PROPOSAL

15.1 Pricing should be based on cover in the market in line with the requirements listed below. Bidders are requested to firstly quote excluding any commission or management fees. Prices should be VAT inclusive.

15.2 NOTE: ALL prices quoted must be VAT inclusive and must be quoted in South African Rand ("ZAR").

- 15.3 The bid will be awarded based on the total cost as provided
- 15.4 All additional costs associated with the bidders' offer must be clearly specified and included in the total bid price quoted above.
- 15.5 The service provider shall be expected to quote (to cover all indirect and direct expenses related to remaining an inhouse service provider to support TIA in implementing the TADF business processes over a period of 2 years. Over and above this, the quotation of the service provider should indicate hourly rate of resources to be assigned to the project including VAT. The resources will be remunerated on a performance basis upon generation of all reports and certificates required in each TADF business process milestones. The table below is suggested for quotations:
- Provide fixed price quotation
  - The pricing quotation should be itemized per project milestones applicable
  - The cost must be VAT inclusive and quoted in South African currency

## **16. Conclusion**

- 16.1 Failure to comply with any of the terms and conditions as set out above will invalidate the Proposal.
- 16.2 TIA's decision on proposals received shall be final and binding.

**PRICING PROPOSAL**

|   |                 |
|---|-----------------|
| <b>Name of Bidder:</b><br>.....                                 |                 |
| <b>Offer to be valid for 120 days from closing date of bid.</b> |                 |
| <b>TEAM MEMBERS</b>   | <b>PER HOUR</b> |
| Programme Team Leader   |                 |
| Technical and Engineering Specialist                            |                 |
| Technology Transfer and Commercial Specialist                   |                 |
| Quality Assurance Specialist                                    |                 |
| Product Development Specialist                                  |                 |
| Technology Acquisition and Deployment specialist                |                 |
| <b>Other costs (Please specify in detail)</b>                   | R.....          |
| <b>Total (Vat Inclusive)</b>                                    | R.....          |

**PART A  
INVITATION TO BID**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)**

|             |  |               |  |               |  |
|-------------|--|---------------|--|---------------|--|
| BID NUMBER: |  | CLOSING DATE: |  | CLOSING TIME: |  |
|-------------|--|---------------|--|---------------|--|

DESCRIPTION

**BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)**

|   |  |
|---|--|
| <b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b> | <b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b> |
|---|--|

|                |  |                |  |
|----------------|--|----------------|--|
| CONTACT PERSON |  | CONTACT PERSON |  |
|----------------|--|----------------|--|

|                  |  |                  |  |
|------------------|--|------------------|--|
| TELEPHONE NUMBER |  | TELEPHONE NUMBER |  |
|------------------|--|------------------|--|

|                  |  |                  |  |
|------------------|--|------------------|--|
| FACSIMILE NUMBER |  | FACSIMILE NUMBER |  |
|------------------|--|------------------|--|

|                |  |                |  |
|----------------|--|----------------|--|
| E-MAIL ADDRESS |  | E-MAIL ADDRESS |  |
|----------------|--|----------------|--|

**SUPPLIER INFORMATION**

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER

|      |  |        |  |
|------|--|--------|--|
| CODE |  | NUMBER |  |
|------|--|--------|--|

CELLPHONE NUMBER

FACSIMILE NUMBER

|      |  |        |  |
|------|--|--------|--|
| CODE |  | NUMBER |  |
|------|--|--------|--|

E-MAIL ADDRESS

VAT REGISTRATION NUMBER

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

|   |  |   |   |
|---|--|---|---|
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES ENCLOSE PROOF] | ARE YOU A FOREIGN BASED SUPPLIER FOR <b>THE GOODS /SERVICES /WORKS OFFERED?</b> | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES, ANSWER THE QUESTIONNAIRE BELOW ] |
|---|--|---|---|

**QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?

YES  NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?

YES  NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

YES  NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

YES  NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

YES  NO

**IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.**

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.

1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**

1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

**2. TAX COMPLIANCE REQUIREMENTS**

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER’S PROFILE AND TAX STATUS.

- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE [WWW.SARS.GOV.ZA](http://WWW.SARS.GOV.ZA).
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.”

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

(Proof of authority must be submitted e.g. company resolution)

DATE: .....

**SBD 4**

**DECLARATION OF INTEREST**

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative:  
.....

2.2 Identity ..... Number:  
.....  
...

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>):  
.....

2.4 Company ..... Registration ..... Number:  
.....

2.5 Tax ..... Reference ..... Number:  
.....

2.6 VAT ..... Registration ..... Number:  
.....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>“State” means –  
(a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

<sup>2</sup>“Shareholder” means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

.....

Name of state institution at which you or the person connected to the bidder is employed :

.....

Position occupied in the state institution:

.....

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8 Did you or your spouse, or any of the company’s directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**





2.8.1 If so, furnish particulars:

.....  
 .....  
 .....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

**YES / NO**

2.9.1 If so, furnish particulars.

.....  
 .....  
 .....

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

**YES/NO**

2.10.1 If so, furnish particulars.

.....  
 .....  
 .....

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

**YES/NO**

2.11.1 If so, furnish particulars:

.....  
 .....  
 .....

**3 Full details of directors / trustees / members / shareholders.**

| Full Name | Identity Number | Personal Reference Number | Tax Number | State Number / Number | Employee / Persal Number |
|-----------|-----------------|---------------------------|------------|-----------------------|--------------------------|
|           |                 |                           |            |                       |                          |
|           |                 |                           |            |                       |                          |
|           |                 |                           |            |                       |                          |
|           |                 |                           |            |                       |                          |
|           |                 |                           |            |                       |                          |



|  |  |  |  |
|--|--|--|--|
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

**4 DECLARATION**

I, \_\_\_\_\_ THE \_\_\_\_\_ UNDERSIGNED  
 (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of bidder

**SBD 6.1**

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

- a) The value of this bid is estimated to **exceed/not exceed** R50 000 000 (all applicable taxes included) and therefore the **.....** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

|  | <b>POINTS</b> |
|--|---------------|
| <b>PRICE</b>   |               |
| <b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>                |               |
| <b>Total points for Price and B-BBEE must not exceed</b> | <b>100</b>    |

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE

status level of contribution are not claimed.

- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## 2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
  - 1) Status level certificate issued by an authorized body or person; B-BBEE
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; A sworn
  - 3) Any other requirement prescribed in terms of the B-BBEE Act; Any other
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. POINTS AWARDED FOR PRICE

#### 3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

**80/20** or **90/10**

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

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

| B-BBEE Status Level of Contributor | Number of points (90/10 system) | Number of points (80/20 system) |
|------------------------------------|---------------------------------|---------------------------------|
| 1                                  | 10                              | 20                              |
| 2                                  | 9                               | 18                              |
| 3                                  | 6                               | 14                              |
| 4                                  | 5                               | 12                              |
| 5                                  | 4                               | 8                               |
| 6                                  | 3                               | 6                               |
| 7                                  | 2                               | 4                               |
| 8                                  | 1                               | 2                               |
| Non-compliant contributor          | 0                               | 0                               |

### 5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

#### 6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table

reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?

*(Tick applicable box)*

|     |                          |    |                          |
|-----|--------------------------|----|--------------------------|
| YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

*(Tick applicable box)*

|     |                          |    |                          |
|-----|--------------------------|----|--------------------------|
| YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

| Designated Group: An EME or QSE which is at last 51% owned by:    | EME<br>√ | QSE<br>√ |
|---|----------|----------|
| Black people  |          |          |
| Black people who are youth  |          |          |
| Black people who are women  |          |          |
| Black people with disabilities                                    |          |          |
| Black people living in rural or underdeveloped areas or townships |          |          |
| Cooperative owned by black people                                 |          |          |
| Black people who are military veterans                            |          |          |
| <b>OR</b>   |          |          |
| Any EME   |          |          |
| Any QSE   |          |          |

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
  - One person business/sole propriety
  - Close corporation
  - Company
  - (Pty) Limited
- [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- Manufacturer
  - Supplier
  - Professional service provider
  - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
  - (c) cancel the contract and claim any damages which it has

suffered as a result of having to make less favourable arrangements due to such cancellation;

- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

|   |   |
|---|---|
| <p><b>WITNESSES</b></p> <p>1. ....</p> <p>2. ....</p> | <p>.....</p> <p><b>SIGNATURE(S) OF BIDDERS(S)</b></p> |
|---|---|

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.



- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

| Item  | Question  | Yes                             | No                             |
|-------|---|---------------------------------|--------------------------------|
| 4.1   | <p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?<br/><b>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</b></p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</p> | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.1.1 | If so, furnish particulars:   |                                 |                                |
| 4.2   | <p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?<br/><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>   | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.2.1 | If so, furnish particulars:   |                                 |                                |
| 4.3   | <p>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</p>   | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.3.1 | If so, furnish particulars:   |                                 |                                |
| 4.4   | <p>Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?</p>  | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.4.1 | If so, furnish particulars:   |                                 |                                |



**CERTIFICATION**

I, THE UNDERSIGNED (FULL NAME) .....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**SBD 9**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:



**<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.**

**<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.**



SBD 9

### CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_

(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf

of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and

- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

**SBD 9**

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

**<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.**

**SBD 9**



10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder