

sefa FIN 0003/2014
INVITATION TO BID
FOR
FINANCIAL MODEL FOR sefa's
SUSTAINABILITY

Note: A compulsory briefing session will be held on Monday, 20 October 2014 at 11h00am at the sefa Head Office situated at Eco Fusion 5, Block D, 1004 Teak Close Witch- Hazel Avenue Eco Park, Centurion, Pretoria

BID CLOSING DATE: Friday, 31 October
2014 AT 11:00AM

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SECTION 1: GENERAL CONDITIONS OF BID

1. Proprietary Information

- 1.1 Small Enterprise Finance Agency (**sefa**) considers this Request for Proposal (RFP) and all related information, either written or verbal, which is provided to the respondent, to be proprietary to **sefa**. It shall be kept confidential by the respondent and its officers, employees, agents and representatives.
- 1.2 The respondent shall not disclose, publish, or advertise this RFP or related information to any third party without the prior written consent of sefa.

2. Enquiries

- 2.1 All communication and attempts to solicit information of any kind relative to this RFP should be channelled **in writing** to:

Name:	<u>Mr John Modise</u>
Telephone Number:	<u>+27 12 748 9718</u>
Email address:	<u>johnm@sefa.org.za</u> & <u>procurement@sefa.org.za</u>

- 2.2 Enquiries in relation to this RFP will not be entertained after **12h00pm on 30 October 2014**.
- 2.3 The enquiries will be consolidated and **sefa** will issue one response and such response will be posted, within two days after the last day of enquiries, onto the **sefa** website (www.sefa.org.za) under tenders i.e. next to the same RFP document.
- 2.4 **sefa** may respond to any enquiry in its absolute discretion and the bidder acknowledges that it will have no claim against **sefa** on the basis that its bid was disadvantaged by lack of information, or inability to resolve ambiguities.

3. Bid Validity Period

- 3.1 Responses to this RFP received from bidders will be valid for a period of 120 days counted from the bid closing date.

4. Instructions on submission of Bids

- 4.1 Bids should be submitted in duplicate (2 hard copies) and one electronic copy (on CD) in PDF format all bound in a sealed envelope endorsed, sefa FIN 0003/2014: FINANCIAL MODEL FOR **sefa's** SUSTAINABILITY.
- 4.2 The sealed envelope must be placed in the bid box at the Reception area of the sefa Head Office, Eco Fusion 5, Block D, 1004 Teak Close Witch- Hazel Avenue Eco Park, Centurion, Pretoria by no later than 11:00 AM on Friday, 31 October 2014.
- 4.3 Bids must be submitted in the prescribed response format, herein reflected as **Response Format**.
- 4.4 The bid closing date, bidder name and the return address must also be endorsed on the envelope.

- 4.5 If a courier service company is being used for delivery of the bid response, the bid description must be endorsed on the delivery note/courier packaging and the courier must ensure that documents are placed / deposited into the bid box. **sefa will not be held responsible for any delays where bid documents are handed to the sefa Receptionist.**
- 4.6 No bid response received by telegram, telex, email, facsimile or similar medium will be considered.
- 4.7 Where a bid response is not in the bid box at the time of the bid closing, such a bid document will be regarded as a late bid. **It is sefa's policy not to consider late bids for tender evaluation.**
- 4.8 Amended bids may be sent in an envelope marked "Amendment to bid" and should be placed in the bid box before the closing time.

5. Preparation of Bid Response

- 5.1 All the documentation submitted in response to this RFP must be in English.
- 5.2 The bidder is responsible for all the costs that it shall incur related to the preparation and submission of the bid document.
- 5.3 Bids submitted by bidders which are, or are comprised of companies must be signed by a person or persons duly authorised thereto by a resolution of the applicable Board of Directors, a copy of which Resolution, duly certified, must be submitted with the bid.
- 5.4 The bidder should check the numbers of the pages of its bid to satisfy itself that none are missing or duplicated. No liability will be accepted by **sefa** in regard to anything arising from the fact that pages of a bid are missing or duplicated.
- 5.5 A list of all contactable references (minimum of 3, as per the Functional Evaluation Criteria set out in section 2 of the RFP) must be included in the bid response.
- 5.6 A valid original tax clearance certificate must be included in the bid response, or proof of application endorsed by SARS in this regard.
- 5.7 A copy(s) of valid and current certificates from the professional organizations/ bodies that the bidder is affiliated to or a member of, must be included in the bid response.

6. Supplier Performance Management

- 6.1 Supplier Performance Management is viewed by **sefa** as a critical component in ensuring value for money acquisition and good supplier relations between **sefa** and all its suppliers.
- 6.2 The successful bidder shall upon receipt of written notification of an award, be required to conclude a Service Level Agreement (SLA) with **sefa**, which will form an integral part of the supply agreement. The SLA will serve as a tool to measure, monitor and assess the supplier's performance and ensure effective delivery of service, quality and value-add to **sefa's** business.
- 6.3 Successful bidders will be required to comply with the above condition, and also provide a scorecard on how their product / service offering is being measured to achieve the objectives of this condition.

7. Supplier Development

- 7.1 **sefa** promotes enterprise development. In this regard, successful bidders may be required to mentor SMMEs and/ or Youth-Owned businesses. The implications of such arrangement will be subject to negotiations between sefa and the successful bidder.

8. sefa's Rights

- 8.1 **sefa** is entitled to amend any bid conditions, bid validity period, RFP specifications, or extend the bid closing date, all before the bid closing date. All bidders, to whom the RFP documents have been issued and where **sefa** has record of such bidders, may be advised in writing of such amendments in good time and any such changes will also be posted on **sefa's** website under the relevant tender information.
- 8.2 All prospective bidders should therefore ensure that they visit the website regularly and before they submit their bid response to ensure that they are kept updated on any amendments in this regard.
- 8.3 **sefa** may on justifiable reasons award the contract to the bidder who did not score the highest points, i.e. the bidder who proves to be fully capable of handling the contract and whose bid is functionally acceptable and/or financially advantageous to **sefa**.
- 8.4 **sefa** reserves the right to award this bid as a whole or in part.
- 8.5 **sefa** reserves the right to conduct site visits at bidder's corporate offices and / or at client sites if so required.
- 8.6 **sefa** reserves the right to consider the guidelines and prescribed hourly remuneration rates for consultants as provided in the **National Treasury Instruction 01 of 2013/2014: Cost Containment Measures**, where relevant.
- 8.7 **sefa** reserves the right to request all relevant information, agreements and other documents to verify information supplied in the bid response. The bidder hereby gives consent to **sefa** to conduct background checks on the bidding entity and any of its directors / trustees / shareholders / members.

9. Undertakings by the Bidder

- 9.1 By submitting a bid in response to the RFP, the bidder will be taken to offer to render all or any of the services described in the bid response submitted by it to **sefa** on the terms and conditions and in accordance with the specifications stipulated in this RFP document.
- 9.2 The bidder shall prepare for a possible presentation should **sefa** require such and the bidder shall be notified thereof in good time before the actual presentation date. Such presentation may include a practical demonstration of products or services as called for in this RFP.
- 9.3 The bidder agrees that the offer contained in its bid shall remain binding upon him/her and receptive for acceptance by **sefa** during the bid validity period indicated in the RFP and calculated from the bid closing hour and date such offer and its acceptance shall be subject to the terms and conditions contained in this RFP document read with the bid.

- 9.4 The bidder furthermore confirms that he/she has satisfied himself/herself as to the correctness and validity of his/her bid response; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid response documents; and that the price(s) and rate(s) cover all his/her obligations under a resulting contract for the services contemplated in this RFP; and that he/she accepts that any mistakes regarding price(s) and calculations will be at his/her risk.
- 9.5 The successful bidder accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under the supply agreement and SLA to be concluded with **sefa**, as the principal(s) liable for the due fulfilment of such contract.
- 9.6 The bidder accepts that all costs incurred in the preparation, presentation and demonstration of the solution offered by it shall be for the account of the bidder. All supporting documentation and manuals submitted with its bid will become **sefa** property unless otherwise stated by the bidder/s at the time of submission.

10. Reasons for disqualification

- 10.1 **sefa** reserves the right to disqualify any bidder which does any one or more of the following, and such disqualification may take place without prior notice to the offending bidder, however the bidder will be notified in writing of such disqualification:
- 10.1.1 bidders who do not submit a valid and original Tax Clearance Certificate or proof of application of such as endorsed by SARS **on the closing date and time of the bid**;
- 10.1.2 bidders who submit incomplete documentation according to the requirements of this RFP document;
- 10.1.3 bidders who submit information that is fraudulent, factually untrue or inaccurate information;
- 10.1.4 bidders who receive information not available to other potential bidders through fraudulent means;
- 10.1.5 bidders who do not comply with **minimum requirements** if stipulated in the RFP document; and/or
- 10.1.6 bidders who fail to attend a compulsory briefing session if stipulated in the tender advert and/ or in this RFP document.

11. Local Production and Content

- 11.1 **sefa** promotes Local Production and Content. In the case of designated sectors, only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered. **sefa** reserves the right at its sole discretion to set minimum thresholds for sectors which may not have been declared as designated sectors by the dti in an effort to stimulate local production and content where relevant.

12. Response Format (Returnable Schedules)

- 12.1 Bidders shall submit their bid responses in accordance with the response format specified below (each schedule must be clearly marked)

- 12.2 **Cover Page:** (the cover page must clearly indicate the RFP reference number, bid description and the bidder's name)
- 12.3 **Schedule 1:**
- 12.3.1 Executive Summary
- 12.3.2 Annexure 1 of this RFP document (duly completed and signed)
- 12.4 **Schedule 2**
- 12.4.1 Original and Valid tax clearance certificate(s);
- 12.4.2 Annexure 2 of this RFP document (duly completed and signed); BEE Certificate verified by a SANAS accredited verification agency or a letter from the supplier's auditor (option only for Exempted Micro Enterprises with annual turnover less than R5 million);
- 12.4.3 Annexure 3 of this RFP document (duly completed and signed);
- 12.4.4 Annexure 4 of this RFP document (duly completed and signed);
- 12.4.5 Annexure 6 of this RFP document (duly completed and signed); (if applicable)
- 12.4.6 Annexure 7 of this RFP document (duly completed and signed);
- Note: If a bidder is a Consortium, Joint Venture or Prime Contractor with Subcontractor(s), the documents listed above (12.3.1-12.3.5) must be submitted for each Consortium/ JV member or Prime Contractor and Subcontractor(s).**
- 12.4.7 Copy of Joint Venture/ Consortium/ Subcontracting Agreement duly signed by all parties (if applicable)
- 12.5 **Schedule 3:**
- 12.5.1 Response to Section 2 of this document, in line with the format indicated in this RFP document.
- 12.5.2 Annexure 5 of this RFP document, duly completed and signed
- 12.5.3 Annexure 8 of this RFP document, duly completed and signed
- 12.6 **Schedule 4:** Price Proposal (response to Section 3 of this RFP document) **(Must be submitted in a separate envelope within the sealed envelope of the bid)**
- 12.7 **One (1) CD with all Schedules listed above, also included in the sealed envelope of the bid**

13. Evaluation Criteria and Weightings

13.1 Bids shall be evaluated in terms of the following process:

- 13.1.1 **Phase 1: Initial Screening Process:** During this phase, bid responses will be reviewed for purposes of assessing compliance with RFP requirements including the general bid conditions, which requirements include the following:
- Submission of Original and valid Tax Clearance Certificate as referenced in 12.4.1 above
 - Submission of Company Registration Forms
 - BEE Status Certification
 - Completion of all Standard Bidding Documents and other requirements, as reflected in this RFP, which covers the following:
 - Section 2: Statement of compliance with the Functional Evaluation Criteria for this RFP
 - Section 3: Cost Proposal and Price Declaration Form
 - Annexure 1: Acceptance of Bid Conditions
 - Annexure 2: Preference Points Claim Form
 - Annexure 3: Supply Chain Management Questionnaire
 - Annexure 4: Certificate Of Independent Bid Determination
 - Annexure 5: Bidders Experience & Project Team
 - Annexure 6: Declaration Form for Local Content
 - Annexure 7: Declaration of Interest
 - Annexure 8: FICA Documents

Failure to comply with the requirements assessed in Phase 1 (compliance), may lead to **Disqualification** of bids.

13.2 **Phase 2: Technical/ Functionality Evaluation**

Bid responses will be evaluated in accordance with the Functional criteria as follows:

13.2.1 **Minimum Functional/ Technical Requirements**

All bid responses that do not meet the minimum Functional Requirements will be disqualified, and will not be considered for further evaluation. The Minimum Functional Requirements are stated in section 2 of this RFP document.

Failure to comply with the Minimum Functional Requirements assessed in phase 2 may lead to disqualification of bids.

13.2.2 Functional/ Technical Requirements

With regard to the Functional Requirements, the following criteria (set out in more detail in section 2 of this RFP document) and the associated weightings will be applicable:

Element	Functionality points score
Approach, methodology and model functionality	40
Profile (knowledge, skills and relevant experience) of the team	20
Detailed project plan	15
Skills transfer and training	15
Facilitate references checks with contactable references	10
TOTAL	100

Note: The minimum qualifying score for functionality is 75 points. All bids that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and BEE, in Phase 3.

13.3 Phase 3: Preference Point System

All bids that achieve the minimum qualifying score for Functionality (acceptable bids) will be evaluated further in terms of the preference point system, as follows:

CRITERIA	POINTS
Price	90
B-BBEE	10
TOTAL	100 points

SECTION 2: FUNCTIONAL REQUIREMENTS SPECIFICATION

SECTION 2: FUNCTIONAL REQUIREMENTS SPECIFICATION

1. Special instructions to bidders

- 1.1 Should a bidder have reason to believe that the Functional Requirements are not open / fair and/or are written for a particular brand or product or service provider; the bidder must notify **sefa** Procurement Office within five (5) days after publication of the RFP.
- 1.2 Bidders shall provide full and accurate answers to the questions posed in this RFP document, and, where required explicitly state either “Comply/Not Comply” regarding compliance with the requirements.
- 1.3 Bidders **must** substantiate their response to all questions, including full details on how their proposal/solution will address specific functional/ technical requirements; failure to substantiate may lead to the bidder being non-responsive. All documents as indicated must be supplied as part of the bid response.
- 1.4 Failure to comply with the minimum requirements may lead to the bidder being disqualified.

2. Background Information

- 2.1 The Small Enterprise Finance Agency (SOC) Ltd herein after referred to as **sefa**, was established in April 2012 following the merger between South Africa Micro Finance Apex Fund, Khula Enterprise Finance Ltd and IDC small business activities with a mandate to foster the establishment, survival and growth of SMMEs and contribute toward poverty alleviation and job creation.
- 2.2 **sefa** currently delivers its products through various platforms which are depicted below: The Direct Lending Business Unit has term - revolving- and working capital loans and the Wholesale Lending Business Unit has various products.

<i>Delivery platform</i>	<i>Product</i>	<i>Description</i>
Direct Lending	Bridging loan	A short term loan to SMMEs to finance working capital needs
Direct Lending	Term loan	Medium to long term loans to SMMEs to finance assets
Direct Lending	Revolving loan	Medium to long term loans to SMMEs where the capital is made available for draw down on a revolving basis
Wholesale Lending	Cooperatives	Loans offered through Wholesale Lending to Financial Co-operatives and Co-operative Banks to on-lend to their members
Wholesale Lending	Micro-Finance Intermediaries (MFI)	sefa provides facilities to MFIs to on-lend to micro and survivalist businesses. The business loans will be flexible and structured to meet the financing needs of the MFI.

<i>Delivery platform</i>	<i>Product</i>	<i>Description</i>
Wholesale Lending	Retail financial intermediaries (RFI)	sefa engages with RFIs who provide financing solutions to small and medium sized businesses. The business loans will be flexible and structured to meet the financing needs of the RFI.
Wholesale Lending	Specialised Funds	Joint Ventures or partnerships with the private sector to provide finance to specific segments of SMMEs. .
Wholesale Lending	Khula Credit Guarantee Scheme	The purpose of the scheme is to partially indemnify commercial banks against potential losses as a result of loans granted to SMME borrowers whose access to finance is impeded by the fact that they do not have the required collateral.

- 2.3 The continued financial sustainability of **sefa** has been identified as one of the top risks of the organisation, particularly in light of the developmental mandate which requires it to take risks beyond what a commercial financier would have to take. Hence, the funding and pricing of its lending activities needs to be carefully balanced with the costs of delivery and the need to achieve sustainability with a limited level of subsidies.
- 2.4 **sefa** expects the sustainability model to assist with determining the pricing of loans to financial intermediaries. The most critical consideration in these facilities is that of the final cost of finance to the end beneficiaries (SMME's), which in substance is the target market of **sefa**.
- 2.5 The wholesale pricing model is considered a key component of the sustainability model and should also address:
- **sefa**'s contribution to the financial sustainability of financial intermediaries.
 - The weighting between **sefa**'s pricing of its different products to strike a balance between its financial sustainability and developmental mandate.
 - The impact of subsidies or donor funds on product pricing.

3. Scope of Work

- 3.1 **sefa** wishes to engage the services of an independent third party – a consultant – to assist **sefa** in building a dynamic financial model based on best practice modelling standards which will allow **sefa** to deliver on its mandate whilst ensuring financial sustainability over the long term.
- 3.2 The model and assignment should include the following outputs:
- i. A statement of financial position and a statement of profit and loss at a corporate level over an eight year planning horizon on an annual basis.
 - ii. A statement of profit and loss (or contribution to overheads) for each of the primary business units, being Direct Lending, Wholesale SME, Wholesale Microfinance (including Financial Co-operatives), and the Wholesale Credit Indemnity Scheme.

- iii. A financial statement for each of the primary head office support Divisions
- iv. A table of key performance indicators over the planning horizon including, at a minimum, the key measures included in the sefa Balanced Scorecard.
- v. A set of graphs to illustrate key performance indicators.
- vi. One or more worksheets to input primary assumptions for global economic conditions as well as for each business unit, division, and product.
- vii. A function where actual results can be compared to the sustainable forecast in order for variances to be investigated.
- viii. Training of staff in the Finance Division and in each of the business units of sefa on how to maintain and expand the model, and test different scenarios, with a defined level of continued support post development.

3.3 Other considerations:

- i. The model should be a bottom-up activities based model. Projected revenues should be driven by the number of investment analysts, the number of disbursements, the portfolio outstanding, and the interest and fees related to these. All costs should also be related to the number of offices and staff. Relationships between the cost and revenue drivers and related costs or revenues should be able to change for the purpose of scenario analysis;
- ii. The model should highlight operational deficiencies and allow for testing the impact of new business strategies or changes in the funding and economic environment;
- iii. The model should indicate where donor funding received can be best utilised to the benefit of the end user;
- iv. The model should assist in the development of pricing guidelines for loans to financial intermediaries.

4. Project Timelines

- 4.1 The financial sustainability model with all its components should be delivered before 31 March 2015. It is anticipated that a service provider will be appointed by 1 December 2014.
- 4.2 Management must be granted various opportunities for input during the development period. Bidders should therefore provide for this in their proposal and should furnish a detailed project plan with clear milestones and deliverables and an indication of required resources and assistance from sefa for this project, i.e. meeting with key staff members.

5. Technical Evaluation Criteria

- 5.1 Minimum Technical Requirements

5.1.1 The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

5.1.1.1 Financial modelling experience	Comply	Not Comply
<p>The bidder or key members of the proposed project team must have developed a pricing and financial model in the past 5 years for a financial institution registered with the Financial Services Board.</p> <p>The bidder must provide details such as client name, scope of work, contact details and date of assignment.</p>		
Substantiate / Comments		

5.1.1.2 Compliance with IFRS	Comply	Not Comply
<p>The proposed model must align with IFRS.</p> <p>Bidders should provide written confirmation of compliance.</p>		
Substantiate / Comments		

5.2 Technical Requirements

5.2.1 The bidder must indicate compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

5.2.1.1 BIDDER'S PROPOSED METHODOLOGY	Comply	Not Comply
<p>The bidder must provide details of how they will deliver on the above objectives and deliverables. The following must be included in the proposed methodology:</p> <ul style="list-style-type: none"> • The bidder's interpretation/understanding of sefa's requirements • Approach • Methodologies/tools • Key informant consultations 		
Substantiate / Comments		

The bidder must indicate compliance to the following requirements in terms of the model and should provide substantiation of their response.

5.2.1.2 FINANCIAL MODEL REQUIREMENTS	Comply	Not Comply	Substantiate
i. A statement of financial position and a statement of profit and loss at a corporate level over an eight year planning horizon on an annual basis.			
ii. A statement of profit and loss (or contribution to overheads) for each of the primary business units, being Direct Lending, Wholesale SME, Wholesale Microfinance (including Financial Co-operatives), and the Wholesale Credit Indemnity Scheme.			
iii. A financial statement for each of the primary head office support Divisions			
iv. A table of key performance indicators over the planning horizon including, at a minimum, the key measures included in the sefa Balanced Scorecard.			
v. A set of graphs to illustrate key performance indicators.			
vi. One or more worksheets to input primary assumptions for global economic conditions as well as for each business unit, division, and product.			
vii. A function where actual results can be compared to the sustainable forecast in order for variances to be investigated.			
viii. The model should be a bottom-up activities based model. Projected revenues should be driven by the number of investment analysts, the number of disbursements, the portfolio outstanding, and the interest and fees related to these. All costs should also be related to the number of offices and staff. Relationships between the cost and revenue drivers and related costs or revenues should be able to change for the purpose of scenario analysis;			

ix. The model should highlight operational deficiencies and allow for testing the impact of new business strategies or changes in the funding and economic environment;			
x. The model should indicate where donor funding received can be best utilised to the benefit of the end user;			
xi. The model should assist in the development of pricing guidelines for loans to financial intermediaries.			
Substantiate / Comments			

5.2.1.3 Training and skills transfer	Comply	Not Comply
Bidders are required to provide training of staff in the Finance Division and in each of the business units of sefa on how to maintain and expand the model, and test different scenarios, with a defined level of continued support post development. Please provide a detailed training proposal in this regard		
Substantiate / Comments		

5.2.1.4 QUALIFICATIONS AND SKILLS OF KEY PERSONNEL	Comply	Not Comply

<p>The bidder's proposed project team must have relevant skills, qualifications and experience in the above stipulated areas. The bidders must submit, as part of its proposal, the following:</p> <ul style="list-style-type: none"> • The structure of the proposed team with the allocation of time to be committed to the project, per individual team member, clearly indicated. Please refer to Table (b) in Annexure 3 of this document for the format in which the required information must be provided. • CVs of the key project team members; and the CVs must clearly highlight the areas of experience/ competence relevant to the tasks and objectives of the assignment as outlined above. 		
<p>Substantiate / Comments</p>		

5.2.1.5 DETAILED PROJECT PLAN	Comply	Not Comply
<p>The bidder must provide a detailed project plan with:</p> <ul style="list-style-type: none"> • Clear milestones and deliverables • an indication of required resources and assistance from sefa for this project, i.e. meetings with key staff members • Clear timelines 		
<p>Substantiate / Comments</p>		

5.2.1.6 CONTACTABLE REFERENCES	Comply	Not Comply
<p>The bidder must provide three references to support that the bidder has developed sustainability models in the past 5 years.</p> <p>The bidder must provide three (3) relevant contactable references of similar work done in the past 5 (five) years. Please refer to Table (a) of Annexure 3 of this document for the format in which the required information must be provided.</p>		
<p>Substantiate / Comments</p>		

SECTION 3: PRICE PROPOSAL

SECTION 3: Cost Proposal

1 Please indicate your total bid price here: R..... (compulsory)

2 **NOTE: All prices must be VAT exclusive and must be quoted in South African Rand (ZAR).**

3 Are the rates quoted firm for the full period of the contract?

YES	NO
-----	----

Important: If not firm for the full period, provide details of the basis on which price adjustments shall be applied e.g. CPI etc.

4 All additional costs associated the bidder's offer must be clearly specified and included in the Total Bid Price.

5

Is the proposed bid price linked to the exchange rate?	Yes	No
<i>If yes, the bidder must indicate CLEARLY which portion of the bid price is linked to the exchange rate:</i>		

6

Payments will be linked to specified deliverables after such deliverables have been approved by sefa . Payments will be made within 30 days from date of invoice.	Comply	Not Comply

7

sefa reserves the right to consider the guidelines on consultancy rates as set out in the National Treasury Instruction 01 of 2013/2014: Cost Containment Measures which took effect from 01 January 2014, where relevant.	Comply	Not Comply
The bidder must indicate if their proposed rates are in line with the provisions of the referenced National Treasury Instruction: Cost Containment Measures.		
Substantiate / Comments		

8 COSTING MODEL

1. Development of model

Activity/ Deliverable	Resource(s)	Rate/Hour per resource	Number of hours	Cost (VAT Excl.)
Total Development costs (VAT Excl.)				

Bidders are required to provide a detailed description of the cost for development of the model.

2. Project costs

Activity/ Deliverable	Resource(s)	Rate/Hour per resource	Number of hours	Cost (VAT Excl.)
Consultation sessions with sefa management i.e. Board and EXCO				
Training of staff				
Other costs				
Disbursements				
Total Project costs (VAT Excl.)				

Bidders may provide an indication on the number of consultations that may be required and any additional costs associated with consultations.

Note: Disbursements and any other (additional) costs must be clearly defined (outlining all assumptions) and a detailed breakdown thereof must be provided.

Activity/ Deliverable	Cost (VAT Excl.)
Total Development Costs (1)	
Total Project Costs (2)	
Total Bid Price (VAT Excl.)	

9 SUMMARY OF THE PROPOSAL

DESCRIPTION	BIDDER'S PROPOSAL
Number of resources (personnel)	
Project duration (in hours)	
Project duration (in months)	
Commencement Date	

It is a requirement for bidders to provide a total cost for this project taking into consideration all cost drivers and other expenses to deliver a complete solution to **sefa**. Bidders that only provide hourly rates with no indication on the total number of hours for the project may be disqualified.

Price Declaration Form

Dear Sir,

Having read through and examined the Request For Proposal (RFP) Document, RFP no. **sefa FIN 0003/2014**, the General Conditions, and all other Annexures to the RFP Document, we offer to provide pricing and financial modelling services to **sefa** at the following total amount:

R..... (Excluding VAT)

In words

R..... (Excluding VAT)

We confirm that this price covers all activities associated with the service, as called for in the RFP document. We confirm that **sefa** will incur no additional costs whatsoever, other than in respect of VAT, over and above this amount in connection with the provision of this service.

We undertake to hold this offer open for acceptance for a period of 120 days from the date of submission of offers. We further undertake that upon final acceptance of our offer, we will commence with the provision of the external audit services when required to do so by **sefa**.

We understand that you are not bound to accept the lowest or any offer, and that we must bear all costs which we have incurred in connection with preparing and submitting this bid.

We hereby undertake for the period during which this bid remains open for acceptance, not to divulge to any persons, other than the persons to whom the bid is submitted, any information relating to the submission of this bid or the details therein except where such is necessary for the submission of this bid.

SIGNED

DATE

(Print name of signatory)

Designation

FOR AND ON BEHALF OF:

COMPANY NAME

Tel No

Fax No

Cell No

SECTION 4: ANNEXURES

Annexure 1 – Acceptance of Bid Conditions and Bidder’s Details

Request for Proposal No: _____

Name of Bidder: _____

Authorised signatory: _____

Name of Authorised Signatory _____

Position of Authorised Signatory _____

By signing above the bidder hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under this RFP.

[Note to the Bidder: The Bidder must complete all relevant information set out below.]

BIDDING STRUCTURE

Indicate the type of Bidding Structure by marking with an ‘X’:	
Individual Bidder	
Joint Venture/ Consortium	
Prime Contractor with Sub Contractors	
Other	

REQUIRED INFORMATION

If Individual Bidder:	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	

If Joint Venture or Consortium, indicate the following for each partner:	
Partner 1	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Scope of work and the value as a % of the total value of the contract	
Partner 2	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Scope of work and the value as a % of the total value of the contract	

If bidder is a Prime Contractor using Sub-contractors, indicate the following:	
Prime Contractor	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Sub contractors	
Name of Company	
Company Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Subcontracted work as a % of the total value of the contract	

ANNEXURE 2 - PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

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, 2011.

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 R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed/not exceed R1 000 000 (all applicable taxes included) and therefore the 90/10 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
1.3.1.1 PRICE	90
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	<u>10</u>
Total points for Price and B-BBEE must not exceed	<u>100</u>

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.5 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

- 2..1 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 **“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 services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 **“consortium or joint venture”** 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;
- 2.8 **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 **“EME”** means any enterprise with an annual total revenue of R5 million or less .
- 2.10 **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 **“non-firm prices”** means all prices other than “firm” prices;
- 2.13 **“person”** includes a juristic person;
- 2.14 **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in

order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 90/10 PREFERENCE POINT SYSTEMS

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

90/10

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

Where

- Ps = Points scored for comparative price of bid under consideration
- Pt = Comparative price of bid under consideration
- Pmin = Comparative price of lowest acceptable bid

5. Points awarded for B-BBEE Status Level of Contribution

- 5.1 In terms of Regulation 5 (2) and 6 (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
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution: =(maximum of 10 points)

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

5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 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? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm

9.2 VAT registration number :

9.3 Company registration number

:

9.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business?

9.8 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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

WITNESSES:

1.

4.

<p>..... SIGNATURE(S) OF BIDDER(S)</p>
--

DATE:.....

ADDRESS:.....

.....

.....

Annexure 3 - Supply chain management practices questionnaire

Request for Proposal No: _____

Name of Bidder: _____

Authorised signatory: _____

[Note to the Respondent: the Respondent must complete the information set out below. If the Respondent requires more space than is provided below it must prepare a document in substantially the same format setting out all the information referred to below and return it with Returnable Schedule 2.]

The bidder must complete the following questionnaire.

Bidder's past supply chain management practices:

Item	Question	Yes	No
3.1	<p>Is the Bidder or any of its directors listed on the South African National Treasury's database as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this database were informed in writing of this restriction by the South African National Treasury after the <i>audi alteram partem</i> rule was applied).</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
	If so, provide particulars:		
3.2	<p>Is the Bidder or any of its directors listed on the Register for Bid Defaulters in terms of section 29 of the <i>Prevention and Combating of Corrupt Activities Act</i> No 12 of 2004?</p> <p>To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Bid Defaulters" or submit your written request for a hard copy of the Register to facsimile number +27123265445.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
	If so, provide particulars:		
3.3	<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>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>

Item	Question	Yes	No
	If so, provide particulars:		
3.4	Does the Bidder relate to any sefa employee or part of sefa current or past staff (employee) establishment?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	If so, provide particulars:		
3.5	Was any contract between the Bidder and any organ of state (within the Republic of South Africa or within any foreign territory) terminated during the past five years on account of failure to perform on or comply with the contract?		
	If so, provide particulars:		

I, _____ (print name) hereby certify that the information, facts and representations are correct and that I am duly authorized to sign on behalf of the company.

Name of Company: _____

Company Registration Number: _____

Company VAT Registration Number: _____

Signature

Date

ANNEXURE 4 - CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ 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).² 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:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² 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.

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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
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 consortium³ 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.

³ 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.

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

Table (b) Details of the key personnel of the bidders' proposed team:

Name	Position	Role / Duties in this Project	Relevant Project Experience	
			Project description, Client, Project period	Project Cost

Annexure 6 - Declaration Form for Local Content

SBD 6.2

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

- x is the imported content in Rand
- y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6 A bid may be disqualified if –

- (a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and
- (b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

2. Definitions

2.1. “**bid**” includes written price quotations, advertised competitive bids or proposals;

2.2. “**bid price**” price offered by the bidder, excluding value added tax (VAT);

2.3. “**contract**” means the agreement that results from the acceptance of a bid by an organ of state;

2.4. “**designated sector**” means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

2.5. “**duly sign**” means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).

2.6. “**imported content**” means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct

importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;

2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and

2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

3. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %

4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

YES		NO	
-----	--	----	--

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za.

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	

Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?

(Tick applicable box)

YES		NO	
-----	--	----	--

5.1. If yes, provide the following particulars:

- (a) Full name of auditor:
- (b) Practice number:
- (c) Telephone and cell number:
.....
- (d) Email address:

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

6. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):
.....

NB

1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrial-development/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of(name of bidder
entity), the following:

(a) The facts contained herein are within my own personal knowledge.

(b) I have satisfied myself that:

- (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (ii) the declaration templates have been audited and certified to be correct.

(c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

(d) I accept that the Procurement Authority / Institution have the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

Annexure 7 - Declaration of Interest

1. Any legal person, including persons employed by the state¹, 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, shareholder²):

.....

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.

¹"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.

²"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 **YES / NO**
presently employed by the state?

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 **YES / NO**
the appropriate authority to undertake remunerative
work outside employment in the public sector?

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

(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 **YES/NO**

whether or not they are bidding for this contract?

2.11.1 If so, furnish particulars:

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

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

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

4. DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT **sefa** MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature Date

.....
Position Name of bidder

Annexure 8 – FICA Documents

Please note: all documentation submitted needs to be original or originally certified and no certified copies of copies are accepted.

ANNEXURE A IS TO BE COMPLETED WITH THIS CHECKLIST

BIDDERS COMPANY NAME _____

Please Tick Relevant Type of Entity and Complete the Relevant Section for your Entity.

Legal Persons (Other than a Company, CC Or Foreign Company) e.g. Municipalities, Agencies, Cooperatives.....

Listed Company (SA and Foreign).....

Natural Person (Sole Traders).....

Partnerships.....

Trusts.....

Unlisted Companies (SA and Foreign).....

Close Corporation.....

LEGAL PERSONS (OTHER THAN A COMPANY, CC OR FOREIGN COMPANY) e.g. Agencies, Cooperatives

Documents necessary to verify identity of a Legal Person	<input type="checkbox"/> Constitution documents of the legal person <input type="checkbox"/> Council Resolution
--	--

LISTED COMPANY (SA AND FOREIGN)

Document necessary to verify identity of listed company, Registered name, registration number and address from which company operates	<input type="checkbox"/> Confirmation of listing e.g. Website documents obtained from a website link/Bloomberg printout
---	---

NATURAL PERSON (SOLE TRADERS)

Documents necessary to verify identity of South African or Foreign Individual	<input type="checkbox"/> Copy of South African barcoded identity document OR <input type="checkbox"/> Copy of a valid passport
---	--

PARTNERSHIPS

Documents necessary to verify identity of the Partnership	<input type="checkbox"/> Document by which partnership is founded (partnership agreement)
---	---

TRUSTS

Documents necessary to verify the Identity of a Trust	<input type="checkbox"/> Copy of trust deed or other founding document by which trust is created <input type="checkbox"/> Letters of authority (as issued by the Master of the High
---	--

	<p>Court)</p> <p><input type="checkbox"/> Personal details of each Trustee, each Beneficiary, the Founder and the person authorised to act on behalf of the Trust</p>
--	---

UNLISTED COMPANIES (SA AND FOREIGN)

<p>Documents necessary to verify the Identity of a SA unlisted company</p>	<p><input type="checkbox"/> Copy of CM1/ CoR15.1/CoR 15.1/CoR14.1/CoR 14.3 (certificate of incorporation/registration certificate)</p> <p><input type="checkbox"/> Copy of CM9/CoR 15.2 (certificate of name change) (if applicable)</p> <p><input type="checkbox"/> Copy of CM22/CoR 21/CoR39 (certificate of registered address) and/OR</p> <p><input type="checkbox"/> Copy of CM29/ CoR39 (list of directors) (if not listed on the CM22); OR</p> <p><input type="checkbox"/> CIPC (certificate of confirmation) printouts of the CM documents</p>
<p>Identity of foreign unlisted company</p>	<p><input type="checkbox"/> Official documentation issued by foreign country</p>
<p>Identity of all shareholders holding 25% or more of the voting rights</p>	<p><input type="checkbox"/> Complete annexure A for each shareholder holding more than 25% and above and include supporting documentation</p>
<p>Identity of all shareholders holding less than 25% voting rights</p>	<p><input type="checkbox"/> Complete annexure A for each shareholder with less than 25% shareholding. No supporting documentation required.</p>

CLOSE CORPORATION

<p>Documents necessary to verify identity of Close Corporation</p>	<p><input type="checkbox"/> Copy of CK1/CoR15.1A/CoR 15.1B (certificate of registration) OR</p> <p><input type="checkbox"/> Copy of CK2 and/or CK2A/ CoR 9.4 (relevant if any changes were made to the CK1) OR</p> <p><input type="checkbox"/> CIPC (certificate of confirmation) printout of the above CK documents</p>
--	--

Compulsory Checklist

Physical address of entity	<input type="checkbox"/> Copy of utility bill/rates and taxes (not more than 3 months old) OR <input type="checkbox"/> Copy of lease or rental agreement reflecting start and end date of lease OR <input type="checkbox"/> Affidavit confirming proof of address OR <input type="checkbox"/> Copy of Telkom account or any other account (not more than 3 months old) OR <input type="checkbox"/> Copy of signed letterhead
Physical address of the entity representative	<input type="checkbox"/> Copy of utility bill/rates and taxes (not more than 3 months old) OR <input type="checkbox"/> Copy of lease or rental agreement reflecting start and end date of lease OR <input type="checkbox"/> Affidavit confirming proof of address OR <input type="checkbox"/> Copy of Telkom account or any other account (not more than 3 months old) OR <input type="checkbox"/> Copy of signed letterhead
Proof of Authority to act on behalf of the entity	<input type="checkbox"/> Attach a board resolution appointing the authorised person OR <input type="checkbox"/> Affidavit confirming appointment of the authorised person OR <input type="checkbox"/> Power of Attorney, Magistrate Court order authorising the 3 rd party to conduct business on behalf of another person (for Legal Person)
Identity of the entity representative	<input type="checkbox"/> Complete annexure A and include supporting documents
Income Tax document	<input type="checkbox"/> Documents issued by the South African Revenue Service not older than 12 months
VAT document	<input type="checkbox"/> Documents issued by the South African Revenue Service not older than 12 months

ANNEXURE A: FICA BIDDER INFORMATION FORM

Please complete the details of each authorised representative and member/ shareholder of the relevant entity below.

Company Representative:

Title _____ Surname _____

First Names(s) _____

Physical address _____

_____ Code _____

Please tick relevant box for method of identification:

Identity document _____ or passport (non residents only) _____ ID no./passport no. _____

Date of birth D D M M Y Y Y Y

Shareholders'/Members'/Trustees'/Trust Information

Name of Shareholder/ Member/Trustee/ Trust (Title, Surname & First names / Entity Name)	Physical/Business Address	Trust/Company/ CC Number	ID Number	Passport (Non-residents only)	Date of Birth (DD/MM/YYYY)	Race	Gender (M/F)	% Shares

Supporting documentation required

<p>To Verify details of:</p> <p>Authorised representatives and Members/ Shareholders</p>	<p>To verify identity:</p> <p>If South African:</p> <p><input type="checkbox"/> copy of SA barcoded ID or</p> <p><input type="checkbox"/> copy of SA passport</p> <p><input type="checkbox"/> copy of utility bill</p> <p>If foreign:</p> <p><input type="checkbox"/> copy of passport</p> <p><input type="checkbox"/> copy of utility bill</p>
<p>Entities</p>	<p><input type="checkbox"/> copy of relevant registration documents</p> <p>NB: INCLUDE GROUP STRUCTURE</p>

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

CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder