

RFP 08/2016**Tracing and Searching****Business Requirement Specification**

This document forms part of the RFP 08/2016 pack. The document sets out the business requirements that SARS has for tracing and searching of taxpayers and the model under which the services are to be provided.

1 Usage of Terms in This Document

The capitalised terms in this document appearing in the glossary table below will have the meanings given to them in this glossary table.

Term	Description
Services	The services to be provided by the service provider in terms of a signed legal Agreement, including those services, functions which are reasonably and necessarily required for the proper performance and provision of the services.
SARS	South African Revenue Service
Taxpayer	Any person who is required to be registered with SARS for the purposes of income tax.

Important note to Bidder: the specifications set out in this document contain mandatory and directory requirements. Where a mandatory requirement is set out in this document (indicated by 'must' in the stated requirement) the Bidder's Proposal must address such requirement. If a Proposal fails to meet or does not address a mandatory requirement, the Proposal may, at SARS's discretion, be disqualified at any stage of the evaluation process as being a non-responsive Proposal.

Directory requirements are requirements that serve to guide the Bidder in proposing a solution and consequently may improve a Bidder's score in the evaluation of its Proposal.

2 Background

SARS has a statutory mandate which includes the effective and efficient collection of revenue using the enforcement and compliance measures within the legislation it administers. In pursuit of this objective, it is part of SARS function in administering the Tax Act to verify and ensure the correctness of Taxpayer information.

To achieve this, SARS aims to appoint service provider(s) with reliable debtor's credit information. The service provider(s) must provide SARS access to commercial and

consumer credit records with correct and current contact details. The service provider(s) appointed must offer a comprehensive credit history database, must have and maintain credit scoring expertise and have a holistic solution penetrating deep into the South African credit granting industry.

The primary objective of this RFP is thus to select and appoint service provider(s) to a panel that have accurate, timely and sufficient data to provide SARS with an on-going understanding of Taxpayer credit movements, tracking and monitoring, taxpayer economic activity at a micro level, and in providing updates of Taxpayers' correct and current contacts details. The service provider should be able provide SARS with added value with regard to data analyses and techniques. All references to the Services will be the Services that will be contracted after subsequent RFQ/P processes made to the panel appointed in terms of this RFP.

3 Mandatory Pre-qualification Requirements

3.1 Accreditation

SARS requires that the Bidder must currently be a member of Credit Bureau Association of South Africa and actively operates in the Credit Bureau regulatory environment.

The Bidder must be currently registered in terms of the National Credit Act 34 of 2005 (NCA) with the National Credit Regulator (NCR).

3.2 Verifiable Track Record

SARS requires that the Bidder has extensive experience in managing consumers' credit information and payment behaviours with an indication of how the consumers manage their credit. The Bidder's data must be collected on a systematic basis from all relevant and available sources, and the personal/credit data must be accurate, up-to-date, relevant, complete and valid.

SARS requires that the Bidder must have experience in delivering consumer and business information for at least 3 large corporates who will each provide SARS with a written reference for the Bidder including information on the type of service provided to the corporate

4 Business Requirements

4.1 The required scope of information

The service provider must be able to provide SARS with the following commercial and consumer information, including, but not limited to:

4.1.1 Consumer Information

- personal identity (name, address, date of birth),
- contact details,
- employment details,
- credit profile,
- credit score report
- details on debtors accounts,
- public record (court judgments, tax liabilities against any property owned, or if the debtor has filed for bankruptcy, links to other companies)
- Defaults or notices.
- All property, bonds and notarial bonds registered in the name of the consumer

4.1.2 Commercial Information including, but not limited to the following:

- Credit Report File: The file should contain negative payment history and credit risk rating.
- Payment Profile: Factual information pertaining to the payment profile of the consumer
- Judgement File: The file should contain High Court judgements, civil court judgments, provisional and final liquidations, notarial bonds and sales/transfers of businesses.
- CIPC File: The file should contain information (name of entity, registration details, operational status, registered address and personal details of all directors and members) on all registered companies and close corporations in South Africa.
- All property, bonds and notarial bonds registered in the name of the commercial entity

4.1.3 Credit scoring

The service provider will be required to include a credit-score rating as part of the information requested. The usefulness of a credit-score to SARS depends on the how closely the method and parameters evaluate the actual credit-worthiness of the entity in question. The quality of the credit-scoring is a critical part of the business requirement and the service provider may further be required to adapt the algorithms for SARS during the term. For clarity, a recalculation of the scoring algorithm must be paid for on a time and materials/project basis and does not represent a change to the record's data for charging purposes.

4.2 Required standards of services and information

The service provider must be trusted and be able to provide SARS with consumer credit information for the prescribed purposes and other purposes as permitted in terms of the NCA. The service provider must comply with the requirements for the compilation of information as prescribed by the NCR and other legislation.

4.3 Accreditation

A condition of any contract entered into with a service provider will be that it maintains its registration with the NCR throughout the term of the contract. Both SARS and the service provider are obliged to comply with all statutory and regulatory provisions, including but not limited to the NCA.

4.4 Delivery of information

SARS requires two mechanisms for the delivery of information from a service provider:

4.4.1 Bulk data provision

The service provider must be able to provide SARS with a bulk data download of all required records and fields as set out above in paragraph 4.1. SARS will request the records based on the ID number (in the case of consumers) and the entity registration number (in the case of commercial entities).

From time to time, SARS may make supplemental bulk information requests based on the ID number or entity registration numbers as above. The service provider must be able to supply SARS with any additional records requested and any records that may have been updated or changed (deltas) since any previous request from SARS.

SARS must have rights to store and perpetual rights to access the information contained in the bulk download of information and/or supplemental information requests.

SARS' requirement is for the bulk information download and the supplemental requests to be charged on a per record basis. The charge for supplemental bulk download requests must only be for additional records (consumers or commercial entities that for which SARS has not requested information before) and for those records whose details have changed since the last time SARS requested information for that consumers or commercial entity.

4.4.2 System initiated transactions

The service provider must be able to provide SARS with the ability to make specific transactional enquiries directly from SARS's systems to the service provider's databases over a secure link with secure delivery of the results of the enquiry. The delivery of the information must be secure and encrypted. SARS currently is licenced for and uses IBM Connect Direct for the secure delivery of information. The service provider's solution must propose either IBM Connect Direct product or a functional equivalent.

The charge for a system-initiated transaction must be made on a per-transaction basis.

4.4.3 Web-based queries

4.4.3.1 Transaction types

Two basic types of web-based queries are required by SARS: (i) enquiries as to the contact details of taxpaying entity, (the "Contact view"); and (ii) enquiries into the credit information of a taxpaying entity, (the "Credit view").

4.4.3.2 Access

Permissions to perform transactional queries must be controlled at a user level and SARS must be provided with the administrative functionality to grant or remove permissions to perform query transactions to individual SARS users. Access security must be provided on a user id/password basis.

There must be no limit to the number of SARS users who have access

4.4.3.3 User profiles

Users must be granted permissions based on one of two profiles which correspond to permission to run Contact view queries and/or Credit view queries.

A further administrative profile must be provided for a SARS user to administer access to SARS users.

4.4.3.4 Charges accounting

SARS must be charged for web transactions on a per-query basis (Contact view query or Credit view query).

The service provider's invoice must break down the total charge into the transactions per user and per type of query (Contact view and/or Credit view)

4.4.4 General requirements

4.4.4.1 Confidentiality

The service provider's system must be able to keep an audit trail of the details of the queries performed by SARS users. A full and detailed report must be made available to SARS on request with a history of up to 1 year.

The service provider's system must have security to provide full confidentiality and secrecy regarding the queries SARS has made.

4.4.4.2 Availability

The service provider's systems must be available to process transactional queries (system generated or web) from 7:00-18:00 during weekdays. The service provider must notify SARS of any period of unavailability at least 48 hours in advance.

4.4.4.3 Responsiveness

Bulk information requests must be delivered within 3 working days of the request.

After a request for work that is of a custom nature, the service provider must be able to deliver a quotation within 3 business days.

4.4.4.4 Accuracy of information

The accuracy of information provided to SARS lies at the core of the rationale for SARS engaging this service. On discovery of any inaccuracies in the data, SARS requires a full report as to the reason for the inaccuracies. SARS accepts that at a transactional level, data may be out of date, but systemic data inaccuracy would render the service of no use and a potential risk to SARS and would therefore accuracy is considered material to the performance of the intended contract.

Incidents relating to the loss of data integrity must be investigated and the report delivered to SARS within 5 working days. Repeated incidents or systemic loss of data integrity will be cause for cancellation of the contract.

4.5 Account Management

The service provider(s) must appoint an account manager to manage the SARS account.

The effective management of the SARS account will include ensuring tasks are executed timeously, information requested by SARS is accurate, complete and timeously returned, and that SARS's interests are competently represented by the account manager to the service provider(s).

The account manager must, on an on-going basis, maintain relationships with all the SARS internal stakeholders throughout the lifecycle of the Tracing and Searching agreement.

SARS may request the service provider(s) to remove an account manager if in SARS's opinion the account manager is not managing the SARS account effectively.

The account manager must hand the account over to a replacement account manager should circumstances warrant it, without disruption of service to SARS.

4.6 Reporting and meetings

SARS may request the service provider(s) to provide other reports on an ad hoc basis.

At a minimum the service provider will provide a report on the number and type of queries / searches performed per month per user. Additional reports that are available will be considered for their use and included.

Specific reports regarding usage patterns, time of use, search targets may be requested on an ad hoc basis. Additional report must not incur additional charges, up to a maximum of one ad hoc report per month. Ad hoc requests over and above this must be done on a time and material basis.

The service provider(s) must ensure the attendance and participation of its resources in meetings to expedite decision-making as and when requested by SARS.