

SOUTH AFRICAN REVENUE SERVICE

REQUEST FOR PROPOSAL

RFP 24 -2024

**APPOINTMENT OF ADVISORY FIRM FOR PROVISION OF CASE MANAGEMENT
MODERNISATION PLANNING**

MAIN DOCUMENT

INSTRUCTIONS, GUIDELINES, AND CONDITIONS OF TENDER

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REQUEST FOR PROPOSAL

Summary, Guidelines, Conditions and Instructions

1 PURPOSE OF THIS REQUEST FOR PROPOSAL

- 1.1 The purpose of this Request for Proposal () is for the South African Revenue Service (SARS) to invite suitably qualified service providers (bidders) to submit proposals (tenders) in accordance with the rules set out in this for an appointment as a service provider(s) on a non-exclusive basis.

2 OVERVIEW OF SARS' REQUIREMENTS

2.1 Summary of the scope

- 2.1.1 Details of the scope of work and the required goods and services are defined in more detail in the Business Requirements Specification document and other documents forming an integral part of this RFP.

2.2 Background

The SARS technology landscape consists of a collection of integrated software solutions ranging from core back-end systems (mainframe, risk engine, tax processing engine, etc.) middleware (e.g. workflow, enterprise service bus), and systems of engagement (case management systems, customer service systems, taxpayer digital channels, etc.). A large portion of this technology portfolio is bespoke solutions, built either in-house by SARS teams, or by third-party software development partners.

Industry experience indicates that over time software which is not continuously modernised becomes less well suited to the ongoing and future needs of the business. The SARS technology portfolio is no exception. The termination of the SARS modernisation strategy in 2014, and the subsequent focus starting in 2019 on rebuilding SARS has resulted in limited focus on holistic modernisation of the SARS technology portfolio over many years, and as a result the technology portfolio does not meet the current needs of customers and the business.

Whilst the components of the technology portfolio continue to be robust, secure, and stable, there are many examples where design gaps, primarily in the middleware and systems of engagement layers, result in poor customer experience, manual processing, switching between disparate systems, and lack of end-to-end visibility across the value chain. In addition, there are questions as to whether the bespoke solutions making up the technology portfolio adhere to modern architectures, best practices and patterns, and can enable the vision of an "intelligent tax administration platform".

Initial analysis indicates that for certain of the SARS bespoke components commercial alternatives – either customised off the shelf (COTS) solutions or software-as-a-service (SaaS) solutions – may be able to deliver many, if not all, of the current and future business requirements of those components. In other cases, components within the SARS technology portfolio may have no commercial alternatives but have accumulated technical debt and need to be either modernised by paying down the technical debt or replaced with new bespoke solutions.

The modernisation of SARS' case management capabilities has been identified as a strategic priority, in support of our aspiration to build an intelligent tax/customs administration platform deeply embedded in data science and artificial intelligence to augment the work of employees and improve the integrity of outcomes.

The starting point for the modernisation of case management is a planning exercise in which the overall SARS technology landscape is evaluated, and a technology portfolio modernisation roadmap is designed to support the current and future needs of the business.

3 SCOPE OF WORK

Case management is a core function of SARS, with dependencies on all solutions and components that make up the tax and customs administration function. Consequently, the scope of this initiative is all components in the SARS technology portfolio that relate to tax and customs administration. A high-level architectural view of the SARS technology portfolio is attached as Annexure A.

3.1 Overview of Workstreams

The modernise case management initiative will be delivered as a programme consisting of multiple phases over several years. The first phase of this programme, the subject of this document, will be a planning exercise in which the current state of the technology portfolio is assessed from the perspectives of both business requirements and technical capabilities, and a roadmap is developed laying out the approach and sequencing of the various activities required.

The scope of the workstreams for this planning exercise will be defined in collaboration with the advisory firm, but are expected to include as a minimum the following four workstreams:

3.1.1 Workstream 1: Gathering the business requirements for case management by comprehensively documenting the current state and identifying gaps.

3.1.2 Workstream 2: Identifying future capabilities, both technological and organisational, required to achieve the vision of intelligent case management by researching international best practice technologies and approaches.

3.1.3 Workstream 3: Evaluating the technology components making up our case management portfolio

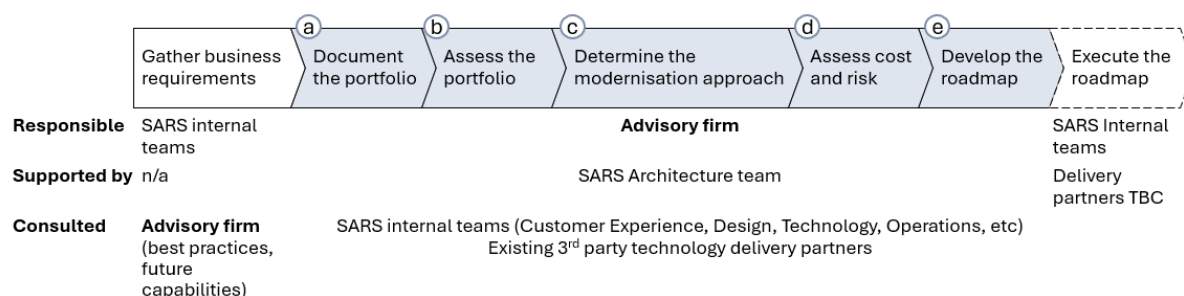
based on business fit and technical capability and determining the modernisation approach for each. Where relevant, a request for information will be published to gather information on potential commercial alternatives to certain technology components.

3.1.4 Workstream 4: Designing an implementation roadmap that balances speed, cost, and risk through a phased approach, incorporating the adoption of new project management and solution delivery approaches that optimise for agility and earlier and more frequent delivery of value.

Workstreams 1 and 2 will be run by SARS internal teams and are not described in further detail in this document. The advisory firm will play a consultative role in workstreams 1 and 2, including: reviewing and providing input on workstream 1 and 2 deliverables; providing workstream 1 with guidance on best practices for business/customer requirements gathering and journey/solution designs; and providing workstream 2 with guidance on local and international best practices and capabilities.

The advisory firm will play a leading role in workstreams 3 and 4, which are designed in line with the modernisation journey depicted in table 1A, highlighted and numbered (a) to (d).

Table 1A: Modernisation Journey



3.1.3.1 Workstream 3 is envisaged to include the following activities:

- Firstly, documenting all the logical components for each component in the portfolio.
- Secondly assessing each of the components of the portfolio based on business and technical fit.
- Thirdly, determining the modernisation approach for each component considering its characteristics, ability to support the future vision for SARS, and alternatives.
- Fourthly, assessing the costs and risks associated with the technical modernisation of each component, and the delivery of the identified business/customer requirements.

3.1.3.2 Workstream 4 is envisaged to include the following activities:

- The final step in the project is developing a high-level implementation roadmap for the modernisation that considers business/customer value, speed, cost, and risk.

The details of the envisaged activities in each workstream are described below.

Note: The approach and deliverables of workstreams 3 and 4 as described in this document may be adjusted by written agreement between SARS and the advisory firm.

3.2 Details of Workstream 3

Workstream 3 is made up of activities (a) to (d) shown in table 1a, as described in the following sections.

3.2.1 Activity (a): Documenting the Portfolio

The first step will be to identify the logical components that make up the SARS technology portfolio based on the high-level function(s) each performs.

Existing documentation of the portfolio will be used as the starting point for this exercise. As far as possible components will be defined in line with industry standards and nomenclature, to facilitate the identification of possible commercially available alternatives in the third step of the planning process.

The documentation of each component will include some or all the following data points, and potentially other data points as defined during the modernisation planning exercise:

- Name: The name of the component.
- Role: A brief description of the functional role the component plays. Where relevant this will use standard industry nomenclature to facilitate the identification of commercial alternatives.
- Functionality: a list of the main functions that the component performs.
- Stakeholders: Who its stakeholders are (e.g. business owner, users, developers, etc).
- Data: The data it works with (data it uses as input, data it generates/updates, etc).
- Service levels: The service levels with which it must comply.
- Technologies: The technologies it is built on.
- Dependencies: Other components that depend on it, and those that it depends on.

3.2.2 Activity (b): Assessing the Portfolio

The second step will be to assess each of the components of the portfolio based on business and technical fitness, and to identify potential gaps and opportunities in the portfolio.

The business and technical fitness dimensions will be assessed by means of the following data points, and/or other data points as defined during the modernisation planning exercise:

3.2.2.1 Business fitness dimensions:

3.2.2.1.1 Business fit: an assessment of the current business fitness of the component, including a gap analysis on business requirements and customer (taxpayer/trader/employee) experience, its adherence to service levels, and other relevant factors.

3.2.2.1.2 Strategic fit: the extent to which its capabilities can support the SARS modernisation vision and strategy.

3.2.2.1.3 Risk: an assessment of the business risk that the component represents, considering the importance of its role (or the impact of its unavailability), and the likelihood of it being unavailable (e.g. due to system failure, cyberattack, etc.)

3.2.2.1.4 Cost: the fully loaded cost to support/maintain the component.

3.2.2.2 Technical fitness dimensions:

3.2.2.2.1 Technical fit: the extent to which it aligns with the SARS architecture guidelines and modern software engineering patterns.

3.2.2.2.2 Technical debt: an assessment of the component's technical debt.

3.2.2.2.3 Code quality: an assessment of the readability, maintainability, effectiveness, reliability reusability, etc.

3.2.2.2.4 Service level compliance: an assessment of the service level compliance of the component.

This information will be used to plot the components on the framework shown in table 2B below. Error! Reference source not found..

Table 2B: Portfolio Assessment framework

Technical maturity/fit	High	Retain Technically sound assets with limited additional business value: <i>Leave as-is</i>	Improve Valuable, technically mature assets: <i>Prioritise business and customer needs</i>
	Low	Eliminate Low value assets with poor maturity: <i>Decommission</i>	Modernise Valuable assets in need of technical remediation or replacement: <i>First replace or rebuild, then address business and customer needs</i>
		Low	High
		Business value	

Notes

The components on the right-hand side of the framework should be prioritised:

- Improve: since no modernisation is required, the design and implementation of business and customer requirements can commence immediately.

- Modernise: the appropriate modernisation approach should be selected for these components before business/customer requirements can be considered. Where possible business/customer requirements should be delivered in parallel to modernisation activities (most relevant to modernisation activities that do not impact on the functionality, as shown in table 4D below).

The components on the left-hand side of the framework should be considered thereafter:

- Eliminate: these low value, low maturity components are candidates for decommissioning, which can commence once capacity is available after the 'Close gaps' and 'Modernise' items.
- Retain: these low value, high maturity components can be left as-is for the short to medium term and re-evaluated from time to time.

3.2.2.3 Identifying Portfolio Gaps

Once the existing components in the portfolio have been assessed, the capabilities of the overall portfolio will be evaluated to identify gaps.

Where gaps are identified in the technology portfolio, the advisory firm will indicate this to SARS, so that the SARS Procurement team can facilitate a Request for Information (RFI) process to gather the relevant information (capabilities, costs, reference examples, etc.) of commercially available solutions that might fill those gaps.

3.2.3 Activity (c): Determining the Modernisation Approach

Each component falling into the modernise quadrant of the framework shown in table 1A is categorised into a modernisation approach as shown in Table 3C below.

Table 3C: Modernisation Approach

Approach	Details
Encapsulate	Leverage and extend the application features by encapsulating its data and its functions, making them available as services via an API.
Rehost	Redeploy the application component to other infrastructure (physical, virtual or cloud) without modifying its code, features or functions.
Replatform	Migrate to a new runtime platform, making minimal changes to the code, but not the code structure, features or functions.
Refactor	Restructure and optimize the existing code (although not its external behaviour) to remove technical debt and improve nonfunctional attributes.
Rearchitect	Materially alter the code to shift it to a new application architecture and exploit new and better capabilities.
Rebuild	Redesign or rewrite the application component from scratch while preserving its scope and specifications.

Replace	Eliminate the former application component altogether and replace it, considering new requirements and needs at the same time.
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Notes:

During this step, the nature of the changes required, the potential business value, disruption, cost, and risk will be used to determine the appropriate modernisation approach, as shown in Table below.

Table 5E :Modernization Considerations

	Potential to change			Considerations and Impact				
	Functionality	Architecture	Technology	Potential Business Value	Time to Value	Business Disruption	Cost of Change	Risk
Encapsulate	○	◐	◐	◐	◐	◐	◐	◐
Rehost	○	○	◐	◐	◐	○	◐	◐
Replatform	○	○	◐	◐	◐	○	◐	◐
Refactor	○	◐	◐	◐	◐	◐	◐	◐
Rearchitect	◐	◐	●	◐	◐	◐	◐	◐
Rebuild	●	●	●	●	●	◐	●	●
Replace	◐	◐	◐	●	◐	●	◐	◐

Notes:

Where components are identified as potential candidates for replacement, the advisory firm will indicate this to SARS, so that the SARS Procurement team can facilitate a Request for Information process to gather the relevant information (capabilities, costs, reference examples, etc.) of commercial alternatives.

3.2.4 Activity (d) Assessing Cost and Risk

The final deliverables of workstream 3 are an assessment of the costs and risks associated with the technical modernisation of each component, and the delivery of the identified business/customer requirements:

3.2.4.1 The modernisation costs will be estimated for each component, considering both the technical modernisation and the delivery of the business/customer requirements. The advisory firm will lead the cost estimation work, with input from SARS teams and external solution delivery partners.

3.2.4.2 The risks associated with the modernisation of each component will be assessed, and mitigation actions will be proposed.

3.3 Detail of Workstream 4

Workstream 4 consists of Activity (e), developing the roadmap, shown in table 1A, as described below.

3.3.1 Activity (e): Developing the Roadmap

The focus of workstream 4 will be the development of a high-level implementation roadmap for the modernisation that considers business/customer value, speed, cost, and risk.

The development of the roadmap will be informed by Workstreams 1 to 3:

3.3.1.1 Workstream 1: the business/customer requirements documented by the SARS internal teams, including but not limited to gap analyses, customer journey maps, solution roadmaps etc.

3.3.1.2 Workstream 2: the future state capabilities identified by the SARS internal teams, including technology capabilities and functional/operational capabilities.

3.3.1.3 Workstream 3: firstly, the modernisation priorities and approaches per component, with their costs and risks, and secondly, the portfolio gap analysis.

In addition, the roadmap will consider:

- Costs and effort for implementation and operation/maintenance.
- Budget availability.
- Organisational capabilities and capacity.
- Implementation capacity: within SARS, in existing delivery partners, and in the market.
- People change management requirements.
- Functionality and data migration strategies.
- Work migration plans.
- Risk mitigation approaches.
- Any other relevant considerations.

The roadmap will consist of:

- A high-level overview of the Modernise Case Management programme consisting of the name and 1-line description of each workstream that it contains, arranged into logical groupings.
- A visual representation of the 5-year roadmap for the entire programme.
- A 1-page overview of each workstream, including:
 - Workstream title.
 - The Accountable and Responsible individuals.
 - Context, vision, and outcomes.
 - High level list of components/features that are in scope and out of scope.
 - Key stakeholders (internal, government, external).

- Costs and benefits.
- Inter-dependencies with other workstreams or other initiatives.
- Implementation details for each workstream, including:
 - Customer journeys impacted.
 - Sub-workstreams (if relevant) with a description of each.
 - Procurement requirements (e.g. if replacement or additional components are to be procured).
 - Team resourcing requirements (roles and quantities), both internal and external.
 - People change management requirements.
 - Success measures (leading and lagging indicators).
 - Solution delivery approach (i.e. waterfall, Agile, etc), including associated project management requirements.
- A visual representation of the 5-year roadmap for each workstream, showing phasing and interdependencies between phases.

3.4 Advisory Firm's Role and Responsibilities

The scope of the advisory firm's envisaged role is described in Table 1C below. The roles and responsibilities of the advisory firm as described in the table below may be adjusted by written agreement between SARS and the advisory firm.

Table 1C: Advisory Firm's Role and Responsibilities

Workstream	Advisory Firm's Roles and Responsibilities
Workstream 1 (gathering business requirements)	<ul style="list-style-type: none"> • Guidance on best practices for business/customer requirements gathering and journey/solution designs. • Review and input on workstream 1 deliverables .
Workstream 2 (identifying future capabilities)	<ul style="list-style-type: none"> • Guidance on local and international best practices and capabilities • Review and input on workstream 2 deliverables.
Workstream 3 (evaluating the technology portfolio)	<ul style="list-style-type: none"> • Leadership of workstream 3 and accountability for all deliverables (deliverables detailed in Section 9). • Definition of specifications of data to be provided by SARS, current development partners regarding the components of the portfolio that they have built and/or are responsible for maintaining. • Where gaps are identified in the technology portfolio or components are identified as potential candidates for replacement, the advisory Firm will indicate this to SARS, so that the SARS Procurement team can facilitate a Request for Information process to gather the relevant

Workstream	Advisory Firm's Roles and Responsibilities
	<p>information (capabilities, costs, reference examples, etc.) of commercially available solutions.</p> <ul style="list-style-type: none"> • Presentation of workstream deliverables at a relevant SARS decision making forum(s).
Workstream 4 (designing the implementation roadmap)	<ul style="list-style-type: none"> • Leadership of workstream 4 and accountability for all deliverables (deliverables detailed in Section 9). • Socialisation and refinement of implementation roadmap in consultation with SARS stakeholders. • Presentation of workstream deliverables at the SARS Case Management Modernisation Steering Committee .

Bidders to note that the parties awarded during this RFP process are restricted from bidding and providing goods, works and services to any eventual project that may result, directly or indirectly from the goods and services requested in this RFP.

3.5 Roles and Responsibilities of Other Parties

The roles and responsibilities of SARS internal functions and external parties are described in the tables below. The roles and responsibilities of the SARS internal functions and external parties as described in the tables below may be adjusted from time to time at SARS' discretion. SARS may elect to take guidance from the Advisory Firm in making this decision.

Table 6F: Roles and Responsibilities of SARS internal functions

SARS internal functions	Roles and Responsibilities
SARS Case Management Modernisation Steering Committee	Cross-functional leadership committee providing governance and decision making for the project.
SARS Enterprise Programme Management Office	Project coordination, management and status reporting. Alignment with SARS agile software delivery approach.
SARS Technology Architecture	Technical leadership for this initiative from a SARS perspective. Architectural guidance and support for Workstreams 3 and 4.
SARS Process-Segment Architecture and Design	Business requirements gathering and gap analysis based on consultation with operations and analysis of customer experience insights. Future state design based on identified gaps and alignment with modernisation journey for tax and customs products.
SARS Taxpayer and Trader Education	Development of Customer Experience analyses and insights. Design of customer personas and customer journey maps. Input to the gap analysis and future state designs.

SARS internal functions	Roles and Responsibilities
SARS Innovation Incubator	Research of future state technologies and capabilities to enable the vision of a building an <i>Intelligent Tax Administration Platform</i> . Alignment with other SARS Modernisation Initiatives
SARS Technology and Solution Delivery	Support for Workstream 3 (evaluating the technology portfolio) with detailed information – the scope of which will be specified by the Advisory Firm - on the components that they have developed and/or are responsible for maintaining, including but not limited to their technical capabilities, technical debt, interdependencies, pros, and cons. Support for Workstream 4 with technical and implementation guidance and information.
SARS Procurement	Support, guidance, and facilitation of requests for information (RFIs) to gather insights on the capabilities and costs of commercial solutions that are either alternatives to existing components of the SARS technology portfolio or additions to close gaps in the portfolio.
Other SARS teams	Other SARS teams will be engaged as and when required to provide specialist skills and contributions.

Table 7G :Roles and Responsibilities of external parties

External parties	Roles and responsibilities
Interfront	Support for Workstream 3 (evaluating the technology portfolio) with detailed information – the scope of which will be specified by the advisory firm - on the components that they have developed and/or are responsible for maintaining, including but not limited to their technical capabilities, technical debt, interdependencies, pros, and cons.
BBD	Support for Workstream 3 (evaluating the technology portfolio) with detailed information – the scope of which will be specified by the advisory firm - on the components that they have developed and/or are responsible for maintaining, including but not limited to their technical capabilities, technical debt, interdependencies, pros, and cons.

3.6 Advisory Firm's Deliverables

The envisaged deliverables expected from the advisory firm are described in the table below. The deliverables of the advisory firm as described in the table below may be adjusted by written agreement between SARS and the advisory firm.

Table 8H: Advisory Firm's Deliverables

Workstream	Advisory Firm Deliverables
Workstream 1 (gathering business requirements)	<ul style="list-style-type: none"> Guidance on best practices for business/customer requirements gathering and journey/solution designs. Review and input on workstream 1 deliverables .
Workstream 2 (identifying future capabilities)	<ul style="list-style-type: none"> Guidance on local and international best practices and capabilities Review and input on workstream 2 deliverables.
Workstream 3 (evaluating the technology portfolio)	<p>The following deliverables as specified in Section 3.2:</p> <ul style="list-style-type: none"> Documentation of each component in the portfolio Assessment of each component in the portfolio Portfolio Gap Analysis Modernisation approach per component Cost estimate and risk assessment per component for both technical modernisation and delivery of business/customer requirements.
Workstream 4 (designing the implementation roadmap)	<ul style="list-style-type: none"> High level roadmap as described in Section 3.3

3.7 SARS REQUIREMENTS

The successful advisory firm will be required to provide the following technical capable resources:

3.7.1 Technology strategist

- i) Deep understanding of digital transformation and modernisation frameworks, technologies, approaches, and operating models.
- ii) Ability to design technology strategies and roadmaps based on an understanding of the current state and envisaged future state.
- iii) Ability to analyse trends and technologies to provide recommendations for the adoption of new tools and solutions.
- iv) Ability to analyse and structure complex and ambiguous problems, develop insights and communicate recommendations.
- v) Ability to collaborate with senior stakeholders.

3.7.2 Enterprise architect

- i) Expert in industry standard enterprise architecture practices and frameworks (e.g. TOGAF).

- ii) Expert in application portfolio assessment, application rationalisation, obsolescence risk management, application modernisation, and ERP transformation.
- iii) Deep understanding of best practice application modernisation approaches and frameworks.
- iv) Ability to design architectural diagrams that represent the as-is architecture and target architecture.
- v) Ability to develop migration roadmaps and project plans, including dependencies and data flows.
- vi) Ability to develop application criticality reports based on an assessment of the importance of applications within the technology portfolio.
- vii) Ability to assess applications by business criticality and functional and technical fit.

4 BIDDERS' RESPONSES / DOCUMENTATION REQUIRED

Bidders must respond to all the information required in this paragraph, in their bid proposals. Bidders should also refer to paragraph 2 and 3 which details the background, scope of service and technical requirements.

4.1 TECHNICAL REQUIREMENTS

4.1.1 Company Profile

- 4.1.1.1 The bidder must provide a company profile indicating at least ten (10) years' experience in advising organisations with similar technology portfolio context to that of SARS (as described in section 2.2), both locally and internationally, in the private and public sector.

4.1.2 Resources

- 4.1.2.1 The bidder must submit at least two (2) detailed CVs/resumes of technology strategists, each with a minimum of five (5) years relevant experience in digital transformation and modernisation. The CVs/resumes must demonstrate working experience in one or multiple projects.

- 4.1.2.2 The bidder must submit at two (2) detailed CV's/resumes of enterprise architects, each with a minimum of ten (10) years relevant experience in enterprise architecture.

4.1.3 Qualifications

- 4.1.3.1 Bidders to provide proof of qualification for the technology strategist (Honours / Postgraduate Diploma (NQF 8) in IT, Informatics, or Computer Science, computer engineering).
- 4.1.3.2 Bidders to provide proof of qualification for the enterprise architecture (bachelor's degree / Advanced Diploma (NQF 7)).

- 4.1.3.3 Bidders to provide proof of certification for the enterprise architecture (TOGAF 9.2 or higher for Enterprise Architect).

4.1.4 Approach and methodology

- 4.1.4.1 The bidder must submit proposed work breakdown structures approach for the project.

4.1.5 Reference letters

- 4.1.5.1 Bidders must submit three (3) contactable clients and signed reference letters on client's letterhead to whom similar services have been successfully provided in the past five (5) years.

NB: Signed reference letters must be on client letterhead stating the following.

Client, contact person and telephone number.

- a) Description of work (service)
- b) Duration of the project

5 STRUCTURE OF THE PACK

5.1 Structure

- 5.1.1 This pack is organised in 5 (five) sections consisting of one or more documents in each section.

Table 1: pack outline and contents

Section	Index	Description of section contents
1	Main Document	Documents outlining the main guidelines, instructions, conditions and documents necessary for a bidder to submit a proposal.
2	Business Requirements Specification	Document(s) outlining the business requirements specifications, technical requirements and other information required by a bidder to submit a proposal.
3	SBD Documents	Standard Bid Documents (SBDs) and other administrative documents that are required by National Treasury and SARS Procurement to be read, completed, and returned as part of a bidder's proposal.
4	Contract management	The General Conditions of Contract (GCC) and/or proposed agreement under which SARS wishes to contract the services.
5	Response templates	Where applicable, response templates that are required to be completed and returned as part of a bidder's proposal.

6 KEY ACTIVITIES AND DATES

- 6.1 The table below lists certain key dates and activities relevant from the time of issue of the up to and until the closing date:

Table 2: Key activities and dates

No.	Activity	Date / Time / Details
1.	Bid Number:	RFP 24/2024
2.	Description:	Appointment of advisory firm for provision of case management modernisation planning
3.	Duration of contract:	The successful bidder will be appointed for a period of eight (8) months, subject to SARS terms and conditions
4.	Validity period of proposals:	Bids submitted will be valid for a period of 180 calendar days from closing date. SARS may however, subject to the bidders' consent, extend the validity period prior to expiry thereof.
5.	Advertisement of the :	a) SARS website: 08 November 2024 b) National Treasury Tender Portal: 08 November 2024
6.	Tender pack (complete set of bid documents) available for download from National Treasury e-Tender Portal and SARS website:	08 November 2024
7.	Virtual briefing session date and registration:	The non-compulsory briefing session will be held 13 November 2024 at 14:00 am virtually via a Microsoft Teams meeting and can be accessed at the following link: Join the meeting now Meeting ID: 347 150 941 296 Passcode: RJMe4d
8.	Bidders to submit written questions on or before:	29 November 2024
9.	SARS to respond to bidders' written questions on or before:	02 December 2024
10.	CLOSING DATE AND TIME (proposals due):	10 December 2024

- 6.2 All dates and times in this are South African Standard Time. The establishment of a time or date in this does not create an obligation on the part of SARS to take any action or create any right or

expectation in any way for any bidder to demand that any action be taken on the date established, or on any other date. A bidder accepts that if SARS extends the deadline (closing date) for proposal submissions for any reason whatsoever, the requirements of this will apply equally to the extended deadline.

7 COMMUNICATION

- 7.1** All communications to SARS must be addressed to the SARS Tender Office, emailed to tenderoffice@sars.gov.za, and must contain a clear reference to this . Communication sent by SARS must only be regarded as official communication if sent from tenderoffice@sars.gov.za, or a communication accompanied by a letter of authorisation signed by the SARS Procurement Executive.
- 7.2** A bidder may not make any communication to SARS regarding this other than through the official contact provided in this document. SARS may, at its sole discretion, disqualify a bidder if the bidder communicates or attempts to communicate any information regarding this to any of SARS' employees; officials; or any third parties involved in the preparation, evaluation, or award of the other than through the official contact provided.

8 TENDER PREPARATION AND SUBMISSION

8.1 Introduction

- 8.1.1** SARS has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under section 76 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), which prescribes that SARS' procurement processes be:
- 1) economical, efficient, fair, equitable, transparent, competitive and cost effective; and
 - 2) consistent with the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), its Regulations, and the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).

8.2 Question and answer process

- 8.2.1** A bidder may submit questions to SARS as part of the question-and-answer process to gain a full understanding of any aspect of the that is not clear to the bidder.
- 8.2.2** Between the dates given in paragraph 6, SARS will receive written questions sent by bidders by email through the official contact provided in this document. SARS will respond to these questions, but however is not be obliged to respond to a question which in SARS' opinion is inappropriate and does not reasonably warrant an answer. The questions and answers will be published on the National Treasury e-Tender Portal and the SARS website. The identity of a bidder who has directed a question to SARS will not be disclosed by SARS in such responses.
- 8.2.3** SARS may issue updated versions of documents issued in the pack and/or may issue additional documentation to form part of the pack. Such reissued or additional documentation will be published on the National Treasury e-Tender Portal and SARS website. It is a bidder's responsibility to visit the National Treasury e-Tender Portal and SARS website at regular intervals to ensure that a bidder uses the latest versions of documents in the pack.

- 8.2.4 The National Treasury e-Tender Portal must be treated as the primary means of communication. In the event of any other communication that conflicts with communications posted on the National Treasury e-Tender Portal, the National Treasury e-Tender Portal communication will prevail.**

8.3 Central Supplier Database

- 8.3.1** All bidders wishing to do business with SARS must register on the Government's Central Supplier Database (CSD) at www.CSD.gov.za, and to include in their submission their CSD Master Registration Number. The recommended bidder(s) must be registered on the CSD prior to an award letter / purchase order / signed contract being issued.
- 8.3.2** Foreign suppliers with neither South African tax obligations nor history of doing business in South Africa must complete the questionnaire on the Standard Bidding Document (SBD) 1.

8.4 Proposal submission

- 8.4.1** For this, SARS will accept proposal submissions in the form of physical proposal submissions, either deposited in the SARS tender box or posted to the SARS Tender Office.
- 8.4.2** The physical proposal submissions must be deposited in the SARS tender box on or before the closing date and time at the SARS Tender Office, situated at the main entrance at:

**SARS Procurement Tender Office,
Lehae La SARS,
299 Bronkhorst Street, Nieuw Muckleneuk, Brooklyn,
Pretoria, 0181.**

- 8.4.3** The proposals may also be couriered to the address provided in the afore mentioned paragraph.
- 8.4.4** Proposals will only be considered if received by the SARS Tender Office before the closing date and time, regardless of the method used.
- 8.4.5** Late proposals will not be accepted.
- 8.4.6** The onus is on the bidder to ensure that its proposal submission and documentation received by SARS in this bid are submitted timeously and are accurate and complete. Failure by any bidder to discharge this onus will result in proposal submissions being disqualified for consideration.

8.5 Instruction for submitting a proposal

- 8.5.1** This section details the instructions to bidders for preparing a proposal in response to this, which must be followed in detail to enable the information contained in a bidder's proposal to be read, understood and evaluated in a common and consistent layout, and to ensure that the information submitted is correct, complete and well structured. Should a proposal be received that is not in the correct format, SARS reserves the right to disqualify the entire proposal or portions of the proposal depending on the extent of the deviation from the format described in this document.
- 8.5.2** All proposals and supporting documentation must be submitted in English.
- 8.5.3** A bidder's proposal is required to be submitted in two forms:

1 x Hardcopy submission	One (1) hardcopy submission clearly marked. A “hardcopy submission” means an A4 ring bound lever arch file.
1 x Electronic submission	One (1) electronic submission of a complete copy of the hardcopy submission. An “electronic submission” means a memory stick (USB stick) containing a complete copy of the hardcopy submission. The onus is on the bidder to ensure that the electronic submission submitted is a complete copy of the hardcopy submission.

- 8.5.4** The hardcopy and electronic submission must be marked and labelled correctly, and must be outer sealed, wrapped and packaged, for ease of reference during the evaluation process.
- 8.5.5** **Technical and Pricing information must be included in separate folders. The Technical information must be included in “Folder 1”, and the Pricing information must be included in “Folder 2”.**
- 8.5.6** A bidder is required to submit the contents of its submission (hardcopy and electronic) in the following format:

Table 3: Format and organisation of proposal

Files		Section	Responses
Folder 1: TECHNICAL proposal	<ul style="list-style-type: none">• reference• Description• Bidder name	1	<ul style="list-style-type: none">• Prequalification documents (SBD and other documents), <i>excluding SBD 6.1 Preference point claim form and SBD 3.1 / 3.2 / 3.3.</i>
		2	<ul style="list-style-type: none">• Response to mandatory requirements (if applicable)• Supporting documents for mandatory requirements (if applicable)
		3	<ul style="list-style-type: none">• Response to technical requirements• Supporting documents for technical requirements
		4	<ul style="list-style-type: none">• Company profile• Supplementary information
		5	<ul style="list-style-type: none">• Draft agreement
Folder 2: PRICE and B-BBEE/ specific goals proposal	<ul style="list-style-type: none">• reference• Description• Bidder name	1	<ul style="list-style-type: none">• B-BBEE certificate or sworn affidavit• SBD 6.1 Preference point claim form
		2	<ul style="list-style-type: none">• Pricing response template
		3	<ul style="list-style-type: none">• A complete set of three (3) most recent years annual financial statements as detailed in this

9 EVALUATION OF PROPOSALS

9.1 Process after the closing date

- 9.1.1** After the closing date and time SARS, will evaluate the proposals with reference to SARS' evaluation criteria. SARS reserves the right to employ subject matter experts to assist in performing such evaluations.

9.2 Prequalification evaluation process (Gate 0)

- 9.2.1** SARS has defined minimum administrative prequalification criteria that must be met by a bidder. The table below contains the administrative prequalification documents that are required as part of a bidder's proposal, which must be completed and signed by the duly authorised representative of the prospective bidder(s).
- 9.2.2** Where a bidder's proposal fails to comply fully with any of the prequalification criteria, SARS may at its discretion allow the bidder an opportunity to submit and/or supplement the information and/or documentation provided within a grace period of **seven (7) working days** or such alternative period as SARS may determine to achieve full compliance with these criteria before disqualifying the bidder.
- 9.2.3** **SARS will disqualify a bidder who does not achieve full compliance of the prequalification Standard Bidding Documents (SBD) after the grace period provided by SARS.**

Table 4: Prequalification criteria

	Prequalification documents to be submitted	Instructions	Non-submission will result in disqualification?
1.	SBD 1: Invitation to bid form	Bidder to complete and sign the supplied pro forma document.	YES
2.	SBD 4: Bidder's Disclosure	Bidder to complete and sign the supplied pro forma document.	YES
3.	SBD 6.1: Preference points claim form	Bidder to complete and sign the supplied pro forma document, to claim the points for B-BBEE / specific goals.	NO Non-submission will lead to a zero score on B-BBEE / specific goals.
4.	Proof of registration on the Central Supplier Database (CSD)	Bidder to submit the proof of registration on CSD.	NO However, a bidder must be registered on CSD in order to be considered for award.
5.	Draft Agreement and/or General Conditions of Contract (GCC)	Bidder to sign the supplied pro forma document.	YES The recommended bidder(s) will be required to sign the applicable Agreement / GCC on award.
6.	A complete set of three (3)	Submit complete sets of three (3)	YES

	Prequalification documents to be submitted	Instructions	Non-submission will result in disqualification?
	most recent years annual financial statements	most recent years annual financial statements in accordance with the requirements of the Financial Risk Analysis paragraph as detailed in this .	

9.3 Mandatory evaluation process (Gate 1)

9.3.1 There will be no mandatory evaluation in this tender.

9.4 Technical evaluation process (Gate 2)

9.4.1 Only bidders that have met the prequalification and mandatory evaluation requirements will be evaluated for technical capability and functionality, strictly according to the technical evaluation criteria below. A bidder is required to provide a technical solution for the required goods and services that meet SARS' requirements, and that is financially competitive and offers value for money.

9.4.2 The technical evaluation will be scored out of a total of 100 points, and bidders are required to score a minimum threshold of [70] out of 100 points to proceed to the next stage of evaluation, namely price and B-BBEE/specific goals evaluation.

9.4.3 **If a bidder does not meet the technical evaluation minimum threshold, the bidder will be disqualified, and the bidder's proposal will not be evaluated further.**

Table 6: Technical evaluation criteria

	Technical evaluation criteria	Scoring criteria	Points
1.	Bidder experience		30
1.1	The bidder must provide a company profile indicating at least ten (10) years' experience in advising organisations with similar technology portfolio context to that of SARS (as described in section 2.2), both locally and internationally, in the private and public sector.	<p>The bidder has provided company profile indicating at least ten (10) years' experience in advising organisations with similar technology portfolio context to that of SARS (as described in section 2.2), both locally and internationally, in the private and public sector.</p> <ul style="list-style-type: none"> • Bidder has at least 10 years' experience, with both international and local experience = 30 • Bidder has at least 10 years' experience, with only local experience = 15 	30

	Technical evaluation criteria	Scoring criteria	Points
		<ul style="list-style-type: none"> • Bidder has less than 10 years' experience, No information or irrelevant information = 0 	
2.	Resources		30
2.1	The bidder must submit at least two (2) detailed CV's/resume of technology strategist each with a minimum of five (5) years' relevant experience in digital transformation and modernisation. The CV/Resume must demonstrate working experience in one or multiple projects.	<p>The bidder has provided at least two (2) detailed CV's/resume of technology strategist each with a minimum of five (5) years' relevant experience in digital transformation and modernisation. The CV/Resume must demonstrate working experience in one or multiple projects</p> <ul style="list-style-type: none"> • Two CVs/resume of technology strategist each with a minimum of five (5) years' relevant experience in digital transformation and modernisation. The CV/Resume must demonstrate working experience in one or multiple projects =10 • One CVs/resume of technology strategist each with a minimum of five (5) years' relevant experience in digital transformation and modernisation. The CV/Resume must demonstrate working experience in one or multiple projects =5 <p>Below five (5) years' experience or less than 2 CVs provided or no information, irrelevant information provided = 0</p>	10

	Technical evaluation criteria	Scoring criteria	Points
2.2	The bidder must submit at least two (2) detailed CV's/resume of enterprise architects each with a minimum of ten (10) relevant experience in enterprise architecture. The right is reserved to verify the authenticity of information provided.	<p>The bidder has provided at least two (2) detailed CV's/resume of enterprise architects each with a minimum of ten (10) relevant experience in enterprise architecture.</p> <ul style="list-style-type: none"> Two CVs/resume of enterprise architects each with a minimum of ten (10) relevant experience in enterprise architecture= 20 One CVs/resume of enterprise architects each with a minimum of ten (10) relevant experience in enterprise architecture= 10 <p>Below ten (10) years' experience or no information, irrelevant information provided = 0</p>	20
3.	Qualifications		11
3.1	Bidders to provide proof of qualification for the technology strategist: Honours / Postgraduate Diploma (NQF 8) in IT, Informatics, or Computer Science, computer engineering	<p>The bidder has provided proof of qualification for the technology strategist: Honours / Postgraduate Diploma (NQF 8) in IT, Informatics, or Computer Science, computer engineering =2</p> <p>No information or irrelevant information = 0</p>	2
3.2	Bidders to provide proof of qualification for the enterprise architect: Bachelor's Degree / Advanced Diploma (NQF)	<p>The bidder has provided proof of qualification for the enterprise architect: Bachelor's Degree / Advanced Diploma (NQF 7)) =2</p> <p>No information or irrelevant information = 0</p>	2
3.3	Bidders to provide proof of qualification/certification for the	Bidders to has provided proof of qualification/certification for the TOGAF 9.2 or higher for Enterprise Architect	7

	Technical evaluation criteria	Scoring criteria	Points
	TOGAF 9.2 or higher for Enterprise Architect	<ul style="list-style-type: none"> • TOGAF 9.2 or higher for both = 7 • TOGAF less than 9.2 for either = 3 • No TOGAF on either, No information or irrelevant information = 0 	
4.	Approach and methodology		20
4.1	Bidders to provide work breakdown structures.	<p>Bidders has provided work breakdown structures.</p> <p>Work breakdown structures, Proposed work breakdown structures are very generic. The bidder's proposal addresses and meets minimum or basic project requirements. The work breakdown structures meet the requirements of the assignment, the sequencing of activities indicate the bidder understand the requirements =5</p> <p>Proposed work breakdown structures are specifically tailored to suit the SARS requirements. The work breakdown structures meet the requirements of the assignment, the sequencing of activities demonstrate that the bidder clearly understand the requirements and has a good understanding of the needs of the SARS =15</p> <p>Proposed work breakdown structures are innovative and more than exceeds the expectations of SARS. The work breakdown structures meet the requirements of the assignment, the sequencing of activities indicate the bidder has an excellent or demonstrated in-depth understanding of the requirements of SARS and of the issues that they are faced with = 20</p>	

	Technical evaluation criteria	Scoring criteria	Points
		No information or irrelevant information provided = 0	
5	Reference		9
5.1	<p>Bidders must submit three (3) contactable clients and signed reference letters on client's letterhead to whom similar services have been successfully provided in the past five (5) years.</p> <p>Note: Signed reference letters must be on client letterhead stating the following: Client, contact person and telephone number.</p> <p>a) Description of work (service) b) Duration of the project c) Date completed.</p>	<p>The bidder has provided three (3) contactable clients and signed reference letters on client's letterhead to whom similar services have been successfully provided in the past five (5) years.</p> <p>Client, contact person and telephone number</p> <p>a) Description of work (service) = 1 per letter b) Duration of the project = 1 per letter c) Date completed = 1 per letter</p> <p>No information or irrelevant information provided = 0</p>	

9.5 Price and B-BBEE/specific goals evaluation (Gate 3)

9.5.1 In line with the requirements of the Preferential Procurement Policy Framework Act, 2000, and its Regulations and SARS Preferential Procurement Policy, only bidders that have met or exceeded the minimum threshold for functionality in the technical evaluation, will be evaluated further.

9.5.2 SARS will apply the applicable preference point system in accordance with published preference point system. Should actual pricing proposals submitted by the bidders differ from the estimated costs prescribing the system to be used, the lowest acceptable tender will be used to determine the applicable preference point system.

Table 7: Price and B-BBEE/specific goals evaluation

	Criteria	Points
1.	Price	80
2.	Specific goals	20
	TOTAL	100

9.5.3 Price evaluation (Gate 3, Stage 1)

- 1) Points for the price evaluation will be calculated in accordance with the formula stated below.
- 2) Bidders are required to complete all line items in the pricing response template/bill of quantities provided by SARS, which will be used for the price evaluation. The price should be all-inclusive for all the goods and services required in the scope of work, and bidders must ensure the completeness and accuracy of the pricing figures provided in the pricing response template. Failure to complete the pricing response template/bill of quantities may lead to a bidder scoring zero for the pricing evaluation or disqualification of the bidder.
- 3) [In completion of the bill of quantities, bidders should note that where on a specific line item a cost has already been included in a previous line item, then the bidder should indicate as such on that specific line item.]

Table 8: Pricing evaluation formula

Price evaluation formula	Points
$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$	80

Where

P_s	=	Points scored for price of proposal under consideration
P_t	=	Rand value of proposal under consideration
P_{min}	=	Rand value of lowest acceptable proposal

9.5.4 B-BBEE/specific goals evaluation (Gate 3, Stage 2)

The following table indicates the specific goals and points to be claimed for this RFP :

No	The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Evidence Required
1	An Entity that is an Empowering Supplier	2	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted).

No	The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Evidence Required
2	An entity with at least 51% Black Ownership	5	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted).
3	The entity has at least 30% Black Women Ownership	5	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted)
4	The entity has at least 51% Black Youth representation	4	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted).
5	The entity that is 51% Black owned by Persons with Disabilities.	4	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted). SARS reserves the right to request the submission of Certified copy of ID Documents of the Owners and Doctor's note confirming the disability and/or Employment Equity Act 1(EEA1) form.

Points for the specific goals evaluation will be allocated in accordance with the evidence requested as per table 1 of the SBD 6.1.

9.5.4.1 REQUIREMENTS FOR SPECIFIC GOALS

- i. Bidders MUST complete and sign the SBD 6.1 form to claim the Bidder's B-BBEE preference points. Bidders who do not claim preference points may be scored zero for Specific goals.

- ii. The B-BBEE certificate or sworn affidavit should be submitted in the name of the bidding entity. Entities who are in a holding and subsidiary relationships must submit a list/ annexure of the B-BBEE certificate indicating the subsidiaries to the holding company. The bidding subsidiary must be clearly indicated.
- iii. Incorporated JVs or Consortiums must submit the B-BBEE certificate or affidavit of the entity. Unincorporated JVs must submit a consolidated B-BBEE certificate as if they were a group structure for every separate bid.
- iv. JVs or Consortiums are also required to submit signed JV or Consortium agreements.
- v. SARS reserves the right to request bidders to submit proof of any information, to substantiate claims made about their Specific goals.

9.5.4.2 Points to be claimed

The following table indicates the specific goals and points to be claimed for this :

No	The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Evidence Required
1	An Entity that is an Empowering Supplier	2	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted).
2	An entity with at least 51% Black Ownership	5	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted).
3	The entity has at least 30% Black Women Ownership	5	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted).
4	The entity has at least 51% Black Youth representation	4	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted).

No	The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Evidence Required
5	The entity that is 51% Black owned by Persons with Disabilities.	4	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted). SARS reserves the right to request the submission of Certified copy of ID Documents of the Owners and Doctor's note confirming the disability and/or Employment Equity Act 1(EEA1) form.

NB (as per table 1 of the SBD 6.1.)

9.5.4.3 Evidence required per entity classification

No	Classification	Turnover	Submission requirement
1.	Exempted Micro Enterprise (EME)	Below R10 million p.a	<ul style="list-style-type: none"> A sworn affidavit or certificate from CIPC. Share Certificates of the company or CIPC registration documents or letter from an attorney or registered accountant in their letterhead
2.	Qualifying Small Enterprise (QSE)	Between R10 million and R50 million p.a.	<ul style="list-style-type: none"> A sworn affidavit for entities with 51% Black Ownership and above; or A copy of B-BBEE Rating Certificate from a SANAS

No	Classification	Turnover	Submission requirement
			<p>accredited rating agency for entities with 50% and less black ownership.</p> <ul style="list-style-type: none"> Share Certificates of the company or CIPC registration documents or letter from an attorney or registered accountant in their letterhead
3.	Large Enterprise (LE)	Above R50 million p.a.	<ul style="list-style-type: none"> A copy of B-BBEE Rating Certificate from a SANAS accredited rating agency. Share Certificates of the company or CIPC registration documents or letter from an attorney or registered accountant in their letterhead

9.5.4.4 Validity of a sworn affidavit and B-BBEE certificates

The following information is important to note in completing a sworn affidavit:

Determining validity of an affidavit for B-BBEE compliance

- i. The legal dictionary (<https://legal-dictionary.thefreedictionary.com/Affadavit>) defines a sworn affidavit as a written statement of facts voluntarily made by a person under an oath or affirmation administered by a person authorized to do so by law.
- ii. In terms of the Codes, Exempted Micro-Enterprises (EMEs) and black controlled and owned Qualifying Small Enterprises (QSEs) only have to use a sworn affidavit to indicate their B-BBEE compliance status. Government introduced this mechanism specifically to reduce the cost of doing business and regulatory burden for these entities.
- iii. The Department of Trade, Industry and Competition (the dtic) has designed sworn affidavit templates and qualifying measured entities must use these templates, which can be accessed on the dtic website. It is acceptable to use the templates on the letterhead of the measured entity.

- iv. The only time an EME can be verified by a South African National Accreditation System (SANAS) accredited verification professional is when it wishes to maximise its B-BBEE points and move to a higher B-BBEE recognition level, and that must be done using the QSE Scorecard.
- v. The exception to this is only with regard to the Transport Sector where EMEs have a choice of obtaining accounting officer letter or get verified and be issued with a B-BBEE verification certificate by a SANAS accredited professional or agency because the Integrated Transport Sector Code has not been aligned to the amended Generic Codes.
- vi. Also, start-ups that are EMEs but wish to tender for contracts of R10 million in value or above must be verified using the QSE scorecard, and for tenders of R50 million and above must be verified using the generic scorecard.
- vii. Further, the Construction Sector Code, provides for EMEs whose annual turnover is R1.8 million for Built Environment Professionals and R3 million for Contractors or less to obtain automatic recognition levels and these do not require to undergo verification except in instances where they elect to enhance their B-BBEE status levels. In those circumstances there is a requirement for these EMEs to contribute towards empowerment by complying with the 40% sub-minimum on skills development element and in ensuring compliance with the skills development element, these EMEs are required to be verified by a SANAS accredited verification professional or agency.
- viii. Furthermore, the Generic Codes and the Financial Services Sector Code have granted an option to 51% and 100% black owned QSEs to undergo a verification process from a SANAS accredited verification professional if they so choose. However, for consistent application, EMEs in the Financial Services Sector should only obtain a sworn affidavit, and not a B-BBEE verification certificate as there is nothing to verify.

1) The following pointers are key in determining the validity of a sworn affidavit:

- i. Name/s of deponent as they appear in the identity document and the identity number must be completed.
- ii. Designation of the deponent as either the director, owner or member must be indicated in order to know that the person deposing to the sworn affidavit is duly authorised. A deponent is able to tick more than one option if the person is a director and owner of the entity.
- iii. Name of enterprise must be cited as per the enterprise registration documents issued by the CIPC, where applicable, including the enterprise business address.
- iv. Percentage of ownership held by black people, black female and black designated groups. For designated groups, the percentage must be indicated for each sub-category or nil where there is none. In the case of specialized enterprises as per Statement 004, the percentage of black beneficiaries must be reflected.
- v. Indicate the total annual revenue for the year under review and whether it is based on audited financial statements or financial statements or management accounts. Please select one option.
- vi. Indicate the full financial year end (day/month/year) as per the enterprise's registration documents, which was used to determine the total revenue. This must be the recent financial year end.

- vii. Select the B-BBEE Status level based on black ownership percentage. An enterprise can only have one B-BBEE status level.
- viii. Empowering supplier status must be indicated. For QSEs, the deponent must select the basis for which the empowering supplier status is based on.
- ix. Date of signature for both the deponent and Commissioner of Oath must be the same. If using the first dtic template for sworn affidavits, where provision is not made for Commissioner of Oath signature date, the date of the deponent will be regarded by default as the signature date for Commissioner of Oath.
- x. Commissioner of Oath cannot be an employee or ex officio of the enterprise because, a person cannot by law, commission a sworn affidavit in which they have an interest. Please note that the B-BEE Act does not determine the qualification for Commissioner of Oaths, this is done in terms of the Justice of Peace and Commissioners of Oaths Act, 1963 (Act No. 16 of 1963) which is administered by the Department of Justice and Constitutional Development (DOJ & CD). Therefore, any queries regarding the legitimacy of a Commissioner of Oath need to be directed to DOJ & CD.
- xi. A B-BBEE sworn affidavit is valid for a period of 12 months calculated from the date the sworn affidavit was commissioned, for example, if the sworn affidavit is commissioned on 12 August 2022, it will expire on 11 August 2023.

2) **B-BBEE Certificate issued by the Companies and Intellectual Property Commission**

The DTIC through government Gazette Number 38765 published on 6 May 2015, mandated CIPC to issue B-BBEE certificates for EMEs and start-up enterprises, in its efforts to reduce cost of business for small businesses. A certificate issued by CIPC has the same status as a B-BBEE sworn affidavit. Subsequently, CIPC issued a Customer Notice indicating that B-BBEE certificates can be applied for via e-services on the CIPC website (www.cipc.co.za), at CIPC Self Services Terminals when registering or filing Annual Returns.

The following conditions apply when an enterprise uses the CIPC services for obtaining a B-BBEE certificate:

- a) Only directors of a company or members of close corporations can apply for a B-BBEE certificate.
- b) Only companies and close corporations with a turnover of less than R10 million can apply via CIPC.
- c) The enterprise's status must be "In Business".
- d) All Annual Return filings for the relevant company or close corporation need to be up to date;
- e) Application for a B-BBEE certificate can be done at any time (not only when registering a company or filing returns), provided that an application for the certificate which is still valid, was not done already.
- f) Applicant must agree to the B-BBEE terms and conditions.
- g) A director or member amendment must be filed if the director or member's email address or telephone is not correct or up to date.

A CIPC certificate can be submitted to the B-BBEE Commission for attention of Mr. Madidimalo Ramare at MRamare@beecommission.gov.za to confirm if it was generated from the CIPC system. However, on face value, the following information must appear on the certificate:

- a) Name of enterprise, registration number and business address.
- b) Date of issue and expiry adding to twelve months (e.g 9 June 2018 to 8 June 2019) must be indicated.
- c) Percentage of total black ownership, black female ownership and total white ownership.
- d) Certificate number.
- e) Barcode with tracking number.
- f) Barcode with enterprise number.
- g) B-BBEE Status and procurement recognition level.
- h) the dtic logo on the top left corner, and CIPC logo on the top right corner.
- i) CIPC watermark.

3) **Determining validity of a B-BBEE Verification Certificate for B-BBEE compliance.**

- a) An entity that qualifies in terms of the B-BBEE Act to undergo a B-BBEE verification process, can only do so with a verification professional or agency that has been accredited by SANAS or a BBBEE Verification Professional Regulator that may be appointed by the Minister of Trade, Industry and Competition.
- b) B-BBEE verification means the process and activities conducted by a verification professional or agency to assess, verify and validate that the score awarded to a measured entity is a result of individual scorecard elements supplied by a measured entity, and to evaluate B-BBEE transactions in order to provide an indicative B-BBEE score and certification based on the principles of B-BBEE as per the Codes.
- c) A B-BBEE verification process is important in assuring parties that rely on the score achieved by the measured entity and reflected on their B-BBEE Verification Certificate (refers to the B-BBEE verification certificate issued by the verification professional or agency which reflects the overall B-BBEE Status of a measured entity and scoring allocated for each scorecard element verified in respect of the measured entity) and that the information on which the certificate was issued is acceptable, and has been independently verified, and is free from misstatements.
- d) Therefore, the role of a verifier is to assess, verify and validate both disclosed and undisclosed BBBEE related information of the measured entity. The verification thereof should be based on the principles contained in the B-BBEE Act and relevant Codes, by applying the verification methodologies outlined in the Framework for accreditation and verification by all verification agencies (also known as the verification manual) as well as the Accreditation of B-BBEE Verification Agencies document issued by SANAS (also referred to as the R47-03). Important to note that a verifier is not to provide clarity or opinion on interpretation of any B-BBEE matter as such clarity must be sought from the B-BBEE Commission using the contact details mentioned below.

4) **A B-BBEE Verification Certificate shall identify the following information:**

- a) The name and identifiable physical location(s) of the measured entity as per the CIPC records.
- b) The registration and VAT number of the measured entity.
- c) The dates of granting of the B-BBEE score/the period of validity, which is the initial issue date (e.g. 7 October 2021 to 6 October 2022) and the expiry date of the verification certificate.
- d) The revision or reissue date if applicable.
- e) A unique identification number including revision number if applicable.
- f) The standard and/or normative document, including the issue and/or revision used to evaluate.
- g) The name and/or mark/logo of the B the client (amended codes / specialised or respective sector codes).
- h) BBEE verification agency.
- i) The scorecard against which the measured entity has been verified (Generic / QSE).
- j) The B-BBEE status level.
- k) The SANAS Accreditation Symbol on the verification certificate.
- l) The B-BBEE procurement recognition level.
- m) Score per element including total score achieved.
- n) Black ownership percentage.
- o) Black Female ownership percentage.
- p) Black designated group percentage:
 - Black Youth percentage
 - Black Disabled percentage
 - Black Unemployed percentage
 - Black People living in Rural areas percentage
 - Black Military Veterans percentage
- q) Modified flow has been applied, indicate yes or no.
- r) Exclusion principle used, indicate yes or no.
- s) Recent financial year end used (day/month/year).
- t) Discounting principle used, indicate yes / no.
- u) Empowering Supplier status, indicate yes / no.
- v) Name and signature of technical signatory
- w) Amendments to certificate to be clearly documented.
- x) A consolidated certificate to state as such and refers to attachment of the measured entities that are consolidated with registration and vat numbers.
- y) In terms of the reflection of the level and points on the B-BBEE verification certificate, the
- z) following is applicable:
 - Participated in Y.E.S Initiative yes / no
 - Achieve Y.E.S Target and 2.5% Absorption yes / no
 - Achieve 1.5 x Y.E.S Target and 5% Absorption yes / no
 - Achieve Double Y.E.S Target and 5% Absorption yes / no

The recipient or user of a B-BBEE verification certificate can contact any of the accredited verification professionals or agency that is said to have issued the B-BBEE verification certificate, to request confirmation on the issuance of B-BBEE certificate. The recipient or user is also advised to use the SANAS website to verify the accreditation status, accreditation period and scope of accreditation for the verification professional or agency. The SANAS website also has a list of all verification professionals or agencies whose accreditation status has been withdrawn, or suspended, because a verification professional or agency cannot issue a B-BBEE certificate if the accreditation status has expired, withdrawn or suspended.

The recipient or user of the B-BBEE verification certificate, sworn affidavit or B-BBEE certificate issued by CIPC is also allowed, as part of its due diligence processes, to request any relevant additional information or documents from the measured entity in order to validate the credibility of the information recorded on the B-BBEE verification certificate, sworn affidavit/CIPC B-BBEE certificate. It is also the responsibility of the recipient or user of the B-BBEE verification certificate or sworn affidavit/CIPC certificate to specify if measured entities ought to furnish an original or copy including certified copy of the B-BBEE verification certificate or sworn affidavit/CIPC certificate.

9.5.5 Consolidation of price and B-BBEE/specific goals evaluation (Gate 4)

- 1) The points scored by a bidder for the price evaluation and the B-BBEE/specific goals evaluation will be added together to determine the overall points a bidder's proposal will score out of 100 points for the consolidated price and B-BBEE/specific goals evaluation and ranking of the bidders.

9.6 Financial risk analysis

9.6.1 SARS may conduct a financial risk analysis on the bidders and SARS has the right not to make an award to a bidder(s) if its risk analysis indicates a high risk.

9.6.2 The bidders are required to submit complete sets of annual financial statements, for the three (3) most recent financial periods in the name of the bidding entity. The annual financial statements must either be audited or independently reviewed in accordance with the public interest score (PIS) in compliance with the Companies Act, Act 71 of 2008, and the bidders are required to submit the public interest score (PIS) in compliance with the Companies Act, Act 71 of 2008. The annual financial statements must contain:

- 1) A statement of profit and loss and other comprehensive income;
- 2) A statement of financial position;
- 3) A statement of cash flows;
- 4) A statement of changes in equity / net assets; and
- 5) Accompanying notes.

9.6.3 If the bidder cannot provide the preceding year's audited / independently reviewed financial statements as part of its bid submission, the bidder should submit draft annual financial statements

or its latest management accounts, together with the three (3) most recent years audited / independently reviewed annual financial statements.

9.6.4 Bidders who have been trading for less than three (3) financial periods must provide:

- 1) A letter detailing the fact, signed by a duly authorised representative of the entity;
- 2) The annual financial statements that the entity can provide, considering the period that it has been trading; and
- 3) Any other information or documentation which would provide more clarity on the financial history of a bidder.

9.6.5 SARS reserves the right to request further information regarding the annual financial statements of a bidder at a later stage to demonstrate the potential bidder's financial capability. These will include, but are not limited to:

- 1) Holding company's / Parent company's accounts;
- 2) Management accounts;
- 3) Signed letter from a recognised financial institution confirming capital availability and bank statements; and/or
- 4) Credit rating reports (confirming capital availability or access to capital).

9.6.6 In the event of a subsidiary being the bidding entity and it submits the holding company's financial statements for financial analysis purposes, the holding company must furnish a Performance Guarantee that is signed by a Financial Service Provider (Guarantor) of the holding company, stating that the Guarantor will undertake to cover any or all risks associated with a bidder, in the event the bidder is awarded the .

9.6.7 If the proposal is submitted by an incorporated joint venture, the incorporated joint venture is required to submit annual financial statements of the joint venture. If the proposal is submitted by an unincorporated joint venture / consortium arrangement, the unincorporated joint venture / consortium is required to submit annual financial statements of each of the parties to the arrangement.

9.6.8 SARS reserves the right to request a financial guarantee from the recommended bidder(s) prior to award, based on the financial risk evaluation outcome.

9.7 Recommended bidders' due diligence and risk assessment prior to award

9.7.1 SARS has a legal and moral obligation to ensure that a supplier's financial position does not place public money or services at unacceptable risks and will therefore perform due diligence and risk assessment of recommended bidder(s) prior to award.

9.7.2 As part of due diligence and risk assessment, the bidder must ensure that the bidder is complying to all regulatory prescripts, including industry regulations specific to the commodity/services procuring, that are applicable to this tender, as well as ethical business practices. SARS has the right to request evidence of this compliance from the bidder, and third parties, for purposes of the due diligence exercise and for audit or contracting arrangements.

9.7.3 In the event that a due diligence exercise reveals that a recommended bidder does not comply with SARS' risk appetite or compliance requirements then SARS has the right not to make an award to the recommended bidder.

9.7.4 The recommended bidder(s) will be required to consent in the agreement to continuous and in-depth

due diligence to ensure ethical business practices throughout the term of the tender.

9.8 Proposed legal agreement

- 9.8.1** Any award made to a bidder under this is conditional, amongst other provisions, upon SARS and such bidder concluding a written agreement within twenty-one (21) working days of the bidder receiving the written agreement. The timeous finalisation of such an agreement will be an absolute pre-condition to the recommended bidder(s) being awarded the tender and providing the goods or services to SARS.
- 9.8.2** If the recommended bidder(s) fails to sign the proposed agreement within the time frame stipulated, SARS reserves the right to:
- 1) cancel the award to the recommended bidder;
 - 2) or
 - 3) take any other action SARS deems reasonable and appropriate.
- 9.8.3** Bidders are requested to-
- 1) Comment on the terms and conditions set out in the draft agreement and where necessary, propose required changes to such terms and conditions.
 - 2) Each comment and/or amendment must be explained.
 - 3) All changes and/or amendments to the agreement must be in an easily identifiable colour font and tracked for ease of reference.
- 9.8.4** Upon award, SARS and the successful bidder will conclude the agreement which regulates the specific terms and conditions applicable to the goods and services being procured by SARS. In this regard:
- 1) SARS will enter into negotiations with the bidder with a view to concluding the agreement.
 - 2) SARS will be entitled to cease negotiating with a bidder if SARS, in its sole discretion, is of the opinion that: (i) the bidder has made misrepresentations in its proposal; (ii) the bidder is attempting to withdraw from positions or commitments made in its proposal; (iii) the bidder is not negotiating in good faith; or (iv) an agreement may not be expeditiously concluded with the bidder for any other reason.
 - 3) SARS reserves the right to vary the terms and conditions of the proposed agreement during the course of negotiations with a bidder at SARS' sole discretion.
 - 4) SARS reserves the right to accept or reject any or all amendments or additions proposed by the successful bidder if such amendments or additions are unacceptable to SARS or pose a risk to the organisation.
- 9.8.5** A bidder should note that the terms of its proposal will be incorporated in the proposed agreement by reference and that SARS relies upon the bidder's proposal as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder. It follows therefore that any misrepresentations in a proposal may result in legal action or other processes by SARS against the bidder, notwithstanding the conclusion of an agreement between SARS and the bidder for the provision of the goods and services in question. In the event of a conflict between the bidder's proposal and the agreement concluded between the parties, the agreement will prevail.

9.9 Performance Standards

- 9.9.1** SARS may prescribe certain performance standards (Service Levels) that a successful bidder must comply with in the performance of the services.
- 9.9.2** Failure to adhere to the Service Levels will result in SARS levying a financial penalty for the Service Level Failure.
- 9.9.3** Multiple Service Level Failures with the SARS' prescribed Service Levels will constitute a material breach of the Service Level Agreement.
- 9.9.4** Notwithstanding the implementation of the Service Levels and Financial Penalties, SARS reserves the right and without derogation to any other remedies it may have in law, to terminate the Service Level Agreement for breach (persistent non-compliance) by the successful bidder.

10 TRUSTS, JOINT VENTURES, SUBCONTRACTING AND OTHER ARRANGEMENTS

10.1 Proof of existence of a trust, joint venture, consortium and subcontracting arrangements

- 10.1.1** Where, for the purposes of this , a bidder submits its proposal as a trust, such bidder must submit concrete proof of the existence of a trust. SARS will accept a registered trust deed as acceptable proof of the existence of a trust. The trust deed must include amongst others:

- 1) Details of the trustees of the trust; and
- 2) Details of the beneficiaries of the trust. In instances where the beneficiary is a trust, the trust deed of that specific trust is required.

- 10.1.2** Where, for the purposes of this , a bidder submits its proposal as a joint venture or consortium (incorporated or unincorporated), the bidder must submit the joint venture / consortium agreement, which sets forth the following details:

- 1) identification of each party to the agreement in full;
 - 2) the percentage ownership of the joint venture / consortium of each party to the agreement (if applicable);
 - 3) the precise functions and responsibilities which each party will fulfil in terms of the agreement. This should include details of the delimitations of scope within the goods and services to be assigned to such a party(ies);
 - 4) the anticipated percentage of the revenue that the party(ies) would receive (anticipated revenue that the party(ies) would receive as a percentage of the total revenue the bidder would anticipate receiving over the term of the agreement with SARS), if the bidder is successful; and
 - 5) clearly set out the roles and responsibilities of the Lead Partner and the remainder joint venture / consortium party(ies). The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party(ies) in respect of matters pertaining to the joint venture.
- 6) If a bidder is submitting a proposal in the form of an unincorporated joint venture / consortium, the SBD 4 Bidder's disclosure form should be completed by each party participating in the joint venture / consortium agreement, and proof of CSD registration should be submitted for all parties participating in the joint venture / consortium for this .

- 7) Joint venture members should be advised that each member will be held jointly and severally liable for the performance of the joint venture.

10.1.3 Where, for the purposes of this , a bidder has or intends to subcontract areas of scope of the goods and services, the bidder must submit the subcontracting agreement, and must note the following:

- 1) the bidder must indicate the name of the subcontractor(s), the percentage of the contract that will be subcontracted, the B-BBEE status level of the subcontractor(s) and whether the subcontractor(s) is an EME or QSE;
- 2) a bidder awarded a contract, may only enter into a subcontracting arrangement with the approval of SARS;
- 3) the agreement will be concluded between the main contractor(s) and SARS, therefore, the main contractor(s) and not its/their subcontractor(s) will be held liable for performance in terms of its contractual obligations;
- 4) the successful bidder must, at all times, be solely and entirely accountable to SARS for the performance of its contractual obligations in terms of the agreement; and
- 5) Without diminishing the bidder's accountability in any way for the delivery of the services, including the performance standards, SARS may require: access to and transparency in the subcontracting agreements; the full details of the functions which the subcontractor will fulfil in terms of the agreement including details of the delimitations of scope within the services to be assigned to such a subcontractor; monitoring and reporting of subcontractor's participation and performance to SARS; direct participation of subcontractor(s) in the account and project planning activities; and subcontractors' representation in governance structures and committees. SARS will, at all times, demand fair dealing in the relationship between a bidder and its subcontractor(s).

11 COMPLAINTS AND ALLEGATIONS

- 11.1.1** Should a Bidder have rational reasons to believe that the tender process is unfair or irregular, including the fact that the technical specifications are not open and/or are written for a particular bidder, brand or product; the bidder is urged to notify the Procurement Department within ten (10) days after publication of the bid and provide details of its complaint for SARS' consideration.
- 11.1.2** Any suspicious activity, including requests, approaches or calls asking for upfront payment to secure an award of a bid or in lieu of claims that the outcome of a tender can be influenced towards a particular bidder, bidders are requested to immediately inform the *SARS Fraud / Anti-Corruption* Hotline at 0800-002870 or email at anti-corruption@sars.gov.za for further investigation.
- 11.1.3** The "SARS hotline" further provides an anonymous reporting channel for any unethical behaviour that a bidder wants to report.

12 GENERAL CONDITIONS OF BIDDING

- 12.1** **By bidding, a bidder, is deemed to have accepted all terms and conditions of this ; and is further deemed to have accepted that if successful, any award made will be made subject to the terms and conditions of this .**
- 12.2** **Reservation of rights**

12.2.1 In addition to any rights which SARS has reserved to itself in this document or any other document in the pack, SARS reserves the right in its sole discretion to:

- 1) make no award, or to accept part of a proposal rather than the whole;
- 2) withdraw, or cancel this ;
- 3) amend, vary, or supplement any of the information, terms or requirements contained in this , any information or requirements delivered pursuant to this , or the structure of the process;
- 4) schedule additional briefing sessions / site inspections, and to conduct site visits, site inspections, product evaluations, local content evaluations, and/or perform audits including due diligence exercises on any bidder whenever SARS deems it prudent to do so;
- 5) no longer consider a bidder's proposal where adverse information about the bidder or its proposal submission has come to the attention of SARS, provided that such bidder is informed accordingly and afforded an opportunity to object;
- 6) subject to applicable legislation and conditions of tender, award a proposal based on which bidder is offering the best value for money, even if such proposal has not scored the highest points during the evaluation;
- 7) conduct a risk assessment of a bidder's capability to deliver the goods and perform the services in accordance with the specified service levels and/or achieve SARS' objectives;
- 8) request clarification or verification in respect of any information contained in or omitted from a bidder's proposal, which SARS may do either in writing or at a meeting convened with the bidder for that purpose;
- 9) conduct a due diligence on any bidder or its subcontractor, which may include interviewing customer references or performing other activities to verify information and capabilities submitted, claimed, or otherwise, (including visiting a bidder's, subcontractors, or customer reference premises, sites and/or facilities to verify certain stated facts or assumptions). The bidder will be obliged to grant SARS with all such access, assistance and/or information as SARS may reasonably request. The bidder must respond within the timeframes set by SARS, failing which SARS reserves the right not to consider the bidder's proposal any further; and/or
- 10) request presentations from such short-listed bidders. All costs relating to the preparation of such presentations will be borne by the bidders.

12.2.2 SARS will disqualify any bidder, report to the National Treasury and take the necessary steps to restrict a bidder from doing business with the State, who:

- 1) engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this ;
- 2) seeks any assistance, other than assistance officially provided by a government entity, from any employee, advisor or other representative of a government entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a government entity;
- 3) makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of SARS' officers, directors, employees, advisors or other representatives;
- 4) makes or offers any gift, gratuity, anything of any value or other inducement, to any government entity's officers, directors, employees, advisors or other representatives in

order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a government entity;

- 5) accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a government entity;
- 6) pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, which is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a government entity;
- 7) has been found guilty in a court of law or administrative or regulatory authority having appropriate jurisdiction on charges of unethical or improper conduct, regardless of whether or not a prison term or penalty was imposed;
- 8) is listed on the National Treasury's Register for Tender Defaulters or the National Treasury's Database of Restricted Suppliers; or
- 9) whose tender contains a misrepresentation which is materially incorrect or misleading.

12.2.3 Bidders' own conditions

- 1) Bidders may not come up with their own terms and conditions, counter conditions, modify or vary any of the terms, conditions or requirements herein. SARS may disqualify any bidder who fails to comply with this clause.

12.3 Conflict of interest

- 12.3.1 If at any time a bidder identifies an actual or potential conflict of interest, the bidder must immediately notify SARS in writing. SARS reserves the right to exclude the proposal submitted by such bidder from further consideration, unless the bidder is able to resolve the conflict to SARS' satisfaction. If it comes to SARS' knowledge that there was indeed a conflict of interest or a potential conflict of interest, same will be grounds for the immediate disqualification of the bidder.

12.4 Confidentiality

- 12.4.1 Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, information contained in a bidder's proposal(s) may not be disclosed by any bidder, other than to a person officially involved with SARS' examination and evaluation of a proposal.
- 12.4.2 Throughout this process and thereafter, the bidders must secure SARS' written approval prior to the release of any information that pertains to (i) the potential work or activities to which this relates; or (ii) the process which follows this. Failure to adhere to this requirement may result in disqualification from the process and such legal action as SARS may deem suitable.

12.5 Fronting

- 12.5.1 SARS supports the spirit of broad-based black economic empowerment and recognises that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background SARS condemns any form of fronting.
- 12.5.2 SARS, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries / investigations to determine the

accuracy of the representations made in the bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry be established during such enquiry / investigation, the onus will be on the bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the bidder / contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies SARS may have against the bidder / contractor concerned.

12.6 Insurance

- 12.6.1** The successful bidder will be required, on or before the effective date of the agreement and for the duration of the agreement, to have and maintain in force adequate insurance cover consistent with acceptable and prudent business practices and acceptable to SARS, which shall include, without limitation, professional indemnity insurance cover as appropriate.

12.7 Indemnity

- 12.7.1** If a bidder breaches any condition of this and, as a result of that breach, SARS incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the process and/or enforcement or defence of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds SARS harmless from any and all such costs which SARS may incur and for any damages or losses SARS may suffer.
- 12.7.2** A successful bidder shall indemnify, hold harmless and agree to defend SARS and its officers, employees, agents, successors-in-title, and assigns, from any and all Losses arising from, or in connection with, any of the following -
- 1) Third party claims attributable to any breach of the provisions of the Services Agreement by the successful bidder;
 - 2) Third party claims attributable to theft, fraud or other unlawful activity or any negligent, wilful or fraudulent conduct by the successful bidder or its employees and claims attributable to errors and/or omissions;
 - 3) Third party claims arising from or related to the death or bodily injury of any SARS agent, employee, business invitee, or business visitor or other person on SARS's premises caused by the negligent acts or omissions of the successful bidder or its employees; and
 - 4) Third party claims arising from damage to property owned or leased by SARS or a third party caused by the successful bidder's or its employees' negligence or misconduct.

12.8 Intellectual property

- 12.8.1** SARS retains ownership of all intellectual property rights in the documents that form part of this .
- 12.8.2** Bidders will retain the intellectual property rights in their proposals but grant SARS the right to reproduce any copyrighted works for the purposes of the tender process .
- 12.8.3** Subject to any specific provisions in any service level agreement, master services agreement, work orders or change orders or any other agreement concluded between SARS and a bidder in terms of this , all intellectual property rights created, generated, coded or designed in terms of this bid to meet SARS' business requirements and needs will be, and remain the perpetual exclusive property of SARS. Successful bidders who so create, generate, code or design any intellectual property for SARS in terms of this , undertake to provide SARS with full access to such intellectual property

including the provision of security keys and access codes both during and after the bidders appointment as a service provider.

- 12.8.4** In the event that any bidder utilises any third party intellectual property, in terms of a license, to submit a bid, or that such third party intellectual property will be utilised to fulfil SARS' business requirements for the bid, bidders firstly warrant that they have the rights to do so, and secondly, agree to fully indemnify SARS against in any claims whatsoever arising from the application of third party intellectual property in the SARS environment and on the basis of SARS' indemnity rights in the Indemnity clause above.

12.9 Limitation of liability

- 12.9.1** A bidder participates in this process entirely at its own risk and cost. SARS will not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the bidder's participation in this process.

12.10 Preparation costs

- 12.10.1** A bidder will bear all its costs in preparing, submitting, delivering, and presenting any response or proposal to this and all other costs incurred by it throughout the process. No statement in this will be construed as placing SARS, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidders in the preparation of their response to this .

12.11 Precedence

- 12.11.1** The terms and conditions of this document will prevail over any information provided during any briefing session or communication, whether oral or written, unless such information is official written communication, as set out per the Communication paragraph in this document, and that such information expressly states that it amends this document.

12.12 Responsibility for bidder's personnel and subcontractors

- 12.12.1** A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives of a bidder), its subcontractors (if any), and personnel of its subcontractors comply with all the terms and conditions of this .
- 12.12.2** If SARS allows a bidder to make use of subcontractors, such subcontractors will at all times remain the responsibility of the bidder and SARS will not under any circumstances be liable for any losses or damages incurred by such subcontractors.
- 12.12.3** The proposal shall however be awarded to the bidder as a primary contractor who shall be responsible for the management of the awarded proposal. No separate contract shall be entered into between SARS and/or its client and any such subcontractors.
- 12.12.4** If a bidder includes evidence of experience of individuals that are not currently employed by the said bidder, then the bidder is required include in their submission a letter or agreement from the respective individual whose evidence of experience is included in the proposal, that the individual is aware and is in agreement that their evidence of experience may be included for tendering purposes, and that the said individual confirms to commit and will make him/herself available for the contract period should the contract be awarded.

- 12.12.5** If a bidder includes experience of an entity other than the bidder itself, then the bidder must include in their submission a letter or agreement from the respective entity that the entity is aware and agrees that their experience may be included for tendering purposes. Copies of the signed agreements between the relevant parties must be attached to the proposal responses.

12.13 Prohibition of participation in resultant tender

- 12.13.1** Any bidder, whether participating in a trust, joint venture, consortium and/or subcontracting arrangement, who participates in preparatory work on the basis of which another tender will flow, may not participate in the resultant tender because of the advantage of having been privy to the underlying preparatory work.

12.14 not an offer

- 12.14.1** This does not constitute an offer to do business with SARS, but merely serves as an invitation to bidders to facilitate a requirements-based decision process. Nothing in this or any other communication made between SARS (including its officers, directors, employees, advisers and representatives) is a representation that SARS will offer, award or enter into an agreement with the bidder.

12.15 SARS' oath / affirmation of secrecy

- 12.15.1** SARS has a Policy in terms of which the successful bidder; key personnel or any other personnel as may be determined by SARS will be required, upon award, to individually take a mandatory oath/ declaration/ affirmation of secrecy. The award will therefore be made subject to the condition that the successful bidder along with the personnel referred to above comply with the afore mentioned Policy.

12.16 Screening and vetting of a bidder

- 12.16.1** Acceptance of a bidder's proposal is subject to the condition that both the successful bidder and its personnel providing the goods and services, must be screened and cleared by the appropriate authorities to the grade of clearance in line with SARS' applicable policies.
- 12.16.2** Obtaining the necessary clearance is the responsibility of the successful bidder concerned. If the successful bidder appoints a subcontractor, the same provisions and measures will apply to the subcontractor.
- 12.16.3** The bidders shall supply and maintain a list of personnel involved on the project indicating their clearance status.

12.17 Tax compliance

- 12.17.1** It is a requirement that any supplier conducting business with SARS is tax compliant at the date of award of a contract / bid and remains tax compliant throughout the duration of their contracts with SARS.
- 12.17.2** No contract / bid may be awarded to a supplier who is not tax compliant. SARS reserves the right to withdraw an award made, or cancel a contract concluded with a supplier / successful bidder in the event that it is established that such supplier / bidder was in fact not tax compliant at the time of the award. SARS further reserves the right to cancel a contract with a supplier / successful bidder in the event that such supplier/bidder does not remain tax compliant for the full term of its contract.

12.17.3 Where the recommended supplier / bidder is not tax compliant, it must be notified in writing of their non-compliant status and be granted a minimum of seven (7) working days to rectify their tax compliance status with SARS. Thereafter the supplier / bidder is responsible to provide SARS with proof of its tax compliance status which must be verified through CSD and / or Tax Compliance System.

12.17.4 In line with SARS's strategic objectives, the directors / owners of the bidding entity who are not tax compliant may be referred to the SARS tax compliance unit for further investigation in order to achieve full tax compliance.

12.18 Tender defaulters and restricted suppliers

12.18.1 No bid will be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appears on the National Treasury's Register for Tender Defaulters or the National Treasury's Database of Restricted Suppliers.

12.19 Local production and content

12.19.1 SARS supports and promotes local production and local content, environmentally friendly products, and sustainable sourcing.

12.19.2 To enable this objective to be adequately assessed and as part of contract management, bidders shall advise SARS of its local and regional strategy and its initiatives to involve, support and use local/regional entities and workforce.

12.19.3 The appointed supplier shall provide and use, for the performance of this contract, local subcontractors or locally acquired materials, equipment and facilities, to the extent available and within reasonable costs, to produce the quality and quantity of work and materials required by this contract.

12.20 Validity of information

12.20.1 SARS has made reasonable efforts to ensure the accuracy of the information contained in this . However, neither SARS, nor its employees, officers, advisers or agents will be liable (directly or otherwise) to a bidder or any third party for any inaccuracy or omission of any information in the or in respect of any additional information SARS may provide to a bidder as part of the process.

12.20.2 A bidder is deemed to have examined this and any other information supplied by SARS to the bidder and to have satisfied itself as to the correctness and sufficiency of such information before submitting any of its responses.

12.21 Governing law

12.21.1 This and any resultant agreement shall be governed by the laws of the Republic of South Africa.

13 CHECKLIST OF RETURNABLES

Table 11: Checklist of returnable documents

	Checklist of returnable documents	Comply	Do not comply
1.	A hardcopy and an electronic copy proposal submission has been submitted for this .		
2.	The pricing information is included as a separate file (File 2) and is not included in the technical file (File 1).		
3.	The tender proposal has been organised as per the format required for this tender (paragraph 6).		
4.	SBD 1: Invitation to bid form has been completed and signed .		
5.	SBD 4: Bidder's Disclosure has been completed and signed .		
6.	SBD 6.1: Preference points claim form has been completed, points for B-BBEE / specific goals claimed, and signed.		
7.	Proof of registration on the Central Supplier Database (CSD) has been submitted.		
8.	Draft Agreement / General Conditions of Contract (GCC) has been completed and signed.		
9.	A complete set of three (3) most recent annual financial statements has been included.		
10.	All the technical evaluation requirements have been submitted with this bid.		
11.	All the pricing evaluation requirements have been submitted with this bid and the pricing template / Bill of Quantities has been completed in full and signed.		
12.	All the B-BBEE/specific goals evaluation and specific goal requirements have been submitted with this bid.		