

**REFERENCE: RFP 12/2021**

**REQUEST FOR PROPOSAL**

**DESCRIPTION:**

**PROVISION OF EMPLOYEE ENGAGEMENT SURVEY FOR  
SARS**

**DATE ISSUED: 13 OCTOBER 2021**

**CLOSING DATE: 05 NOVEMBER 2021, 11H00**

**TENDER BOX:**

**LEHAE LA SARS, HEAD OFFICE  
299 BRONKHORST STREET  
NIEW MUCLENEUK  
PRETORIA  
0181**

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## 1 INTRODUCTION

The Strategic Plan 2020 - 2024 presents an inspirational vision to build “a smart modern SARS, with unquestionable integrity, trusted and admired”. It sets out a clear Strategic Intent “to follow the internationally recognized approach of Voluntary Compliance”, and further translates this intent into nine clear strategic objectives. To deliver this, we need to build administrative and institutional capability that has integrity and serves the public beyond reproach.

### 1.1 OVERVIEW OF SARS

#### **Our Mandate**

The South African Revenue Service Act, 1997 (Act No. 34 of 1997), enables SARS to:

- Collect all revenue due;
- Ensure optimal compliance with Tax and Customs legislation; and
- Provide a Customs service that optimises revenue collection, protect our borders and facilitate legitimate trade.

The primary legislation that SARS administers includes:

- Income Tax Act, 1962 (Act No. 58 of 1962);
- Customs and Excise Act, 1964 (Act No. 91 of 1964);
- Value-Added Tax Act, 1991 (Act No. 89 of 1991);
- Tax Administration Act, 2011 (Act No. 28 of 2011); and
- Employment Tax Incentive Act, 2013 (Act No. 26 of 2013).

#### **How We Fulfil Our Mandate**

#### **SARS Compliance Theory and Philosophy**

In our context, compliance refers to the degree to which taxpayers and traders fulfil their tax obligations required in law (namely registration, filing, declaration, payment and deregistration), when and as required. This includes making requisite disclosures and payments fully and honestly.

In the fulfilment of our legislative mandate, the main work of SARS is to ensure taxpayer and trader compliance. This is expressed as the SARS Compliance Programme, which we review and prepare as part of our Annual Performance Plan.

Our aim is to engage with society in a way that earns public confidence and trust, while fostering a willingness to fulfil its obligations. Voluntary compliance refers to society fulfilling their obligations with minimal prompting by SARS. We achieve this when we believe that most taxpayers and traders are honest and simply want to fulfil their obligations with the least amount of effort and cost. We therefore, strive to promote a culture where compliance is viewed as a positive social contribution.

The behaviour of taxpayers and traders may range from willing and intentional compliance to non-compliance largely because of a lack of knowledge or means. We are also aware though, that some taxpayers and traders consciously choose not to comply and will engage in aggressive planning or even criminal behaviour. SARS is of the view that at the extremes, a certain number of people will always do the right thing, whilst a certain number will always do the wrong thing. Most people fit between these two extremes; in that they will do the right thing if the circumstances are right for them, but will choose not to comply if they believe they would get away without consequence. SARS will, therefore, seek to move as many taxpayers and traders as possible, up the continuum to be more willing to comply voluntarily.

We will achieve voluntary compliance when everyone is aware of their tax obligations (clarity and certainty), it is reasonably easy and less costly to meet these obligations (ease of compliance), and when there's a credible threat of detection and consequences for those who do not to comply with their obligations (detection and costly non-compliance). To deliver this, we need to build administrative and institutional capability that has integrity and serves the public beyond reproach.

## **Strategy over the five-year planning period**

### **SARS Higher Purpose**

Our work enables Government to build a capable State, to foster sustainable economic growth and social development that serves the wellbeing of all South Africans.

### **Our Strategic Intent**

Our mandate is to collect all revenue due; ensure optimal compliance with tax and customs legislation; provide a customs service to optimise revenue, border protection and facilitate legitimate trade. To give effect to our mandate, our Strategic Intent is to develop a Tax and Customs system based on Voluntary Compliance.

### **Our Vision**

It is our Vision to build a smart modern SARS with unquestionable integrity that is trusted and admired.

## **Our Strategic Objectives**

In support of our Strategic Intent and giving effect to our compliance philosophy, we have identified and committed to achieving nine (9) Strategic Objectives to guide and inform our efforts and decisions, and focus our resources over the course of this planning cycle. Our nine (9) Strategic Objectives are as follows:

- Provide Clarity and Certainty for taxpayers and traders of their obligations.
- Make it easy for taxpayers and traders to comply with their obligations.
- Detect taxpayers and traders who do not comply and make non-compliance hard and costly.
- Develop a high performing, diverse, agile, engaged, and evolved workforce.
- Increase and expand the use of data within a comprehensive knowledge management framework to ensure integrity, derive insight and improve outcomes.
- Modernise our systems to provide digital and streamlined online services.
- Demonstrate effective resource stewardship to ensure efficiency and effectiveness in delivering quality outcomes and performance excellence.
- Work with and through stakeholders to improve the tax ecosystem; and
- Build public trust and confidence in the tax administration system.

## **The Values we hold dear are:**

Endeared by a sense that we serve a Higher Purpose in the service of South Africans, and committed to the fulfilment of our Mission and Mandate, we hold the following values dear:

- Uncompromising regard for Taxpayer Confidentiality.
- Unquestionable Integrity, Professionalism and Fairness.
- Exemplary Public Service; and
- Incontestable insights from Data and Evidence.

## **2 PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)**

The purpose of this request for proposal is to solicit bids from potential service providers, hereafter referred to as bidder(s) with a minimum B-BBEE status level 3, for the provision and facilitation of Employee Engagement Surveys for SARS.

The RFP incorporates, as far as possible, the tasks and responsibilities of the potential bidder required for the provision of employee engagement survey.

This bid 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.

### **3 LEGISLATIVE FRAMEWORK OF THE BID**

#### **3.1 TAX LEGISLATION**

Bidders should be familiar with all tax laws applicable in the Republic of South Africa and should fully comply with such laws.

#### **3.2 PROCUREMENT LEGISLATION**

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), the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and its regulations, as well as, the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).

#### **3.3 TECHNICAL LEGISLATION AND/OR STANDARDS**

Bidder(s) should be cognisant of all legislation and/or standards specifically applicable to the services. Bidder(s) should note further that processing of personal information shall be dealt with in accordance with the prescripts of the Protection of Personal Information Act, 2013 (Act No.4 of 2013).

### **4 BRIEFING SESSION**

A non-compulsory virtual briefing session will be facilitated. Interested parties will find the details/link of the meeting on the SARS website 3 days prior to the briefing session date.

### **5 DURATION OF CONTRACT**

The successful bidder will be appointed for a period of sixty (60) months on an as and when required basis to facilitate three (3) Employee Engagement Surveys and two (2) ad-hoc surveys. The deployment cycle period of each survey will be determined by the organisational needs at the time.

### **6 TIMELINE OF THE BID PROCESS**

The validity period for the tender and withdrawal of offers, after the closing date and time, is one hundred and eighty (180) days.

The project timeframes of this bid are set out below:

Activity	Date Due
Advertisement of Bid in the: <ul style="list-style-type: none"> <li>- SARS website;</li> <li>- eSourcing; and</li> <li>- National Treasury Tender Portal.</li> </ul>	13 October 2021
Distribution of Bid documents on SARS website	13 October 2021
Non-compulsory virtual briefing session	20 October 2021
Questions relating to RFP from Bidder(s)	13 October – 29 October 2021
Closing Date	05 November 2021, 11h00
Notice to bidders	February/ March 2022*

\*Please note that this date is subject to change.

All times given in this bid are South African Standard Time.

Any time or date in this bid is subject to change at SARS' discretion. A reference to a time or date in this bid does not create an obligation on the part of SARS to take any action, or create any right in any way for any bidder to demand that any action be taken on that specific date or at that specific time. The bidder accepts that, if SARS extends the deadline for bid submission (the closing date) for any reason, the requirements of this bid will otherwise apply equally to the extended deadline.

## 7 CONTACT

A nominated official of the Bidder(s) can make enquiries in writing, to the specified person, Mr Andre Taljaard (Procurement Tender Office) via email [TenderOffice@sars.gov.za](mailto:TenderOffice@sars.gov.za) and copy [rft-professionalservices@sars.gov.za](mailto:rft-professionalservices@sars.gov.za). Bidders must reduce all telephonic enquiries to writing and send same to the above email addresses.

## 8 SCOPE OF WORK / SPECIFICATION

### 8.1 BACKGROUND

The main objective of conducting the Employee Engagement survey relates to SARS organisational Strategic Objective four, which is; **Developing a HIGH performing, DIVERSE, AGILE, ENGAGED and EVOLVED workforce** which is critical to enabling achievement of the SARS strategic objectives as well as the effective implementation of the commitments tabled on the Annual Performance Plan.

In addition, it also provides a scientific determination of SARS Employee Engagement Index so that it serves as a baseline measurement for specific management measures. The level of employee engagement i.e. engagement score tells SARS how motivated, fulfilled and committed its employees are. Having the right engagement practices powered by understanding the drivers most meaningful to employees helps create a more motivated and high-performing workforce. The usage of the Connexion Survey will continue to track and monitor employee engagement levels within SARS.

SARS has significantly evolved over the past decade in applying best practice assessment of employee engagement. To further entrench this, we require the services of an independent professional consultancy to partner with the SARS Employee Engagement Team in driving employee engagement at this critical point of transformation within the organisation.

The organisation should continue to provide SARS employees the opportunity to rate their organisational work experience and share ideas through an online survey administered by an independent external service provider to enable employees to freely share their perceptions about the organisation. SARS should also refocus Employee Engagement from just driving engagement in the present, to building long-term sustainability and using engagement data to inform strategic business decisions.

### 8.2 TECHNICAL REQUIREMENTS

The successful bidder will be required to administer an online-customised survey supported by dedicated and knowledgeable resources that shall provide pre-planning, deployment, and post survey support to SARS.

The services required from the successful bidder include but are not limited to:

#### 8.2.1. Customisation of Surveys

- An online-customised survey supported by dedicated and efficient pre-during and post survey support;

- Design of survey procedures and administration methods to ensure high levels of participation;
- Providing a data rich diagnostic analysis of the survey results that will enable and support more focused and business aligned strategies;
- Providing survey results to managers in accessible and actionable formats through interactive electronic reports and customisable power point presentations;
- Locating productivity risks using reliable metrics to identify “hot spots” of low engagement across the organisation as well as across a series of demographic areas – i.e. region, business divisions, generations, levels, tenure, etc;
- Ensuring a data rich diagnostic report by providing a comparative analysis of current baseline results against credible and relevant external benchmarks, both nationally and internationally;
- A sound best practice methodology supported by a customised survey questionnaire in line with the organisation’s priorities, focus areas and any other additional external factors prevalent at the time;
- Providing a detailed and extensive overall SARS, divisional and sub-divisional reports with overall performance scores, key strengths, opportunities for improvement and recommendations;
- Providing a structured process to enable line managers to take ownership of the outcomes and translate these in action for business success;
- Providing access to well researched best practice to support creative and innovative solutions to the current challenges identified; and
- The use of an interactive reporting tool which enables the user to correlate and compare various segments of data relevant to specific business priorities and generate graphs and standard recommendations for results shown.

#### **8.2.2. Survey Planning**

- To provide a key point person(s) to ensure a robust survey planning process that will include but not be limited to, questionnaire customisation and design, defining the reporting hierarchy and specifications, and trend and normative data mapping of current survey data.

#### **8.2.3. Survey Administration**

- To ensure a secure, stable, and easy to use web-based survey administration tool. The administration will include daily response rate tracking during the period of the survey, email invitations to participants, and follow up reminders, providing a query support service to participants with a 24-hour turnaround resolution time;
- Provide full list of all the websites that are linked to the survey to be whitelisted to ensure ease of accessibility to the entire staff population including those with limited internet access; and
- Accommodate visual impaired employees using compatible software or telephonic interviews to an

estimated number of 100 employees.

#### **8.2.4. Data Analysis and Reporting**

- To ensure a data rich diagnostic report by providing a comparative analysis of current and previous results against credible and relevant external benchmarks, both nationally and internationally;
- The use of an interactive reporting tool should enable the user to correlate and compare various slices (segments) of data relevant to specific business priorities and generate customised power point presentations of results for ease of presentation and discussion;
- This requirement will be applicable to clusters, sub clusters, divisions, sub divisional, and business unit reports, or any other variable required and set out during the survey planning stage;
- Service provider to adhere to 24 hours turnaround time for resolving technical issues on the reporting tool; and
- The service provider to provide but not limited to the following reports, taking into account any transformation in the organisation, which could include such variables such as structural or organisational changes affecting the existing structure of the organisation (the number of reports is estimated):
  - EXCO summary report (1)
  - SARS overall report (1)
  - Cluster (Divisional) reports (23)
  - Sub Cluster (divisional) reports (120)
  - Talent pool segments (1)

#### **8.2.5. Data Analysis, Presentation and Action Planning**

- Provide and present an executive summary of the overall results together with recommendations on the key strengths and opportunities for improvements to SARS EXCO. The service provider to be flexible and available to a minimum of four (4) meetings to present the survey results;
- Provide a detailed SARS wide and cluster reports with overall results, key strengths and opportunities for improvement and recommendations;
- Provide static reports for business units across SARS with overall results, key strengths and opportunities for improvement and recommendations;
- The service provider will also be required to ensure the transfer of skill to the internal teams to enable the cascading of the survey communication to all levels in the organisation. This will include amongst others a results interpretation and action planning session delivered online; and
- Provide an online action planning tool, supported by a well-researched data base of best practice that will support the creation, tracking and monitoring of action plans by the respective line managers.

#### 8.2.6. Survey Delivery

The Employee Engagement Survey must be provided to all SARS Employees across all national locations where there are SARS offices. The current headcount at SARS is **12 384**. The current Geographical spread of the SARS workforce is depicted in the table below:

Regions	Number
Eastern Cape	680
Free State	489
Gauteng Central	1027
Gauteng North	1463
Gauteng South	1688
Head Office	2620
Kwa-Zulu Natal	1574
Limpopo	431
Mpumalanga	425
North West	278
Northern Cape	167
Western Cape	1542

#### 8.2.7. Survey Administration and IT Infrastructure

The successful service provider must ensure compatibility to SARS IT Infrastructure and security regulations, available on request from SARS. The current internet requirement is:

- Google Chrome;
- Edge;
- JAVA script; and
- Internet Explorer.

#### 8.2.8. Training

- Provide a two (2) days train the trainer session on the reporting tool to a minimum of fifty (50) nominated SARS employees. The service provider to provide the requirements and compliance standards before training commence.

#### 8.2.9. Post Tender Award

The envisaged commencement date of the initial Employee Engagement Survey for SARS is February / March 2022.

## **9 SARS REQUIREMENTS FROM THE BIDDERS / BIDDERS RESPONSE**

Bidders must respond to all the information required in this section in their bid proposals. Bidders should also refer to the paragraph 8, which details the background and technical requirements.

### **9.1 COMPANY PROFILE**

The bidders should provide in their response detailing:

#### **9.1.1 Organisation structure including:**

- The profile of the company including:
  - the organogram of the team that will conduct employee engagement survey; and
  - company years of experience in providing employee engagement survey.

9.1.2 Infrastructure to be able to support SARS where the SARS team is working remotely or in the office (by having e.g. laptops, tablets, cell phones and systems in place to connect virtually e.g. zoom, Ms teams and WebEx) to render the services.

#### **9.1.3 Resources including:**

- A minimum of three (3) support staff that will be assigned to SARS including technical support to attend to email enquiries and system support in respect of facilitating the SARS Employee Engagement Survey. The bidder must provide CV of each support staff which include but not limited to:
  - Role and responsibilities,
  - Experience (minimum of six (6) years combined experience in providing technical support to attend to email enquiries and system support in respect of facilitating the SARS Employee Engagement Survey),
  - Qualifications (matric and qualification e.g. IT and behavioural science) and provide certified copy of each qualification.
- The bidder's full contact details of a Key Account Manager, who will be assigned to SARS including his/her role and responsibilities, minimum of five (5) years of experience, qualifications related to Project Management and his/her CV.
- Demonstrate flexibility and willingness of resources to be available to present survey results as and when required.

### **9.2 METHODOLOGY AND APPROACH**

The bidder should outline their proposed methodology, process and approach to deliver the customised employee engagement surveys demonstrating alignment to the SARS requirement. This must include but not limited to:

- 9.2.1 The proposed research methodology including but not limited to: (the approach to measure employee engagement, and the model that will be used to conduct employee engagement and how it works).
- 9.2.2 The process flow including steps of survey delivery with activities of each step indicating from survey initiation to action planning and execution. This includes but not limited to: pre-planning, deployment/execution and post-survey support.
- 9.2.3 The proposed system/tool to execute the survey and functionality of the system (components of the system/tool e.g. customisation of the survey, design of questionnaire, save and resume functionality to achieve SARS full requirements, ability to send reminders for survey completion) and
- 9.2.4 Envisaged implementation plan/ project plan to execute the survey including recommended timelines, deliverables (output), roles and responsibilities of each staff.

### 9.3 TESTIMONIALS

The bidder should submit a completed Annexure A3 (testimonial template), the bidder has provided 3 recent testimonials from a minimum of three (3) recent clients (not older than 3 years) where employee engagement survey was rendered.

The testimonial must include for each client the following information:

- Client name;
- The client's contact person and phone number;
- Contract period;
- Description of the services;
- Level of satisfaction;
- Quality of the service rendered.

The bidder must provide Challenges and Lessons learnt on the services rendered to the clients on the testimonials. Bidder must also indicate how they overcame the challenges.

**Please note:** SARS will contact the clients for a reference check. It is therefore important to ensure that the clients listed on the schedule are contactable.

### 9.4 SKILLS TRANSFER

The bidder must provide a skills transfer plan that will assist SARS Employee Engagement team with the following:

- Interpreting the reports;
- Communicating of the findings at all levels in the organisation; and

- Generating action plans.

## 9.5 PRESENTATION OF DATA ANALYSIS, REPORTING, PRESENTATION AND PLANNING

Bidders will be required to prepare a presentation to the SARS team. The presentation should demonstrate data analysis, reporting, presentation and action planning.

This must include but not limited to:

- Evidence and samples of reports previously produced regarding engagement surveys e.g. format of evidence and samples must be screenshots of PowerPoint, excel and word;
- System demonstration of how they conduct data analysis, reporting tool reporting, presentation and planning, data validation process, modelling;
- The proposed reporting tool including its functions such as correlating and comparing various segments, providing comparative analysis and generating customised reports; and
- Quality measures in place to ensure data security, reliability and validity of data.

## 10 TECHNICAL COMPLIANCE CHECKLIST

Bidder(s) are required to complete the compliance checklist, as outlined in Annexure A1, to guide the SARS evaluators where to find their technical responses.

## 11 CENTRAL SUPPLIER DATABASE (CSD) REGISTRATION

Foreign Suppliers who have no presence in South Africa currently are not required to register on CSD however should such entities be successful in winning the award, they will be expected to register on the Central Supplier Database. All other local suppliers or foreign suppliers that have local presence at the time of tendering are expected to abide by the following provisions. CSD can be accessed via the following link: <https://secure.csd.gov.za/>.

Service providers and suppliers who wish to render services to SARS will no longer register at SARS directly. Suppliers will have to register on National Treasury Central Supplier Database (CSD) as per National Circular No. 4A of 2016/2017 – Central Supplier Database.

National Treasury will maintain the database for all suppliers for Government and its institutions; and all existing and prospective suppliers are requested to register on the CSD by accessing the National Treasury website at [www.CSD.gov.za](http://www.CSD.gov.za).

## 12 INSTRUCTIONS TO BIDDER(S)

- 12.1** Bids must be properly packaged and deposited on or before the Closing Date and time in the tender box situated at the main entrance of the:

Lehae La SARS, Head Office  
SARS Tender Box  
299 Bronkhorst Street  
Nieuw Muckleneuk  
Pretoria  
0181

- 12.2** Bid documents may also be posted to, Lehae La SARS, SARS tender box, 299 Bronkhorst Street, Nieuw Muckleneuk, Pretoria, 0181.

- 12.3** Bid documents will only be considered if received by SARS before the Closing Date and time, regardless of the method used to send or deliver such documents to SARS and Bid documents must also be uploaded on the SARS e-Sourcing portal, go to the SARS website to access the link and register on <https://www.sars.gov.za/procurement/esourcing/>

- 12.4** Late bids will not be accepted and shall be returned to Bidder(s).

- 12.5** The Bidder(s) are required to submit two (2) copies of each file (original and duplicate) and a USB with the contents of each file.

- 12.6** Each file and USB must be **marked correctly and sealed separately** for ease of reference during the evaluation process. Pricing information should not be included in the Technical file. Furthermore, the file and information in the USB must be labelled and submitted in the following format:

FILE 1 (ONLY TECHNICAL PROPOSAL)	
<b>Exhibit 1</b> <ul style="list-style-type: none"> <li>Pre-qualification documents (SBD documents and others)</li> <li>3 years audited Financial Statements</li> </ul>	<b>Exhibit 2</b> <ul style="list-style-type: none"> <li>Bidder's Compliance Checklist for the Technical Evaluation (Annexure A1)</li> <li>Bidder's technical responses to Annexure A2 and supporting documents to paragraph 9</li> <li>Bidder's completed Annexure A3</li> </ul>
<b>Exhibit 3</b>	<b>Exhibit 4</b>

FILE 1 (ONLY TECHNICAL PROPOSAL)	
<ul style="list-style-type: none"> <li>Any supplementary / additional information as part of technical response</li> </ul>	<ul style="list-style-type: none"> <li>General Conditions of Contract (GCC)</li> <li>Draft Services Agreement</li> </ul>
FILE 2 (ONLY PRICE AND BEE PROPOSAL)	
<b>Exhibit 1</b> <ul style="list-style-type: none"> <li>B-BBEE Certificate</li> <li>SBD 6.1</li> </ul>	<b>Exhibit 2</b> <ul style="list-style-type: none"> <li>Pricing Schedule</li> </ul>
<b>Note:</b> SARS request that bidders use Lever Arch files to package their proposals.	

### 13 EVALUATION AND SELECTION CRITERIA

SARS has set minimum standards (Gates) that bidder(s) must meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

- Pre-Qualification Criteria (Gate 0)** – Bidder(s) must submit all documents, as outlined in paragraph 13.1 below.
- Pre-technical (Mandatory Requirements) (Gate 1)** – Bidder(s) must submit a valid B-BBEE certificate, sworn affidavit or SANAS accredited BEE certificate with minimum B-BBEE status level 3, as outlined in paragraph 13.2 below.
- Technical Evaluation Criteria (Gate 2)** – Bidders will be evaluated out of 100 points and must achieve a minimum threshold of 70 points. The process is outlined in paragraph 13.3 below.
- Price and B-BBEE Evaluation (Gate 3)** – This will be evaluated out of 100 points. Price will be evaluated out of 80 and B-BBEE 20 points. The process is outlined in paragraph 13.4 below.

#### 13.1 Pre-Qualification Criteria – Gate 0

Without limiting the generality of SARS other critical requirements for this bid, a bidder(s) must submit the documents listed in **Table 13A** below. All documents must be completed and signed by the duly authorised representative of the prospective bidder(s). A bidder's proposal may be disqualified for non-submission of any of the documents.

**Table 13A: Documents that must be submitted for Pre-qualification**

Name of the document that must be submitted	Non-submission may result in disqualification
Invitation to bid – SBD 1	<b>YES</b> – Complete and sign the supplied pro forma document.
Tax Compliance status pin	<b>YES</b> – Submit Tax Compliance status pin.
Central Registration Report (Central Database System) from National Treasury	<b>YES</b> – Bidders must register on Central Database System and submit the Report as confirmation of registration.
Pricing Schedule – Annexure B: Pricing Template	<b>YES</b> – Complete and sign the supplied pro forma document.
Declaration of Interest – SBD 4	<b>YES</b> – Complete and sign the supplied pro forma document.
Preference Point Claim Form - SBD 6.1	<b>YES</b> – Complete and sign the supplied pro forma document.
Declaration of bidder's Past Supply Chain Management Practices – SBD 8	<b>YES</b> – Complete and sign the supplied pro forma document.
Certificate of Independent bid Determination – SBD 9	<b>YES</b> – Complete and sign the supplied pro forma document.
SARS' Oath / Affirmation of Secrecy	<b>YES</b> – Complete and sign the supplied pro forma document in the presence of a Commissioner of Oaths and initial every page.
General Conditions of Contract (GCC)	<b>YES</b> – Sign the supplied GCC.
Supplier cost and risk assessment questionnaire	<b>NO</b> – Complete and sign the supplied pro forma document.
Bidder Compliance Checklist Form for Technical Evaluation (Annexure A1)	<b>NO</b> – Complete to assist with ease of reference during evaluation.
Financial Statements	<b>NO</b> – Bidders are required to submit complete sets of audited or reviewed annual financial statements for the three (3) most recent financial periods in the name of the bidding entity.

## 13.2 Pre-technical (Mandatory Requirements) – Gate 1

**Table 13B: Mandatory Requirements**

Mandatory Requirements	Non-compliance with stated B-BBEE status level will result in disqualification
Minimum B-BBEE status level 3	<b>YES</b> – Submit a certified copy of a valid B-BBEE certificate, sworn affidavit or SANAS accredited BEE certificate with minimum B-BBEE status level 3.

Bidders must ensure that the turnover on the financial statement is aligned with submitted sworn affidavit.

## 13.3 Technical Evaluation (Gate 2) = 100 Points

Only Bidder(s) that have met the Pre-Qualification Criteria in Gate 0 and Pre-technical (mandatory requirements) in Gate 1 will be evaluated in Gate 2 for functionality as follows:

- Desktop Technical Evaluation – All bidders will be evaluated out of **78** points during Desktop Evaluations.
- Presentation Evaluation – All bidders will be invited for presentations which will be evaluated out of **22** points.

Bidders will be evaluated out of 100 points and are required to achieve the minimum threshold of 70 out of 100 points. Only Bidders that have obtained a threshold of 70 out of 100 points will proceed to Gate 3 for Price and BEE evaluations.

## 13.4 Price and B-BBEE evaluation (Gate 3) - 80 + 20 = 100 Points

### 13.4.1. Stage 1 – Price Evaluation (80 points)

**Table 13C: Price evaluation formula**

Adjudication Criteria	Maximum Points
Price Evaluation $P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	80

Where

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

#### 13.4.2. Stage 2 – BBBEE Evaluation (20 points)

##### a. B-BBEE Requirements

In line with the requirements of the Preferential Procurement Regulations, 2017 (Government Gazette No. 40553) to the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) [the “PPPFA”] tenders that have achieved the minimum qualifying score for functionality will be evaluated further in terms of the prescribed preference point systems:

- (i) Regulation 6 - 80/20: A maximum of 20 points may be allocated to a bidder; or
- (ii) Regulation 7 - 90/10: A maximum of 10 points may be allocated to a bidder.

##### b. Bid Evaluation Process Gate 2: B-BBEE EVALUATION

B-BBEE points may be allocated to bidders on submission of the following documentation or evidence:

**Table 13D: B-BBEE Points allocation and required documents**

Adjudication Criteria	Maximum Points
A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1) and a B-BBEE certificate.	20

The checklist below indicates the B-BBEE documents that must be submitted for this tender. Failure to submit the required documents will result in bidders scoring zero for B-BBEE.

**Table 13E: B-BBEE Checklist**

Classification	Turnover	Submission Requirement
Exempted Micro Enterprise (EME)	Below R10 million p.a.	Sworn affidavit or a certificate from the Companies and Intellectual Property Commission ("CIPC") or a certified copy of a B-BBEE Rating Certificate from a SANAS accredited rating agency.
Qualifying Small Enterprise (QSE)	Between R10 million and R50 million p.a.	Certified copy of B-BBEE Rating Certificate from a SANAS accredited rating; or A DTI Affidavit – Only 51% Black Owned (BO) and above.
Large Entity (LE)	Above R50 million p.a.	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency.

Failure on the part of a bidder to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE, together with the bid, will be considered a non-responsive bid.

### Use and acceptance of Sworn Affidavits

SARS reserves the right to request that Service Providers submit their Black Ownership and turnover information in support of their affidavits.

Bidders will need to provide information which proves Black Ownership and turnover, in addition to the sworn affidavit, or request that their EME/QSE suppliers be verified and have this confirmed in the affidavit.

## **Joint Ventures and Consortiums**

A trust, consortium or joint venture (including unincorporated consortia and joint ventures), will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their consolidated B-BBEE status level Verification Certificate scorecard and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

## **Subcontracting**

Bidders who want to claim preference points will have to comply fully with regulations 12(1) and (3) of the Preferential Procurement Regulations, 2017 with regard to subcontracting:

### ***Regulation 12 – Subcontracting after award of tender***

- (1) *A person awarded a contract may only enter into a subcontracting arrangement with the approval of the organ of state.*
- (2) *A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.*

## **Proof of Existence: Joint Ventures and/or Subcontracting**

Bidders must submit concrete proof of the existence of joint ventures and/or subcontracting arrangements. SARS will accept signed agreements as acceptable proof of the existence of a joint venture and/or subcontracting arrangement.

The joint venture and/or subcontracting agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or subcontracting party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or subcontracting arrangement.

### **13.3.1 Stage 3 (80 + 20 = 100 points)**

The Price and B-BBEE points will be consolidated to determine the successful bidder.

## 14 FINANCIAL STATEMENTS

Bidders are required to submit complete sets of audited / reviewed annual financial statements for the three (3) most recent financial periods in the name of the bidding entity. The financial statement analysis will be conducted on the shortlisted bidders.

### 14.1 The annual financial statements must contain:

- Statement of Profit and Loss and Other Comprehensive Income;
- Statement of Financial Position;
- Statement of Cash Flows; and
- Accompanying Notes.

### 14.2 Entities which are trading for less than three (3) financial periods should provide:

- A letter detailing that fact, signed by a duly authorised representative of the entity; and
- Any other information or documentation which would provide more clarity on the financial history of the bidder.

### 14.3 In the event that the subsidiary is the bidding entity and submits the financial statements of the holding company for financial evaluation purposes, the holding company must furnish a Performance Guarantee that is signed by a duly authorised representative of the entity.

### 14.4 In the event of the bid being in the form of a JV, the following is required:

- Annual financial statements of the JV for a registered JV and for unincorporated JV annual financial statements of each company;
- A JV legal agreement detailing the percentage ownership of each entity; and
- A consolidated B-BBEE Certificate.

SARS reserves the right to request further information with regards to the annual financial statements of a bidder at a later stage.

## 15 AGREEMENTS

### 15.1 General Conditions of Contract

Any award made to a Service Provider under this bid is conditional, amongst others, upon –

#### 15.1.1 The Service Provider accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which SARS is prepared to enter into a contract with the

successful bidder.

- 15.1.2 The Service Provider submitting the General Conditions of Contract to SARS together with its bid, duly signed by an authorised representative of the Service Provider.

## **15.2 Services Agreement**

- 15.2.1 Upon award, SARS and the successful bidder will conclude a supplementary agreement regulating the specific terms and conditions applicable to the services being procured by SARS, more or less in the format of the draft Services Agreement included in this tender pack.
- 15.2.2 SARS reserves the right to vary the proposed terms and conditions of the draft Services Agreement during the course of negotiations with the successful bidder by amending or adding thereto.
- 15.2.3 Bidders are requested to:
- 15.2.3.1 Comment on the terms and conditions set out in the Services Agreement and where necessary, make proposals to the terms and conditions;
  - 15.2.3.2 Each comment and/or amendment must be explained; and
  - 15.2.3.3 All changes and/or amendments to the Services Agreement must be in an easily identifiable colour font and tracked for ease of reference.
- 15.2.4 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.

## **15.3 Insurance**

The successful bidder will be required, on or before the effective date of the Services Agreement and for the duration thereof, 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.

## **16 SPECIAL CONDITIONS OF THIS BID**

### **16.1 SARS reserves the right:**

- 16.1.1 Not to award or to cancel this bid at any time and shall not be bound to accept the lowest or any bid;
- 16.1.2 To negotiate with one or more Preferred Bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other Bidder(s) who has not been awarded the status of the Preferred Bidder(s);
- 16.1.3 To accept part of a Bid rather than the whole Bid;

16.1.4 To cancel and/or terminate the Bid process at any stage, including after the Closing Date and/or after presentations have been made, and/or after Bids have been evaluated and/or after the Preferred Bidder(s) have been notified of their status as such;

16.1.5 To correct any mistakes at any stage of the Bid that may have been in the Bid documents or that occurred at any stage of the Bid process; and/or

16.1.6 To disqualify a Bidder whose bid contains a misrepresentation which is materially incorrect or misleading.

## **17 SARS requires Bidder(s) to declare**

In the Bidder's Technical response, Bidder(s) are required to declare the following:

### **17.1 Confirm that the Bidder(s) is to:**

17.1.1 Act honestly, fairly, and with due skill, care and diligence, in the interests of SARS;

17.1.2 Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of professional activities;

17.1.3 Act with circumspection and treat SARS fairly in a situation of conflicting interests;

17.1.4 Comply with all applicable statutory or common law requirements applicable to the conduct of business;

17.1.5 Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with SARS;

17.1.6 Avoid fraudulent and misleading advertising, canvassing and marketing;

- Conduct its business activities with transparency and consistently uphold the interests and needs of SARS as a client before any other consideration; and
- Ensure that any information acquired by the Bidder(s) from SARS will not be used or disclosed unless the written consent of SARS has been obtained to do so.

## **18 CONFLICT OF INTEREST, CORRUPTION AND FRAUD**

SARS reserves its right to disqualify any Bidder who either itself or any of whose members (save for such members who hold a minority interest in the Bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the Bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of SARS or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity"):

- 18.1 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 Bid;
- 18.2 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;
- 18.3 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;
- 18.4 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;
- 18.5 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;
- 18.6 Pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that 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;
- 18.7 Has in the past engaged in any matter referred to above; or
- 18.8 Has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such Bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

## **19 MISREPRESENTATION DURING THE TENDER PROCESS AND LIFECYCLE OF THE CONTRACT**

The successful bidder should note that the terms of its Tender will be incorporated in the proposed contract by reference and that SARS relies upon the Bidder's Tender as a material representation in making an award to a successful bidder and in concluding an agreement with the Bidder.

It follows therefore that misrepresentations in a Tender may give rise to service termination and a claim by SARS against the Bidder notwithstanding the conclusion of the Services Agreement between SARS and the Bidder for the provision of the Service in question.

## **20 PREPARATION COSTS**

The Bidder will bear all its costs in preparing, submitting and presenting any response or tender to this Bid and all other costs incurred by it throughout the Bid process. Furthermore, no statement in this Bid 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 Bid.

## **21 INDEMNITY**

If a Bidder breaches the conditions of this Bid 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 Bid process and/or enforcement 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.

## **22 PRECEDENCE**

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

## **23 LIMITATION OF LIABILITY**

A Bidder participates in this Bid process entirely at its own risk and cost. SARS shall 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 Bid process.

## **24 TAX COMPLIANCE**

No tender shall be awarded to a Bidder whose tax affairs are not in order. SARS reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is

established that such Bidder was in fact not tax compliant at the time of the award. SARS further reserves the right to cancel a contract with a successful bidder in the event that such Bidder does not remain tax compliant for the full term of the contract.

## **25 NATIONAL TREASURY**

No tender shall be awarded to a Bidder whose name (or any of its members, directors, partners or trustees) appears on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. SARS reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a Bidder has been blacklisted with National Treasury by another government institution.

## **26 GOVERNING LAW**

South African law governs this Bid and the Bid response process. The Bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this Bid, the Bid itself and all processes associated with the Bid.

## **27 RESPONSIBILITY FOR SUBCONTRACTORS AND BIDDER'S PERSONNEL**

A Bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its subcontractors (if any) and personnel of its subcontractors comply with all terms and conditions of this Bid and in particular the provisions of paragraph 13.4.2. In the event that 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 or caused by such subcontractors.

## **28 CONFIDENTIALITY**

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this Bid or a Bidder's Tender(s) will be disclosed by any Bidder or other person not officially involved with SARS examination and evaluation of a Tender.

Throughout this Bid process and thereafter, 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 Bid relates; or (ii) the process which follows this Bid. Failure to adhere to this requirement may result in disqualification from the Bid process and civil action.

No confidential information relating to the process of evaluating or adjudicating Tenders or appointing a Bidder will be disclosed to a Bidder or any other person not officially involved with such process.

## **29 INTELLECTUAL PROPERTY**

SARS retains ownership of all Intellectual Property rights in the tender information documents that form part of this RFP. Bidders will retain the Intellectual Property rights in their tender responses, but grant SARS the right to make copies of, alter, modify or adapt their responses, or to do anything which in its sole discretion is necessary to do for reasons relating to the RFP process.

## **30 SARS PROPRIETARY INFORMATION**

A Bidder must make a declaration on their Bid covering letter that they did not have access to any SARS proprietary information or any other matter that may have unfairly placed that Bidder in a preferential position in relation to any of the other Bidders.

- 31 ANNEXURE A1 – TECHNICAL COMPLIANCE CHECKLIST**
- 32 ANNEXURE A2 – TECHNICAL EVALUATION SCORECARD**
- 33 ANNEXURE A3 – TESTIMONIAL TEMPLATE**
- 34 ANNEXURE B – PRICING SCHEDULE**