

**SOUTH AFRICAN REVENUE SERVICE**  
**REQUEST FOR PROPOSAL**

**RFP 43/2023**

**PROVISION OF TRAVEL MANAGEMENT AND RELATED SERVICES**

**MAIN RFP 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**

The purpose of this Request for Proposal (RFP) is to invite potential Travel Management Companies (TMC) herewith referred to as "Bidders" accredited with the International Air Travel Association (IATA) for the provision of travel management and related services to South African Revenue Service (SARS).

**2 OVERVIEW OF SARS' REQUIREMENTS**

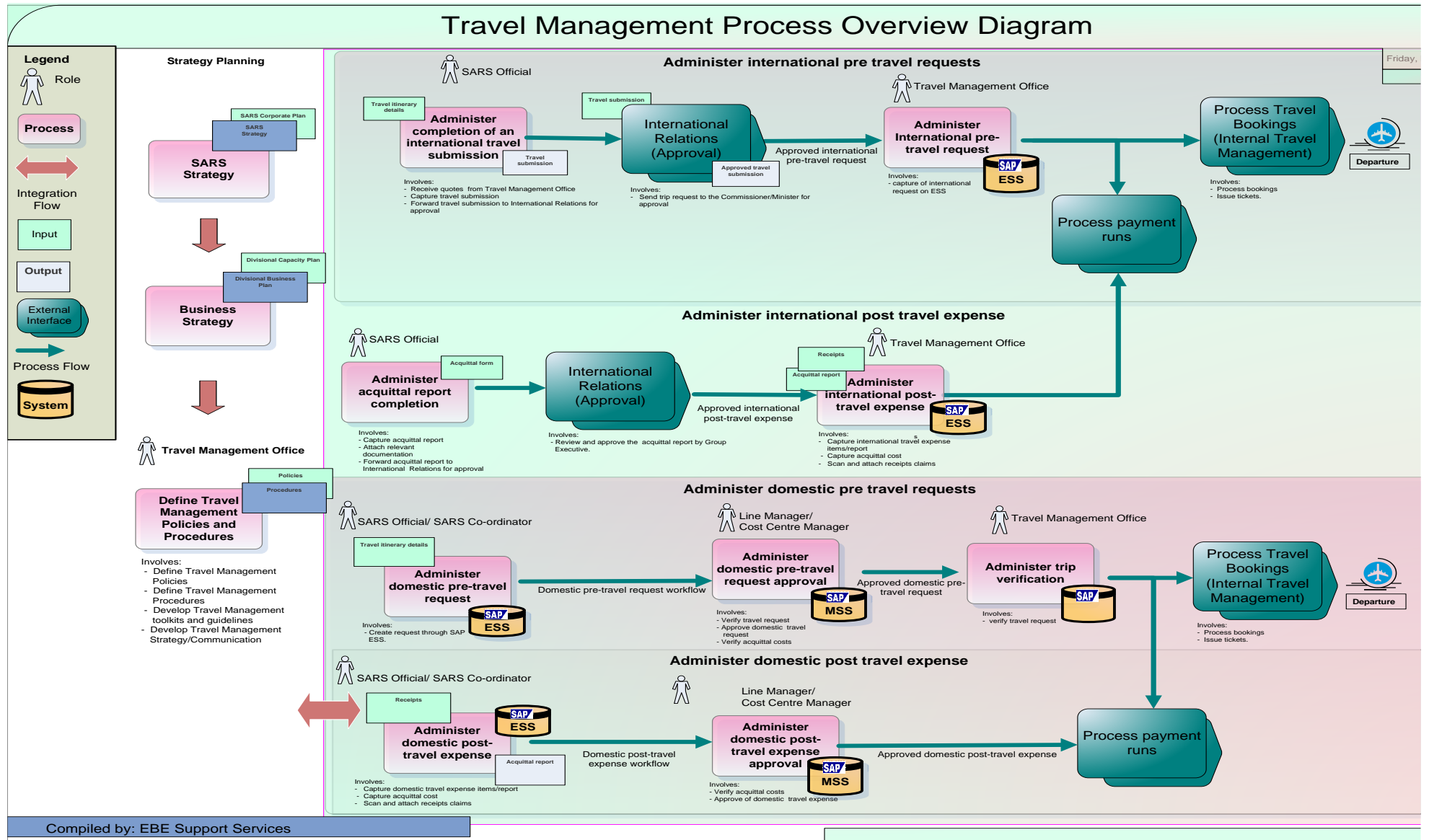
**2.1 BACKGROUND**

SARS has always contracted out the services of a TMC to process and manage the travel and related services required for SARS to conduct its business operations nationally and internationally and facilitate the achievement of SARS' mandate. Business travel is not SARS' core business and therefore the organisation contracts an external service provider to deliver these services to SARS as this is the TMC's area of expertise. The SARS Travel Management Office fulfils different functions from those of the travel management companies.

SARS' primary objective in issuing this RFP is to source a suitable TMC and enter into an agreement with a successful bidder who will achieve the following:

- Provide SARS with travel management services that are consistent and reliable and will maintain a high level of traveller satisfaction.
- Achieve significant cost savings for SARS without any degradation in the services; and
- Appropriate controls in place to mitigate known and unknown risks that SARS travellers may encounter.

SARS' head office is in Brooklyn, Pretoria and therefore it is imperative for the smooth running of the contract that the appointed TMC has a footprint in Gauteng.



## 2.2 SARS TRAVEL VOLUMES

The current SARS total volumes per annum include but not limited to air travel, accommodation, car hire, parking, etc. The table below details the number of transactions for the past four (4) Financial Years:

Table 2A: July 2019 to June 2020 (12 months actuals)

Travel Statistics Jul 2019 - Jun 2020			
Service / Category	Sum of Transactions	Sum of Bed Nights	Sum of Car Days
Accommodation	12186	28891	0
Accommodation International & Cross Borders	59	177	0
Accommodation No Show	35	64	0
After Hours Calls	408	0	0
Airport Parking	186	0	0
Car Hire	3545	0	10166
Domestic Air Travel	10729	0	0
International Air Travel	66	0	0
Parking	5	0	0
Transfer No Show	5	0	0
Transfers Domestic	4107	0	0
<b>Grand Total</b>	<b>31331</b>	<b>29132</b>	<b>10166</b>

Table 2B: July 2020 to June 2021 (12 months actuals)

Travel Statistics Jul 2020 - Jun 2021			
Service / Category	Sum of Transactions	Sum of Bed Nights	Sum of Car Days
Accommodation	1924	5353	0
After Hours Calls	124	0	0
Airport Parking	6	0	0
Car Hire	443	0	1892
Conference Package	1	0	0
Domestic Air Travel	997	0	0
International Air Travel	-4	0	0
Transfer No Show	1	0	0
Transfers Domestic	302	0	0
<b>Grand Total</b>	<b>3794</b>	<b>5353</b>	<b>1892</b>

Table 2C: July 2021 to June 2022 (12 months actuals)

Travel Statistics Jul 2021 - Jun 2022			
Service / Category	Sum of Transactions	Sum of Bed Nights	Sum of Car Days
Accommodation	5146	17740	0
Accommodation International & Cross Borders	3	18	0
Accommodation No Show	13	3	0
After Hours Calls	245	0	0
Air Charter Domestic	1	0	0

Travel Statistics Jul 2021 - Jun 2022			
Service / Category	Sum of Transactions	Sum of Bed Nights	Sum of Car Days
Airport Parking	39	0	0
Car Hire	853	0	3429
Conference Package	2	0	0
Domestic Air Travel	3174	0	0
Insurance	9	0	0
International Air Travel	8	0	0
Parking	5	0	0
Railways, Bus, Ferry	5	0	0
Transfer No Show	1	0	0
Transfers Domestic	836	0	0
<b>Grand Total</b>	<b>10340</b>	<b>17761</b>	<b>3429</b>

Table 2D: July 2022 to June 2023 (12 months actuals)

Travel Statistics Jul 2022 - Jun 2023			
Service / Category	Sum of Transactions	Sum of Bed Nights	Sum of Car Days
Accommodation	11167	40409	0
Accommodation International & Cross Borders	63	28	0
Accommodation No Show	16	0	0
After Hours Calls	423	0	0
Air Charter Domestic	0	0	0
Airport Parking	150	0	0
Car Hire	2463	0	10369
Car Hire Damages	3	0	0
Conference Package	2	0	0
Domestic Air Travel	9186	0	0
Insurance	1	0	0
International Air Travel	105	0	0
Parking	22	0	0
Parking International	1	0	0
Railways, Bus, Ferry	48	0	0
Transfer No Show	6	0	0
Transfers Domestic	2533	0	0
<b>Grand Total</b>	<b>26189</b>	<b>40437</b>	<b>10369</b>

Table 2E: July 2023 to Dec 2023 (6 months actuals)

Travel Statistics Jul 2023 – Dec 2023			
Service / Category	Sum of Transactions	Sum of Bed Nights	Sum of Car Days
Accommodation	1377	16659	0
Accommodation International & Cross Borders	7	56	0
Accommodation No Show	5	0	0
After Hours Calls	108	0	0
Air Charter Domestic	14	0	0

Travel Statistics Jul 2023 – Dec 2023			
Service / Category	Sum of Transactions	Sum of Bed Nights	Sum of Car Days
Airport Parking	0	0	0
Car Hire	252	0	2085
Car Hire Damages	0	0	0
Conference Package	4	0	0
Domestic Air Travel	917	0	0
Insurance	0	0	0
International Air Travel	1	0	0
Parking	0	0	0
Parking International	0	0	0
Railways, Bus, Ferry	2	0	0
Transfer No Show	0	0	0
Transfers Domestic	343	0	0
<b>Grand Total</b>	<b>3030</b>	<b>16715</b>	<b>2085</b>

**Note:** The figures are meant for illustration purpose to assist the bidder to prepare their proposal.

## 2.3 SCOPE OF WORK

The successful bidder will be required to provide travel management and related services. Deliverables include the provision of the following:

### 2.3.1. Booking Services

#### 2.3.1.1 Reservations

- All bookings will be expected to comply with the SARS Travel Management Services policy, National Travel Framework, National Treasury's cost containment measures related to travel and subsistence, and the agreed Services Agreement (inclusive of service levels and corresponding penalty regime).
- All bookings must be made through preferred suppliers unless additional suppliers are required to be sourced in the specific area, in which case the bidder will recommend or source suitable suppliers.
- The bidder must obtain three (3) most cost-effective, lowest logical fare and shortest routing quotes for all travel requests to ensure that SARS is obtaining value for money.
- The bidder must have an in-depth understanding of all destination points and advise the travellers accordingly of proposed routes for all travel. The successful bidder must be in a position to offer advice and alternative plans for consideration to the traveller(s) covering the accommodation, air travel, car hire as well as anything else related to the proposed travel.
- Arrange and process changes to bookings.
- The bidder must issue all necessary travel documents to the traveller immediately once the booking has been finalised.
- The bidder must ensure that all travel service providers are paid within the agreed payment terms, failing which the bidder will be responsible for any penalties arising therefrom at its own cost.

#### 2.3.1.2 Air Travel: Domestic and International

- The bidder must be able to book low-cost carriers as per the National Treasury Framework.
- The bidder must take into consideration persons living with disabilities when booking Air travel, where applicable.

- c. Only IATA accredited airlines must be used.
- d. Airline tickets must include the applicable airline agreement number, as well as the individual loyalty programme number of the traveller.
  - i. Book airline tickets: A minimum of three (3) quotes must be obtained for all travel requests. All international flight bookings must be quoted in both rands and the foreign currency amount. Where three (3) quotes cannot be obtained, approval must be sought from SARS as per SARS internal policies.
  - ii. The airline which provides the most cost-effective pricing, or the lowest logical fare routing must be proposed to SARS at all times.
  - iii. Airline tickets and other travel documents must be delivered electronically to the travellers as soon as the booking has been finalised.
  - iv. The bidder must keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustment for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.
  - v. The bidder must conclude Corporate Travel Agreements with airlines where there are no agreements between the airlines and National Treasury.
  - vi. All air travel must be billed against the SARS Diners Lodged credit card.
  - vii. Book parking facilities at the airports, where necessary, for the duration of the travel. Neighbouring

#### 2.3.1.3 Accommodation: Domestic and International

- a. All domestic accommodation bookings must not exceed the prescribed maximum allowable rates as prescribed by National Treasury in the National Travel Framework and PFMA SCM Instruction No. 07 of 2022/2023 for Cost Containment Measures related to travel and subsistence.
- b. Parking agreements must be in place to ensure adequate parking is pre-arranged.
- c. All international accommodation must be quoted in both rands and foreign currency amount.
- d. All accommodation bookings must be made with an establishment that is located as close as possible to the venue, office, location or destination of the traveller. This includes planning, booking, confirmation and amendment of accommodation with any establishment (hotel group, private hotel, guest house or bed & breakfast).
- e. The bidder must ensure that when booking accommodation, the bidder takes into consideration persons living with disabilities, where applicable.
- f. The bidder will source suitable accommodation bearing in mind the safety and accessibility for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by SARS.
- g. Any commissions earned by the bidder for SARS bookings on non-negotiated rates must be returned to SARS on a quarterly basis.
- h. Accommodation vouchers must be issued to all SARS travellers for accommodation bookings and must be invoiced to SARS monthly. Such invoices must be supported by a copy of the original accommodation charges.

#### 2.3.1.4 Car Rental and Shuttle Service

- All car rental bookings must be made with car rental groups as prescribed in the National Travel Framework issued by National Treasury and SARS Internal Travel Policy.
- The bidder must book car/shuttle hire for SARS travellers.
- The bidder must ensure that for car rental bookings and shuttle service, the bidder takes into consideration persons living with disabilities, where applicable.



- The bidder must have a process to manage traffic fines and ensure that all traffic fines are re-routed to the traveller.
- SARS is self-insured and in the event of an accident, the bidder must submit invoices and supporting documentation for all damages to the SARS insurance department within fourteen (14) calendar days.

#### 2.3.1.5 Visa Requirements

- Bidders must familiarise themselves with the visa requirements for official, diplomatic and personal passports.
- The relevant visa and health information related to the country to be visited must be provided to the traveller.

#### 2.3.1.6 VIP Client Services, including:

Personalised service to the Office of the Commissioner (OOC), senior leadership, including but not limited to:

- Dedicated experienced and highly skilled VIP consultants (Senior Consultants) to service the OOC, the Commissioner's direct reports and the Commissioner's support staff.
- The VIP consultants must provide the following services, including but not limited to:
  - Online check-in for all flights: Bidder must provide valuable assistance to SARS' VIP travellers by managing the online check-in process and ensuring the SARS VIP travellers receive their boarding passes promptly.
  - Centralized email and dedicated contact line for VIP travellers.
  - E-mail confirmation from all international accommodation service providers for traveller-specific requirements.
  - Pre-trip and post-trip travel advice.
  - Assistance with recommendations and enrolments for loyalty programmes memberships.
  - Creation and continuous updating of VIP travellers' profiles.
  - VIP Airport service: Bidder to arrange for VIP airport services such as dedicated airport lounges, and personal meet & greet to assist with smooth arrivals and departures.
  - VIP after-hours service: Bidder must have a dedicated VIP after-hours service. This includes a VIP consultant available every day after 17:00 and a dedicated contact number to ensure prompt assistance with any requests.

#### 2.3.1.7 After-Hours and Emergency Services

- a. The bidder must provide after-hours emergency services outside of official business hours, weekends and public holidays. The after-hours facility should be available to all travellers 24/7/365 and must be able to perform all travel management and related services e.g., unexpected changes or cancellation to existing travel booking and new emergency bookings.
- b. The after-hours resources must have sufficient skills and experience to deliver on SARS' requirements as articulated in this RFP document.
- c. The Bidder must provide SARS with an after-hours contact number.
- d. The bidder must provide SARS with an alternative contact number which has a WhatsApp functionality.
- e. The bidder must provide the name and contact details of the after-hours call centre manager.
- f. SARS' official hours for the Travel Management Office are from 07:30 to 17:00. After-hours services must be provided from:
  - Monday to Friday: 17:01 to 07:29.
  - Saturday, Sunday, and Public Holidays: 24 hours.

#### 2.3.1.8 Management of Complaints and Resolution of Queries & Escalations

- a. The bidder must have in place a clearly established complaints, queries and escalations management process which includes:

## **SARS CONFIDENTIAL**

- Acknowledgement of complaint/query raised within two (2) hours.
  - Investigation and resolution of complaints/queries raised within 24 hours.
  - Acknowledgement and resolution of escalations must be immediate.
- b. For all complaints, the bidder must provide a written report within three (3) business days indicating the root cause analysis of each incident and mitigation strategies to be implemented to prevent reoccurrence. The written report must be sent to the SARS Travel Management Office.
- c. The bidder must provide regular feedback to the complainant and the SARS Travel Management Office Manager regarding progress in the resolution of the complaint, within the turnaround times specified by SARS in the Service Level Annexure to the Services Agreement.
- d. A detailed complaints and compliments register must be maintained by the bidder and will be discussed at the weekly operations meetings.

### **2.3.1.9 Efficient Communication**

- a. Ensure that there is direct communication between SARS TMO and the Bidder's team allocated to SARS' account by providing SARS TMO with the team's direct contact details.
- b. Ensure sound communication with all stakeholders, i.e. travellers, travel suppliers and SARS' Travel Management Office.
- c. The bidder, together with SARS, must conduct weekly operations meetings, monthly strategic meetings, quarterly and annual reviews. The meetings can either be at the bidder's office which must be in Gauteng and/or at SARS' Head Office.
- d. The bidder must also have facilities to cater for virtual meetings.
- e. On an ad hoc basis, the bidder may be required to conduct workshops / training to update SARS on new travel management trends, the bidder's systems and processes etc. at no cost to SARS.

### **2.3.1.10 Manage Billing**

- a. Negotiate, implement and manage the negotiated rates with travel suppliers.
- b. Enable savings on total annual travel expenditure and provide proof of same at quarterly reviews.
- c. Manage travel supplier accounts and ensure timeous payment of all suppliers so that SARS travellers are not denied access to a travel and related service due to non-payment.
- d. Manage the processing of airline refunds and ensure all refunds are reimbursed to SARS before the expiry of the ticket.
- e. SARS utilises a wide variety of accommodation establishments country wide. The bidder will be required to offer a 30-day account (bill-back) facility to the accommodation establishments or pre-payments facilities as required by the establishments. Bill-back refers to the supplier sending the bill-back to the bidder, who, in turn, invoices SARS for the services rendered. Where pre-payments are required for smaller bed & breakfast / guest house facilities, these will be processed by the bidder. The bidder must have a proper process for managing service providers requiring pre-payments. Proof of payment must be sent by the Bidder to the relevant service provider before issuing travel documents to the traveller.
- f. Submit an electronic version of a bill-back report in the format prescribed by SARS and submit all supporting invoices to SARS' Accounts Payable department on a weekly basis.
- g. Consolidate SARS' Diners Lodged credit card expenses and submit a monthly detailed reconciliation report, as per the prescribed template provided by SARS' Accounts Payable department.
- h. The bidder must in addition to SARS Diners Lodged credit card have alternative methods of payment for travel services.
- i. Ensure that all costs incurred due to the bidder's errors will be absorbed by the bidder.

### 2.3.2. Data Management and Information Provision

- a. Provide password-protected access to SARS to extract live real-time data from the bidder's system at any given time.
  - b. Provide a single consolidated information source for all travel related expenses with automated reporting tools. Integration of travel costs into corporate financial and management accounting systems must be possible.
  - c. **Monthly reports** to be provided for the following but not limited to:
    - i. Travel Activities
      - Compliments and complaints register
      - Long term accommodation and car hire
      - Productivity report (consultants)
      - Domestic, regional & international travel analysis reports
      - Travel exception reports
        - Accommodation exceeding prescribed National Treasury rates
        - Car rental exceptions
        - Air travel exceptions
        - Out of seven (7) days advance travel bookings
        - Top 10 domestic and international travellers
        - No show reports (accommodation, car hire and airline)
        - Airline cancellations and refunds
        - Any other travel exceptional activity requiring management attention.
    - Monthly divisional dashboards etc.
  - ii. Data Extracts
    - Monthly raw data extract
    - Monthly data analysis reports
  - iii. Finance
    - Commissions' reconciliation
    - Creditors' ageing analysis Diners Lodged credit card
    - Land arrangements
- d. **Weekly Travel reports to be provided must include but not be limited to the following:**
  - Billing issues
  - Operational issues: escalations and challenges etc.
  - Open vouchers
  - Open tickets
  - Airline tickets refunds report
  - Outstanding bookings or bookings in progress

### 2.3.3. Quarterly and Annual Travel Reviews

- a. Quarterly reviews are required to be presented by the bidder on all travel activities for the previous three-month period. These reviews are comprehensive and presented to SARS' Procurement, Finance, and SARS Travel Office management teams as part of the performance management reviews based on the service levels annexed to the Services Agreement.
- b. Similarly, annual reviews are required to be presented by the bidder on all SARS' travel activities for the previous twelve (12) month period.
- c. Consolidated travel savings analysis report for accommodation, car rental, shuttle service and flights etc. with commentary and recommendations.
- d. Update on travel industry trends.

#### **2.3.4. Personnel Resources**

The required resources from the TMC are as follows:

- X1 Head of Operations with a minimum of ten (10) years' experience in the travel management industry, of which at least 2 years should have been with the bidder. The Head of Operations will be required to handle all escalations relating to SARS' accounts.
- X1 Account Manager with a minimum of eight (8) years' experience in the travel management industry of which at least 2 years should have been with the bidder. The Account Manager will be required to provide overall oversight on the SARS account and all SARS' travel requirements.
- X1 Operations Manager with a minimum of eight (8) years' experience in the travel management industry of which at least 2 years should have been with the bidder. The Operations Manager will be dedicated to managing day-to-day operations of all travel services for SARS.
- X2 Senior consultants with a minimum of eight (8) years' experience in the travel management industry of which at least 2 years should have been with the bidder. The Senior consultants will be required to process SARS' travel requests.
- X8 Junior consultants with a minimum of five (5) years' experience in the travel management industry of which at least 1 year should have been with the bidder. The Junior consultants will be required to process SARS' travel requests.
- Admin back-office staff shared services – The TMC must determine the number based on SARS' travel volumes.

**Notes:**

- The TMC must align their resources' designations to SARS' proposed resources' designations to ensure that SARS is able to evaluate the correct individual.
- The TMC must ensure that all resources allocated to SARS account are trained in line with the SARS service levels (attached to the Services Agreement), SARS travel policy and procedures.
- Bidder must ensure that the resources nominated in their tender proposal are the same resources allocated to the SARS account. SARS will confirm the resources allocated at the on-boarding stage.
- The bidder cannot replace any resource without SARS' prior approval during the tenure of the contract. The bidder will be required to provide a replacement resource that meets the minimum skills and years of experience required for the specific role.

#### **2.3.5. Other Services**

The bidder must provide the following services:

- a. Destination advice and travel alerts which include but are not limited to:

- Political and economic unrest
  - Health warnings
  - Weather of the respective destination
  - Imminent natural disaster warning
  - Places of interest
  - Cost and information of commuting on public transport
  - Location of accommodation
  - Rules and procedures of airports and/or foreign countries
  - Supplier and product updates
- b. Electronic voucher retrieval via web and smart phones e.g. via app
- c. System-generated SMS notifications for travel confirmations
- d. Global Travel Risk Management detailed plan, including but not limited to:
- Risk assessment
  - Evacuation processes
  - Traveller tracking
- e. Waitlist clearance
- f. Special meal requests required due to Travellers' health or religious reasons.
- g. Any other value-add services, at no additional cost to SARS, which may include but not be limited to the following:
- Preferred seating
  - Forex related transactions

#### **2.3.6. Online Travel Solution Owned and/or Managed by Bidder**

##### **2.3.6.1 Online Booking System**

The bidder must have an online booking system (e.g. Global Distribution System (GDS)) used for processing all travel reservations with third party travel service providers for accommodation, car rental and flights, showing its full functionality including but not limited to:

- Booking
- Cancellation
- Example of itinerary
- Example of available reporting.

##### **2.3.6.2 Inhouse Online Booking Tool (OBT)**

The TMC must have their own Online Booking Tool (OBT) where SARS travellers can request and book their official business trips online.

#### **Minimum Additional Requirements for the Travel Booking Solution Functionalities**

The Travel Booking Solution must have at least the following minimum functionality:

- a. Profile creation for all travellers and ability to continuously update with the latest and accurate travellers' details to ensure travel documents are sent to the correct person timeously.
- b. Online access to view travel services i.e. accommodation, car rental, flights availability.
- c. Live travel reservations for point-to-point and apply best rates i.e. car hire, accommodation, flights, shuttle etc.
- d. Apply all corporate agreed airline discounts on flight bookings.
- e. Name change, route change, and flight change functionality.
- f. Provide a booking cancellation facility for employees and a refund functionality for back office.
- g. Enforce travel policy and detect 'out of policy' activities.
- h. Provide monthly report and/or raw data for the back office.
- i. Direct interface in the backend to at least one of the following Global Distribution System (GDS) systems: Travelport, Amadeus or Sabre or fully independent end-to-end solution, including fulfilment and smooth interface with SAP.
- j. Workflow approval with capability to send booking confirmations via e-mail and SMS.
- k. Data synchronization with travel agency.
- l. Example of available reporting.

## **2.4 BUSINESS CONTINUITY**

Ensuring continuity of the services is critical to SARS' business. To mitigate the effects of disruptions such as but not limited to cyber-attacks, cyber breaches, power outages, technical difficulties (e.g. IT system failures, unavailability of call centre number, unavailability of the dedicated VIP contact number etc.), a temporary and unforeseen personnel resource unavailability, *force majeure* events, etc., the successful bidder must have and maintain in place an up-to-date, regularly tested Business Continuity Plan incorporating a Disaster Recovery Plan as well as backup capabilities designed to preserve a seamless continuity of services and facilitate the successful bidder's ability to fulfil its contractual obligations to SARS despite the disruption.

## **2.5 DISENGAGEMENT ACTIVITIES**

In order to ensure continuity of travel management services during disengagement i.e., three (3) months prior and up to three (3) months post termination of the Services Agreement (disengagement period) and ensure a seamless transition to the incoming service provider, the outgoing bidder will be required to handover to SARS and/or the incoming service provider all relevant and up-to-date information, records, accounts, reports, available risk profiles, travel profiles, etc. relating to travel management services.

In particular, in the disengagement period post the termination of the Services Agreement, the successful bidder will be required to provide the following but not limited to:

- a) Attend to queries relating to open/existing bookings;
- b) Make payment to all third-party service providers for all elements of existing trips and submit all outstanding invoices to SARS;
- c) Handover of final travel reports relating to the contractual period;
- d) Follow-up/handover of outstanding airline ticket refunds for all cancelled flights;
- e) Provide a reconciliation of Diners Lodged Credit Card up to termination date;

- f) Cancel the Diners Lodged Credit Card to ensure that no flight tickets are purchased post termination date; and
- g) Pay over to SARS all commission earned on all trips booked prior to termination of the Services Agreement.

The aforementioned disengagement activities post termination of the Services Agreement will be at no additional cost to SARS.

## **2.6 PRICING MODEL**

The Travel Management Company must have a dedicated team (booking consultants) to provide all travel services to SARS' VIP travellers and other travellers off-site. The TMC must be willing to provide all travel services to SARS' VIP travellers and other travellers on-site upon SARS request as and when required at no additional cost to SARS. The bidders must take note that the price quoted will take effect from **01 August 2025** and should hold their prices as such. Bidders are to note that the next price escalation will be on the anniversary of the contract on an annual basis.

Bidders must refer to Annexure B for the detailed pricing schedule. Bidders must note that the fee provided for "Admin Shared Services" must include the fee for after-hour call centre. All Bidders must provide an admin shared services' cost breakdown, including after-hours call centre fees, on a separate letter as an annexure to their price proposal, and this should be done on their company letterhead.

The pricing model is based on fixed monthly management fees applicable to day-to-day operational activities. Bidders must note that SARS will review the proposed management fee with the appointed Service Provider on a quarterly basis based on actual travel volumes. The annual escalation percentage will be applied on the latest reviewed management fee. The reviewed management fee must not exceed the initial proposed management fee.

## **2.7 POST TENDER AWARD**

Ensure that three (3) months prior to commencement date of the contract, the bidder is operational and ready to render the services.

## **2.8 SARS' REQUIREMENTS FROM BIDDERS / DOCUMENTATION REQUIRED**

Bidders must provide all the information required in this section in their bid proposals. Bidders should also refer to paragraphs 2.3 to 2.7 above, which detail the technical requirements.

### **2.8.1 COMPANY PROFILE**

The bidder must:

- Provide a company profile indicating a minimum of ten (10) years' experience in the travel industry. The experience must be in both domestic and international travel.
- Provide names of minimum of three (3) international tour operators (with minimum 5 years' experience in the field) with established payment options to pay the international Service Providers. SARS reserves the right to verify the information provided.

### **2.8.2 PERSONNEL RESOURCES**

The bidder must provide CVs of all dedicated staff to SARS indicating experience in the travel management industry including:

- X1 Head of Operations with a minimum of ten (10) years' experience in the travel management industry of which at least 2 years should have been with the bidder.
- X1 Account Manager with a minimum of eight (8) years' experience in the travel management industry of which at least 2 years should have been with the bidder.
- X1 Operations Manager with a minimum of eight (8) years' experience in the travel management industry of which at least 2 years should have been with the bidder.
- X2 Senior consultants with a minimum of eight (8) years' experience in the travel management industry of which at least 2 years should have been with the bidder.
- X8 Junior consultants with a minimum of five (5) years' experience in the travel management industry of which at least 1 year should have been with the bidder.
- Admin back-office staff shared services – TMC to determine the number based on SARS' travel volumes.

**Important Notes:**

- CVs must be signed by both the Bidder's authorised representative and the resource concerned, in order to confirm that the information contained in the CV is accurate and complete. If a CV is not signed by both parties, then the CV will not be considered for evaluations.
- The bidder must submit a letter signed by the Bidder's authorised representative indicating the number of years each nominated resource has been employed by the Bidder.
- The bidder must align their resources' designations to SARS' proposed resources' designations to ensure that SARS is able to evaluate the correct individual.
- All CVs must include references. SARS reserves the right to conduct reference checks prior to allocation of points to validate information provided. It is important to ensure that each resource's references are contactable.

### **2.8.3 TRAVEL SERVICES**

#### **2.8.3.1 Management of all reservations / bookings**

The bidder must provide an example of international and domestic booking process that shows the booking process flow from initiation to finalisation of the travel request including their standard operating procedures on how all travel reservations / bookings will be handled for the following:

- Air
- Accommodation.
- Various modes of transport i.e. Car Rental, Shuttle Service, train etc.

#### **2.8.3.2 Management of all refundable and non-refundable airline tickets**

The bidder must describe the refund process flow and how unused non-refundable airline tickets will be managed. i.e. refund register, timelines for processing and paying refunds to ensure all refunds are reimbursed to SARS before the expiry of an airline ticket.

#### **2.8.3.3 List of national and international service providers**



- a. The bidder must provide a reliable network of domestic travel service providers in all geographic locations where SARS has operations for the following services:
  - Accommodation; and
  - Various modes of transport (e.g. Car rental, shuttle service, trains, bus, etc.).
- b. The bidder must provide a reliable network of international travel service providers for the following services:
  - Accommodation; and
  - Various modes of transport (e.g. Car rental, shuttle service, trains, bus, etc.).
- c. Other services

The bidder must indicate other services the bidder provides which include but not limited to the following: secure, reliable and special travel services to maximise value for money for SARS e.g., parking, preferred seating, waitlist clearance, special meals, travellers with disabilities, forex, Visa requirements, vaccinations etc.

#### 2.8.3.4 Management of complex itinerary

The bidder must provide an example of one (1) consolidated detailed complex itinerary confirmation for both Domestic & International Trip that includes the following:

- Air Travel
- Accommodation
- Transport e.g. shuttle hire, car rental, train and bus.
- Visa requirements
- Travel insurance cover
- Travel alerts e.g. weather conditions, vaccination requirements etc.

#### 2.8.3.5 Management of invoices and payments

The bidder must describe how the invoicing process is managed to ensure the following:

- Alignment with National Treasury Regulations
- Negotiation of the best rates with service providers to ensure value for money.
- Reduction of errors e.g. duplicate invoices
- Outstanding open vouchers will be handled effectively.
- Maintain up-to-date accounts with domestic service providers.
- All travel service providers are paid within the agreed payment terms to avoid SARS incurring penalties and travellers being denied access to travel services.

#### 2.8.3.6 SARS Diners Lodged credit card and other payments methods

- The bidder must describe the process flow for making payments using the SARS Diners Lodged credit card and reconciliation thereof.
- The bidder must describe available alternative payment solutions to pay international and domestic travel service providers, other than the SARS Diners Lodged credit card, and provide proof thereof.

**2.8.3.7 Management of Queries, escalations and Complaints Resolution process**

- The bidder must have in place a clearly established complaints, queries and escalations management process which includes:
  - Acknowledgement of complaint/query raised within two (2) hours.
  - Investigation and resolution of complaints/queries raised within 24 hours.
  - Acknowledgement and resolution of escalations must be immediate.
- The bidder must indicate that a written report will be provided to SARS TMO within three (3) business days indicating the root cause analysis of each incident and mitigation strategies to be implemented to prevent recurrence.
- The bidder must provide a sample of a detailed complaints and compliments register.

**2.8.3.8 After-hours and emergency services**

The bidder must demonstrate the following:

- Ability to provide all travel services as required by SARS by providing sufficient afterhours resources who will be trained on SARS service levels (attached to the Services Agreement), SARS travel policy and procedures. The bidder has also provided contact details of support services for VIP travellers, as well as an alternative contact number with a WhatsApp functionality and details of the after-hour contact centre manager for VIP travellers.
- Ability to provide all travel services as required by SARS by providing sufficient afterhours resources who will be trained on SARS service levels (attached to the Services Agreement), SARS travel policy and procedures. The bidder has also provided contact details of support services for other SARS travellers, as well as an alternative contact number with a WhatsApp functionality and details of the after-hour contact centre manager for other SARS travellers.

**Note:** SARS reserves the right to call and test the after-hours contact number before awarding points.

**2.8.3.9 Business Continuity plan**

Bidder must submit a business continuity plan which covers mitigation factors in case of disruptions such as but not limited to cyber-attacks, cyber breaches, power outages, technical difficulties (e.g. IT system failures, unavailability of call centre number, unavailability of the dedicated VIP contact number etc.), a temporary and unforeseen personnel resource unavailability, force majeure events, etc. incorporating a Disaster Recovery Plan.

**2.8.3.10 Testimonials**

Bidder must submit **only** three (3) contactable testimonials, refer to Annexure A1 which must be completed by the Bidder's Clients. The provided testimonial should be from 3 recent clients (not older than 5 years), which are of a similar size to SARS (i.e., 10 000 travellers' profiles), where travel management and related services were provided.

Each testimonial must include the following information for each client:

- Client name;
- The client's contact person and phone number;
- Contract period;

- Description of the services;
- Level of satisfaction;
- Meets agreed turn-around-times;
- Accessibility of after-hour services;
- Timeous reporting aligned with reporting requirements; and
- Cost saving initiatives.

**Notes:**

- Annexure A1 may be copied to the client's company letterhead or authenticated with a company stamp.
- SARS reserves the right to contact the clients for a reference check. It is important to ensure that the clients are contactable.

#### 2.8.3.11 Performance reports

The bidder must provide a sample of travel reports used for performance management during the lifecycle of the contract indicating the following:

- A sample of the quarterly and annual detailed travel dashboard reports indicating costs incurred, actual volumes (i.e. car rental, airline, shuttles, accommodation) analysis, challenges and achievements for the relevant period, recommendations to ensure cost savings for SARS and a summary of travel industry trends.
- A sample of weekly and monthly detailed travel dashboard reports indicating costs incurred, actual volumes (i.e. car rental, airline, shuttles, accommodation) analysis, challenges and achievements for the relevant period, recommendations to ensure cost savings for SARS and a summary of travel industry trends.

### 2.8.4 BIDDER'S PRESENTATION

Bidders will be invited to present a demonstration for paragraphs 2.3.6.1 – 2.3.6.2 of this RFP document.

#### 2.8.4.1 Online booking system

The bidder must demonstrate their third-party travel booking system used for all their reservations (e.g. Global Distribution System (GDS)), showing its full functionality including but not limited to:

- Booking
- Cancellation and amendments
- Example of itinerary
- Example of available Reporting.

#### 2.8.4.2 Online booking tool (OBT)

The bidder must demonstrate their Online Booking Tool (OBT) and indicate how SARS travellers can utilise it showing its full functionality including the following:

- Live travel reservations for point to point and apply best rates i.e. shuttle services, flights, car hire, accommodation.
- Direct interface in the backend to at least one of the following Global Distribution System (GDS) systems: Travelport or Amadeus or Sabre or fully independent end-to-end solution, including fulfilment.

## SARS CONFIDENTIAL

- Workflow approval with capability to send booking confirmations via e-mail and SMS.
- Example of extracting of a report.

### 2.8.4.3 Call centre services

The bidder must provide a full description of their call centre activities / services:

- Availability of a 24/7 hours 365 days call centre by providing dedicated contact details (contact number and email address) and an alternative contact number with a WhatsApp functionality, as well as details of the call centre manager. This is applicable for VIP and other SARS travellers.
- Fully equipped with the necessary technology (e.g. call recorders, call centre performance reports etc.).
- Dedicated call centre team for SARS.

NB: SARS reserves the right to verify the existence and operational performance of a call centre prior to allocating points.

### 2.8.4.4 Cost savings strategy

The bidder must describe and provide minimum of 5 examples of cost savings initiatives implemented and achieved at previous clients relating to: Accommodation, Airline and Transport etc.

## 3 STRUCTURE OF THE RFP PACK

### 3.1 Structure

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

**Table 3A: RFP pack outline and contents**

Section	Index	Description of section contents
1	<b>Main RFP Document</b>	Documents outlining the main RFP guidelines, instructions, conditions and documents necessary for a bidder to submit a proposal.
2	<b>SBD Documents</b>	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.
3	<b>Contract management</b>	The General Conditions of Contract (GCC) and proposed Services Agreement under which SARS wishes to contract the services.
4	<b>Response templates</b>	Where applicable, response templates that are required to be completed and returned as part of a bidder's proposal.

## 4 KEY ACTIVITIES AND DATES

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

Table 4A: Key activities and dates

No.	Activity	Date / Time / Details
1.	Bid Number:	RFP 43/2023
2.	Description:	Provision of travel management and related services.
3.	Duration of contract:	The successful bidder will be appointed for a period of five (5) years, 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 RFP:	a) <b>National Treasury e-Tender Portal: 23 May 2024</b> b) <b>SARS website: 23 May 2024</b>
6.	RFP pack (complete set of bid documents) available for download from National Treasury e-Tender Portal and SARS website:	23 May 2024
7.	Virtual briefing session date and registration:	The non-compulsory briefing session will be held on <b>30 May 2024 at 11H00</b> virtually via a Cisco Webex / Microsoft Teams meeting and can be accessed at the following link: <a href="#">Join the meeting now</a> Meeting ID: 365 906 242 814 Passcode: yrWcpM
8.	Bidders to submit written questions on or before:	6 June 2024
9.	SARS to respond to bidders' written questions on or before:	13 June 2024
10.	<b>CLOSING DATE AND TIME (proposals due):</b>	<b>25 June 2024 at 11H00</b>

- 4.2 All dates and times in this RFP are South African Standard Time. The establishment of a time or date in this RFP 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 RFP will apply equally to the extended deadline.

## 5 COMMUNICATION

- 5.1 All communications to SARS must be addressed to the SARS Tender Office, emailed to [tenderoffice@sars.gov.za](mailto:tenderoffice@sars.gov.za), and must contain a clear reference to this RFP. Communication sent by SARS must only be regarded as official communication if sent from [tenderoffice@sars.gov.za](mailto:tenderoffice@sars.gov.za), or a communication accompanied by a letter of authorisation signed by the SARS Procurement Executive.
- 5.2 A bidder may not make any communication to SARS regarding this RFP 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 RFP to any of SARS' employees; officials; or any third parties involved in the preparation, evaluation,

or award of the RFP other than through the official contact provided.

## **6 TENDER PREPARATION AND SUBMISSION**

### **6.1 Introduction**

6.1.1 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:

6.1.1.1 economical, efficient, fair, equitable, transparent, competitive and cost effective; and

6.1.1.2 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).

### **6.2 Question and answer process**

6.2.1 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 RFP that is not clear to the bidder.

6.2.2 Between the dates given in paragraph 4, 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.

6.2.3 SARS may issue updated versions of documents issued in the RFP pack and/or may issue additional documentation to form part of the RFP 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 RFP pack.

6.2.4 **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.**

### **6.3 Central Supplier Database**

6.3.1 All bidders wishing to do business with SARS must register on the Government's Central Supplier Database (CSD) at [www.CSD.gov.za](http://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.

6.3.2 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.

### **6.4 Proposal submission**

6.4.1 For this RFP, 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.

6.4.2 The physical proposal submissions must be deposited in the SARS tender box on or before the closing date and time situated at the main entrance at the following address:

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

- 6.4.3 The proposals may also be couriered to the address provided in the afore mentioned paragraph.
- 6.4.4 Proposals will only be considered if received by the SARS Tender Office before the closing date and time, regardless of the method used.
- 6.4.5 Late proposals will not be accepted.
- 6.4.6 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.

## 6.5 Instruction for submitting a proposal

- 6.5.1 This section details the instructions to bidders for preparing a proposal in response to this RFP, 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.
- 6.5.2 All proposals and supporting documentation must be submitted in English.
- 6.5.3 A bidder's proposal is required to be submitted in two forms:

<b>1 x Hardcopy submission</b>	One (1) hardcopy submission clearly marked.  A "hardcopy submission" means an A4 ring bound lever arch file.
<b>1 x Electronic submission</b>	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.

- 6.5.4 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.
- 6.5.5 **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".**
- 6.5.6 A bidder is required to submit the contents of its submission (hardcopy and electronic) in the following format:

**Table 6A: Format and organisation of proposal**

Files		Section	Responses
<b>Folder 1:</b> TECHNICAL proposal	<ul style="list-style-type: none"> <li>RFP reference</li> <li>Description</li> </ul>	<b>1</b>	<ul style="list-style-type: none"> <li>Prequalification documents (SBD and other documents), <i>excluding SBD 6.1 Preference point claim form</i></li> </ul>
		<b>2</b>	<ul style="list-style-type: none"> <li>Response to mandatory requirements</li> </ul>

Files		Section	Responses
	● Bidder name		● Supporting documents for mandatory requirements
		3	● Response to technical requirements ● Supporting documents for technical requirements
		4	● Company profile ● Supplementary information
		5	● Draft Services Agreement
Folder 2: PRICE and B-BBEE/ specific goals proposal	● RFP reference ● Description ● Bidder name	1	● B-BBEE certificate or Sworn Affidavit ● SBD 6.1 Preference point claim form
		2	● Pricing response template
		3	● 3 most recent years audited / independently reviewed financial statements

## 7 EVALUATION OF PROPOSALS

### 7.1 Process after the closing date

- 7.1.1 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.

### 7.2 Prequalification evaluation process (Gate 0)

- 7.2.1 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).
- 7.2.2 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.
- 7.2.3 **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 7A: 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	Bidder to complete and sign the supplied	NO



	Prequalification documents to be submitted	Instructions	Non-submission will result in disqualification?
	form	pro forma document, to claim the points for B-BBEE / specific goals.	Non-submission will lead to a zero score on B-BBEE / specific goals.
4.	Supplier Risk Questionnaire	Bidder to complete and sign the supplied pro forma document.	YES
5.	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.
6.	Draft Services Agreement and/or General Conditions of Contract (GCC)	Bidder to sign the supplied pro forma document.	NO The recommended bidder(s) will be required to sign the applicable Agreement / GCC on award.
7.	A complete set of three (3) most recent audited / independently reviewed financial statements.	Submit complete sets of audited or independently reviewed annual financial statements as detailed in this RFP.	NO

### 7.3 Mandatory evaluation process (Gate 1)

7.3.1 Only Bidders that have met the prequalification criteria in Gate 0 will be evaluated in Gate 1 for mandatory evaluation. The table below contains the mandatory evaluation criteria.

7.3.2 **If a bidder does not meet any of the mandatory evaluation criteria, the bidder will be disqualified, and the bidder's proposal will not be evaluated further.**

**Table 7B: Mandatory evaluation criteria**

	Mandatory evaluation criteria	Bidder to submit as proof
1.	Valid Certificate of Accreditation from the International Air Transport Association (IATA)	A <b>valid</b> certificate of accreditation from the International Air Transport Association (IATA).  SARS reserves the right to validate the proof submitted by contacting IATA.

### 7.4 Technical evaluation process (Gate 2)

7.4.1 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.

7.4.2 The technical evaluations include desktop and presentation evaluations, will be scored out of a total of 100 points and bidders are required to score a minimum threshold of **[75]** out of 100 points to proceed to the next stage of evaluation, namely price and B-BBEE/specific goals evaluation.

7.4.3 **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.**

7.4.4 Bidders must refer to Annexure A2: Technical Evaluation Criteria for a detailed technical evaluation that will be used to

evaluate the bidder.

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

7.5.1 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.

7.5.2 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 7C: Price and B-BBEE/specific goals evaluation**

#	Criteria	Points
1.	Price	80
2.	Specific goals	20
	<b>TOTAL</b>	<b>100</b>

#### 7.5.3 Price evaluation (Gate 3, Stage 1)

7.5.3.1 Points for the price evaluation will be calculated in accordance with the formula stated below.

7.5.3.2 Bidders are required to complete all line items in the pricing response template 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.

**Table 7D: Pricing evaluation formula**

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

Where

P<sub>s</sub> = Points scored for price of proposal under consideration

P<sub>t</sub> = Rand value of proposal under consideration

P<sub>min</sub> = Rand value of lowest acceptable proposal

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

**Table 7E: Specific goals evaluation Criteria**

Specific goals evaluation Criteria	Maximum Points that may be awarded
The entity with at least 51% Black ownership	15
The entity with at least 30% Black women ownership	5
Entity that does not meet the above	0

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

#### 7.5.4.1 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.

#### 7.5.4.2 Points to be claimed

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

The specific goals allocated points in terms of this tender as per SBD6.1	Number of points allocated (80/20 system)
The entity with at least 51% Black ownership	15
The entity with at least 30% Black women ownership	5
Entity that does not meet the above	0

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

#### 7.5.4.3 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"> <li>A sworn affidavit or certificate from CIPC.</li> <li>Share Certificates of the company or CIPC registration documents or letter from an attorney or registered accountant in their letterhead</li> </ul>
2.	Qualifying Small Enterprise (QSE)	Between R10 million and R50 million p.a.	<ul style="list-style-type: none"> <li>A sworn affidavit for entities with 51% Black Ownership and above; or</li> </ul>

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

#### 7.5.4.4 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.

**7.5.4.5 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 Oaths 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.

**7.5.4.6 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](http://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](mailto: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.

#### **7.5.4.7 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 B-BBEE 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 B-BBEE 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.

**7.5.4.8 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 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.

#### **7.5.5 Consolidation of price and B-BBEE/specific goals evaluation (Gate 4)**

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.

#### **7.6 Financial risk analysis**

7.6.1 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.

7.6.2 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:

- 7.6.2.1 A statement of profit and loss and other comprehensive income;
- 7.6.2.2 A statement of financial position;
- 7.6.2.3 A statement of cash flows;
- 7.6.2.4 A statement of changes in equity / net assets; and
- 7.6.2.5 Accompanying notes.

7.6.3 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.

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

- 7.6.4.1 A letter detailing the fact, signed by a duly authorised representative of the entity;



7.6.4.2 The annual financial statements that the entity can provide, considering the period that it has been trading; and

7.6.4.3 Any other information or documentation which would provide more clarity on the financial history of a bidder.

7.6.5 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:

7.6.5.1 Holding company's / Parent company's accounts;

7.6.5.2 Management accounts;

7.6.5.3 Signed letter from a recognised financial institution confirming capital availability and bank statements; and/or

7.6.5.4 Credit rating reports (confirming capital availability or access to capital).

7.6.6 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 RFP.

7.6.7 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.

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

#### **7.7 Recommended bidders' due diligence and risk assessment prior to award**

7.7.1 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.

7.7.2 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.

7.7.3 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.

7.7.4 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.

#### **7.8 Proposed legal agreement**

7.8.1 Any award made to a bidder under this RFP 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.

7.8.2 If the recommended bidder(s) fails to sign the proposed agreement within the time frame stipulated, SARS reserves the right to:

7.8.2.1 cancel the award to the recommended bidder;

- 7.8.2.2 enter into negotiations with the second ranked bidder(s) and conclude the proposed agreement with such second ranked bidder(s); or
- 7.8.2.3 take any other action SARS deems reasonable and appropriate.

**7.8.3 Bidders are requested to-**

- 7.8.3.1 Comment on the terms and conditions set out in the draft agreement and where necessary, propose required changes to such terms and conditions.
- 7.8.3.2 Each comment and/or amendment must be explained.
- 7.8.3.3 All changes and/or amendments to the agreement must be in an easily identifiable colour font and tracked for ease of reference.

**7.8.4 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:**

- 7.8.4.1 SARS will enter into negotiations with the bidder with a view to concluding the agreement.
- 7.8.4.2 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.
- 7.8.4.3 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.
- 7.8.4.4 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.

**7.8.5 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.**

**7.9 Performance Standards**

**7.9.1 The successful bidder will be required to comply with the Service Level Annexure attached to the Services Agreement as Annexure A. By bidding, a bidder agrees that it will be subject to the Service Levels contained therein, if successful, as the Service Levels are not subject to negotiation.**

**7.9.2 Insurance and Related Risk Monitoring**

The successful bidder will be required to, for the duration of the Services Agreement with SARS, pursuant to this RFP –

- 7.9.2.1 have and maintain appropriate and adequate insurance cover with a financially sound and legally recognised insurance provider to cover itself against any claim, damages, losses or other expenses that may arise out of the services contemplated in this RFP or the execution thereof, and provide evidence of such cover upon request; and
- 7.9.2.2 in addition to the insurance cover contemplated in paragraph 7.9.2.1 above, continually monitor and assess all regulatory, commercial or business risk that may emerge or arise out of the services contemplated in this RFP

or the execution thereof, and take appropriate, reasonably commensurate measures which may include additional or supplementary insurance to cover itself against any such risk.

## **7.10 Indemnity**

- 7.10.1 If a bidder breaches any condition of this RFP 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 RFP 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.
- 7.10.2 A successful bidder shall indemnify, hold harmless and agree to defend SARS and its officers, employees, agents, successors and assigns, against all claims or Losses arising from, or in connection with, any of the following-
- 7.10.2.1 Third party claims attributable to any breach of the provisions of the Services Agreement by the successful bidder;
  - 7.10.2.2 Third party claims attributable to theft, fraud or other unlawful activity or any negligent, wilful or fraudulent conduct by the successful bidder or its Personnel and claims attributable to errors and/or omissions;
  - 7.10.2.3 Third party claims arising from or related to the death or bodily injury of any agent, employee, customer, business invitee, or business visitor or other person on SARS' premises caused by the delictual conduct of the successful bidder or its Personnel; and
  - 7.10.2.4 Claims arising from damage to property owned or leased by SARS or belonging to a third party caused by the acts or omissions of the successful bidder or its Personnel.

## **7.11 Liability**

- 7.11.1 The successful bidder shall be liable to SARS, where SARS has suffered any direct damages and/or Losses as a result of the successful bidder's failure to observe its obligations in terms of the Services Agreement.
- 7.11.2 The successful bidder shall further be liable to SARS for all indirect and consequential or special damages and/or Losses suffered by SARS as a result of gross negligence, wilful misconduct or breach by the successful bidder or its Personnel of confidentiality provisions in the Services Agreement, breach of Applicable Laws, infringement of third party intellectual property rights or a criminal act committed by the successful bidder, its Personnel or any employee of the successful bidder.

## **8 TRUSTS, JOINT VENTURES, SUBCONTRACTING AND OTHER ARRANGEMENTS**

### **8.1 Proof of existence of a trust, joint venture, consortium and subcontracting arrangements**

- 8.1.1 Where, for the purposes of this RFP, 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:
- 8.1.1.1 Details of the trustees of the trust; and
  - 8.1.1.2 Details of the beneficiaries of the trust. In instances where the beneficiary is a trust, the trust deed of that specific trust is required.
- 8.1.2 Where, for the purposes of this RFP, 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:
- 8.1.2.1 identification of each party to the agreement in full;
  - 8.1.2.2 the percentage ownership of the joint venture / consortium of each party to the agreement (if applicable);
  - 8.1.2.3 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);
  - 8.1.2.4 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

- 8.1.2.5 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.
- 8.1.2.6 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 RFP.
- 8.1.2.7 Joint venture members should be advised that each member will be held jointly and severally liable for the performance of the joint venture.

8.1.3 Where, for the purposes of this RFP, 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:

- 8.1.3.1 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;
- 8.1.3.2 a bidder awarded a contract, may only enter into a subcontracting arrangement with the approval of SARS;
- 8.1.3.3 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;
- 8.1.3.4 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
- 8.1.3.5 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).

## **9 COMPLAINTS AND ALLEGATIONS**

- 9.1 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.
- 9.2 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](mailto:anti-corruption@sars.gov.za) for further investigation.
- 9.3 The "SARS hotline" further provides an anonymous reporting channel for any unethical behaviour that a bidder wants to report.

## **10 GENERAL CONDITIONS OF BIDDING**

- 10.1 **By bidding, a bidder, is deemed to have accepted all terms and conditions of this RFP; and is further deemed to**

**have accepted that if successful, any award made will be made subject to the terms and conditions of this RFP.**

**10.2 Reservation of rights**

- 10.2.1 In addition to any rights which SARS has reserved to itself in this document or any other document in the RFP pack, SARS reserves the right in its sole discretion to:
- 10.2.1.1 make no award, or to accept part of a proposal rather than the whole;
  - 10.2.1.2 withdraw, or cancel this RFP;
  - 10.2.1.3 amend, vary, or supplement any of the information, terms or requirements contained in this RFP, any information or requirements delivered pursuant to this RFP, or the structure of the RFP process;
  - 10.2.1.4 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;
  - 10.2.1.5 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;
  - 10.2.1.6 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;
  - 10.2.1.7 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;
  - 10.2.1.8 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;
  - 10.2.1.9 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
  - 10.2.1.10 request presentations from such short-listed bidders. All costs relating to the preparation of such presentations will be borne by the bidders.
- 10.2.2 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:
- 10.2.2.1 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 RFP;
  - 10.2.2.2 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;
  - 10.2.2.3 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;
  - 10.2.2.4 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;
  - 10.2.2.5 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;
  - 10.2.2.6 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;

10.2.2.7 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;

10.2.2.8 is listed on the National Treasury's Register for Tender Defaulters or the National Treasury's Database of Restricted Suppliers; or

10.2.2.9 whose tender contains a misrepresentation which is materially incorrect or misleading.

**10.2.3 Bidders' own conditions**

10.2.3.1 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.

**10.3 Conflict of interest**

10.3.1 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.

**10.4 Confidentiality**

10.4.1 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.

10.4.2 Throughout this RFP 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 RFP relates; or (ii) the process which follows this RFP. Failure to adhere to this requirement may result in disqualification from the RFP process and such legal action as SARS may deem suitable.

**10.5 Fronting**

10.5.1 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.

10.5.2 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.

**10.6 Intellectual property**

10.6.1 SARS retains ownership of all intellectual property rights in the documents that form part of this RFP.

10.6.2 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.

- 10.6.3 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 RFP, 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 RFP, 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 or vendor.
- 10.6.4 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.
- 10.7 **Limitation of liability**
- 10.7.1 A bidder participates in this RFP 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 RFP process.
- 10.8 **Preparation costs**
- 10.8.1 A bidder will bear all its costs in preparing, submitting, delivering, and presenting any response or proposal to this RFP and all other costs incurred by it throughout the RFP process. No statement in this RFP 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 RFP.
- 10.9 **Precedence**
- 10.9.1 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.
- 10.10 **Responsibility for bidder's personnel and subcontractors**
- 10.10.1 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 RFP.
- 10.10.2 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.
- 10.10.3 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.
- 10.10.4 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.

- 10.10.5 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.
- 10.11 **Prohibition of participation in resultant tender**
- 10.11.1 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.
- 10.12 **RFP not an offer**
- 10.12.1 This RFP 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 RFP 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.
- 10.13 **SARS' oath / affirmation of secrecy**
- 10.13.1 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.
- 10.14 **Screening and vetting of a bidder**
- 10.14.1 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.
- 10.14.2 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.
- 10.14.3 The bidders shall supply and maintain a list of personnel involved on the project indicating their clearance status.
- 10.15 **Tax compliance**
- 10.15.1 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.
- 10.15.2 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.
- 10.15.3 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.
- 10.15.4 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.

**10.16 Tender defaulters and restricted suppliers**

- 10.16.1 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.

**10.17 Local production and content**

- 10.17.1 SARS supports and promotes local production and local content, environmentally friendly products, and sustainable sourcing.
- 10.17.2 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.
- 10.17.3 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.

**10.18 Validity of information**

- 10.18.1 SARS has made reasonable efforts to ensure the accuracy of the information contained in this RFP. 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 RFP or in respect of any additional information SARS may provide to a bidder as part of the RFP process.
- 10.18.2 A bidder is deemed to have examined this RFP 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.

**10.19 Governing law**

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

## 11 CHECKLIST OF RETURNABLES

Table 11: Checklist of returnable documents

	Checklist of returnable documents	Comply	Do not comply	Section
1.	A hardcopy and an electronic copy RFP proposal submission has been submitted for this RFP.			
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 6.5.3).			
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.	Valid Certificate of Accreditation from the International Air Transport Association (IATA)			
11.	Annexure A1: Testimonial Template has been fully complete and signed			
12.	All the technical evaluation requirements have been submitted with this bid.			
13.	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.			
14.	All the B-BBEE/specific goals evaluation and specific goal requirements have been submitted with this bid.			