

# **SARS REQUEST FOR INFORMATION (RFI)**

## **PROCUREMENT OF ECONOMIC DATA SETS AND A DUE DILIGENCE SOLUTION**

### **BUSINESS REQUIREMENTS SPECIFICATION**

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## Business Requirements Specification:

### Request For Information (RFI) for the procurement of Economic Data Sets and a Due Diligence solution

This document forms part of the RFI pack. The document sets out the business requirements that SARS has for the Procurement of Economic Data Sets and a Due Diligence solution.

This document and any appendices must be read in conjunction with all other documents in the RFI pack as such documents may contain further requirements that must be taken into account by the respondent in compiling a proposal. The respondent is referred, in particular, but without limitation to the following documents in the RFI pack:

- RFI Main Document;

## 1 USAGE OF TERMS IN THIS DOCUMENT

### 1.1 References to Other Documents in the RFI pack

Underlined and italicised names are references (or short names) to other documents in the RFI pack. The Respondent is referred the RFI Main Document for the table of documents and their short names.

### 1.2 Glossary Table

The capitalised terms in this document appearing in the glossary table below will have their corresponding meanings. The Respondent is referred to the RFI Main Document for the use and meaning of capitalised terms generally in the RFI pack.

Term	Meaning
Business Day	All days that are not Saturdays, Sundays or public holidays.
Business Hours	8:00-17:00 on Business Days.
Due Diligence	Data/Information on Companies and Individuals (including international data)
Fact Pack	Data/Information on Companies and Individuals (including international data)
Economic Data Set	Data (quantitative measures) pertaining to Advanced Economies, Developed Economies, Emerging Markets, High frequency markets, International organisations, 3rd party surveys and South African data..
MS SQL	Microsoft SQL Server Database
SARS PPS&G	SARS Policies, Procedures, Standards and Guidelines
SDM	Service Delivery Manager
Services	The services to be delivered by the Service Provider as set out in clause 4
SP	Service Provider
Term	3 years upon the awarding of the tender (to be issued if this RFI identifies potential bidders)

### 1.3 Mandatory and Directory Requirements

Respondents are advised to read the business requirements as set out in this document with care. Where SARS has specified a mandatory requirement, (i.e. where the business requirement, by the context; presence of verbs such as 'must'; 'will'; 'shall' etc.; or explicit instruction indicates that it is mandatory) the Respondent must build and price its solution accordingly. If a proposal fails to meet or does not address a mandatory requirement, the proposal may, at SARS's discretion, be disqualified at any stage of the evaluation process as being non-responsive.

Directory requirements (i.e. where the business requirement, by the context; presence of verbs such as 'may'; 'should'; 'can' etc.; or explicit instructions indicate that it is directory) are requirements that SARS does not regard as mandatory.

## 2 BACKGROUND

SARS's mandate under the South African Revenue Service Act 34 of 1997 includes the collection of all revenues that are due, ensuring maximum compliance with revenue legislation and providing a customs service that will maximise revenue collection, facilitate trade and protect the borders of South Africa. SARS's vision is to be an innovative revenue and customs agency that enhances economic growth and social development and supports South Africa's integration into the global economy in a way that benefits all citizens. SARS strives to exercise its mandate in an efficient and cost effective manner. Accurate and reliable economic data are a precondition to effective macroeconomic and tax revenue modelling and forecasting. It is of paramount importance for SARS to proactively and with a high level of precision identify any adverse trends in its economy and revenue collections and to promptly recommend, and apply the appropriate corrective measures. This would be almost impossible in the absence of economic data that is complete, accurate and timely.

Over the years, SARS has established the various business orientations required by these deliverables. It is now SARS' intention to maintain these capabilities by continuing

- The sourcing of updated Economic datasets and the associated services and subscriptions.
- The sourcing of Due Diligence data (including International data) and the associated services and subscriptions.

SARS receives data from external parties electronically or physically, and this therefore means that no new hardware components have to be purchased.

The primary objective of this RFI is to determine if the current subscriptions (Economic Data and Due Diligence data) can be provided by a single SP. If the RFI identifies that the required services can be provided, then a RFP will be issued to select and appoint a SP that is capable of providing the services.

The remainder of this Business Requirement Specification sets out the specific requirements desired from the new SP.

### 3 GENERAL REQUIREMENTS FOR THE SERVICES

#### 3.1 Accountability

SARS requires a single, accountable SP to deliver the desired services. The SP is allowed to partner with other service providers. However, such arrangements will be regarded by SARS as the internal operations of the SP of which SARS will have no insight or visibility.

Furthermore, the SP must have been providing Economic Data services or Due Diligence services continuously for at least 2 (two) years (the SP itself must have been providing such services and cannot rely on a subcontractor to fulfil this requirement). In the event that the SP is a Joint Venture or Partnership, the aforementioned continuous 2 (two) year requirement applies to such Joint Venture or Partnership in respect of at least a single shareholder or partner. Therefore, a single shareholder or partner must show/prove a continuous 2 (two) year experience in providing the services.

#### 3.2 Non-Exclusivity

SARS will retain the right to source any part of the scope of Services from other service providers during the Term or to provide a part of the scope of services itself.

#### 3.3 Transformation

SARS has no specific and immediate requirement to undertake a major transformation in terms of the technology or processes as part of the Services. In the event that SARS undertakes a transformation of technology or process during the Term, the SP may be engaged on a project basis to provide services supporting the transformation.

#### 3.4 Service Management

Supporting services should be provided through dedicated external links, e-mail and telephone channels. Data enquiries require an initial response within 24 (twenty-four) hours and resolution within 3 (three) working days.

#### 3.5 Training

The SP will not be required to provide formal training to SARS staff unless there is an introduction of new technology to the current environment. As and when required by SARS, the SP may be required to provide ad hoc technical training, for example, as part of a project.

#### 3.6 Consulting

The SP will be required to provide SARS with ad hoc advisory services related to the services, including advising and recommending continuous improvements and possible technological enhancements to SARS at no additional cost.

Formal consulting assignments may be engaged on a paid-for basis. Formal paid-for consulting assignments will only be provided on written authorisation by SARS to the SP.

### 3.7 Service Level Requirements

It is of critical importance to SARS that the SP provides the Services in a way that meets or exceeds the Service Levels.

#### 3.7.1 Service Conditions

The following conditions should apply for the rendering of the desired services:

- Data and subscriptions must be licenced for the enterprise, allowing for various installation instances.
- Data should not expire. The data procured during the Term should still be available for usage after the Term has concluded.
- SARS should be allowed to maintain and enhance the data procured during the Term after the Term's expiry, regardless of the appointed SP. This whilst securing the intellectual capital of the previous SP.

#### 3.7.2 Data Services

- SARS should be able to update data through the Internet via FTP (File Transfer Protocols) or any other suitable protocol.
- SARS should have fast, direct access to the database, charts and spreadsheets
- Database must be updated continuously and most time sensitive data must be updated within minutes of release
- The SP must ensure that revisions and methodology changes are adeptly handled and clearly explained.
- The data platform must be optimised for analysing and integrating content with other proprietary applications, econometric and software applications that we currently use like SAS and Eviews.
- The platform must also enable graphing and comparing of multiple series seamlessly.
- Notification of updates to previous searches should be provided electronically.

### 3.8 SP Management Personnel

The SP must provide a SDM for the management of the SARS account. The SDM is not required to maintain a presence at a SARS site. SARS will neither provide office space for the SDM, nor for any other SP staff.

SARS may also require the presence of SDM at ad hoc meetings at SARS's premises with reasonable notice. Reasonable notice will be determined taking into account the urgency with which the subject matter of a meeting is to be addressed. No separate

charge is to be levied by the SP for the SDM and/or for any time spent by the SDM servicing the SARS account.

The SDM to hold a position of sufficient authority within the SP's organisation to provide an effective escalation point for issues that may arise during the Term. Maintenance and Support Services

### 3.9 Maintenance and support services

Maintenance and support services consist of:

- Routine maintenance tasks

Updates and maintenance of datasets and software are to be done efficiently and seamlessly

- Incidents and problems that might arise

Incidents and problems are to be logged with the SP and classified into the following categories:

Low: incident / problem to be received in 5 (five) working days and resolution in 3 (three) weeks

Medium: incident / problem to be received in 3 (three) working days and resolution in 2 (two) weeks

High: incident / problem to be received in 1 (one) working day and resolution in 1 (one) week

- Ad hoc services

Any ad hoc services, amongst others such as those listed in sections 3.5 and 3.6, will be formally agreed upon by SARS and the SP as required.

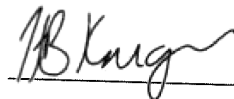
## 4 APPROVAL

EXECUTIVE MANAGER: MACRO ECONOMIC  
Senior Management: Economic Data RESEARCH



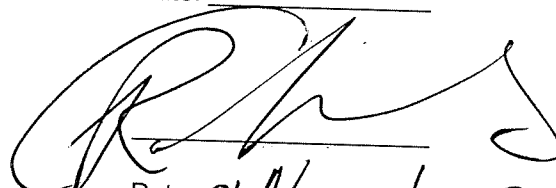
Date: 28/10/2016

Senior Management: Enforcement



Date: 2016/11/04

Executive Sponsor:



Date: 01 November 2016

## 5 APPENDIX A: ECONOMIC DATA

The following table prescribes the minimum specification of the required datasets. The SP can add to the datasets, but cannot provide less than the prescribed.

Advanced Economies	
Country surveys	
Government agencies	
Central banks	
Market exchanges	
GDP	
Employment	
Prices	
Industrial production	
Trade	
Developed Economies and Emerging Markets	
Country surveys	
Government agencies	
Central banks	
Market exchanges	
GDP	
Employment	
Prices	
Industrial production	
Trade	
DME Mineral and Fuel Sales Statistics	
BER/FNB Business and Consumer Confidence	
High frequency market data	
Currency exchange rates	
Commodity prices	
Equities	
Market Indices	
International organisations	
World Bank	
IMF	
OECD	
Eurostat	
UN	
European Commission	
3 <sup>rd</sup> party surveys	
Markit	

Conference Board	
South African data	
Trade Statistics	
SARB Macro Economic Indicators	
Vehicle Sales	
Stats SA Statistical Releases	
Provinces, Municipalities, Districts, and Metropolitan Economic Data	
JSE main Indices	
ABSA House Prices	
FNB House Prices	
Sector data	
Consumer and Business Indicators	
Key Macroeconomic projections	

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Business

29/10/2016

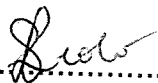
Date

## 6 APPENDIX B: DUE DILIGENCE

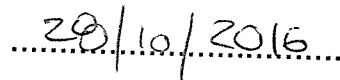
The following table prescribes the minimum specification of the required data and reports.

- Individuals
  - Contact information
    - Website information if applicable – alternatively social media links
  - Identification document – copies of documents including photos
  - Directorships– specifying the country in which the company is incorporated
  - Trusts – trustee information as per local Masters' offices regarding country, office and trust registration, date of incorporation and if applicable other trustees
  - Spouses and family members
  - Business associates
  - Social media
  - Bank account information & all documents filed when opening bank account
  - Judgments, defaults, court actions – merge this information from existing services such as Experian, Transunion to which SARS subscribes
- Company data
  - Business type and industry information (eg industry research on trends, mark ups, sales volumes, number of companies trading, staff turnaround, etc)
  - Directors – executive and non-executive
  - Public Officer – current and previous
  - Company Secretary – current and previous
  - Auditors and composition of Audit Committee – current and previous
  - Major shareholders and percentage shareholding
  - Major share dealings (purchases, sales, donations, options) if the company is listed (as required by various stock exchanges)
  - Prospectus – if applicable
  - Documents filed with the applicable country's Registrars when incorporating business
  - Business structures and links – specifically subsidiaries, joint ventures
  - Trading statements and related party transactions
  - Any trade statements – cautionary included
  - If listed company, the sponsor and banking institution information
  - Acquisition or disposal of major business component or subsidiary – value, date, etc
  - Business associates
  - Major clients and suppliers
  - Contracts awarded – including but not limited to tenders
  - Social media
  - Judgments, defaults,
  - Court actions – whether civil or criminal
  - Bank account - all documents filed when opening bank account
  - Departments of Trade & Industry applications – licences, incentives applications
  - Tender Board documents – preferred procurement and vendor listing with documents submitted for the application
  - Company filings – eg CIPC documents, SENS, SEC, etc
  - Any previous investigations by whatever authority (tax, law enforcement, stock exchange violations, etc)
- Sanctions lists
  - When the individual was listed, nature of listing and if removed, the reason for removing this person or company
- Politically exposed persons
  - What is the political link – business (shareholding, partnership, tender, etc), family member, friend, associate, spouse, etc

- Any media related to the above
- Country specific information
- Asset information
  - Fixed property – current and previous, financing, transfer documentation and contracts; spatial data and Google Earth/maps information with images
  - Vehicles – current and previous, financing, transfer documentation and contracts
  - Aircraft – registration numbers, hangar details, flight history, images
  - Boats - registration numbers, mooring details, flight history, images
- Country information – worldwide company data and business listings
  - Tax havens – eg Panama Papers, Luxembourg, HSBC and UBS information that was released and could be made available through exchanges of data
  - United States
  - Canada
  - Britain – England, Wales, Scotland
  - Ireland
  - European – France, Germany, Spain, Portugal, Greece, Italy, etc
  - Scandinavia – Norway, Denmark, etc
  - Russia
  - China
  - India
  - Japan
  - Australia
  - New Zealand
  - United Arab Emirates – as and when such data becomes available
  - African countries including Mauritius and Seychelles
  - South America – Brazil, Argentina, Chile, etc
  - Central America – Mexico, Venezuela, etc
  - Previous searches done



Business



Date