

REQUEST FOR PROPOSAL

SARS RFP 14/2016

NETWORK CARRIER AND INFRASTRUCTURE SERVICES

RFP MAIN DOCUMENT

SUMMARY, GUIDELINES, INSTRUCTIONS AND CONDITIONS

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SARS RFP 14/2016

Summary, Guidelines, Instructions and Conditions

1 PREAMBLE

The South African Revenue Service invites suitably qualified service providers to submit proposals in accordance with the rules set out in this Request for Proposal for the supply of the following areas of scope (each of which will be referred to as a “**Tower**”) on a non-exclusive basis and as defined in more detail in this and other documents forming part of this RFP:

Data Carrier (WAN) Services Tower: (Tower D)	<p>the supply of Data Carrier (WAN) Services to SARS, including:</p> <ul style="list-style-type: none"> (i) its data carrier network, including the supply of MPLS, leased lines, ATM circuits, Metro Ethernet circuits, satellite circuits, wireless circuits and other related technology solutions; and (ii) related data carrier services including service management, monitoring, reporting, support, consulting and advisory services;
Voice Carrier Services Tower (Tower V)	<p>the supply of Voice Carrier Services to SARS including:</p> <ul style="list-style-type: none"> (i) inbound and outbound voice carrier services and infrastructure; (ii) the provision of specific voice carrier infrastructure solutions such as SIP Trunking and BRI/PRI's; (iii) specific cost-saving solutions for SARS' outbound voice requirements to fixed and mobile destination requirements; (iv) the provision of related voice carrier services such as PABX solutions; and (v) related voice carrier services including service management, monitoring, reporting, support, consulting and advisory services;

Internet and Hosting Services Tower (Tower I)	<p>the supply of Internet and Hosting Services to SARS, including:</p> <ul style="list-style-type: none"> (i) the provision of local and international Internet bandwidth; (ii) hosting of SARS infrastructure (optional) and related services such as remote access services; (iii) the provision of Internet infrastructure application services such as firewalls, , email gateway (anti-spam and anti-virus), bulk email, etc.; and (iv) related Internet and Hosting services including service management, monitoring, reporting, support, consulting and advisory services;
SMS Carrier Services Tower (Tower S)	<p>the supply of Short Message Service (SMS) carrier services, including:</p> <ul style="list-style-type: none"> (i) the carriage of computer generated SMS messages to all mobile operators; and (ii) related SMS carrier services such as service management, monitoring, support, reporting, consulting and advisory services;

Proposals may be submitted by Bidders for 1 (one) or more of the 4 (four) Towers.

Prospective Bidders' attention is drawn to the following important conditions relating to the award of the scope of this RFP:

(i) **Tower D**

Over and above the scope for Tower D described above, during the intended term of the award of Tower D SARS may solicit proposal(s) for solutions that lie within the scope of Tower D but outside SARS' core network scope. SARS may invite Bidders who have met or exceeded the minimum threshold for the technical evaluation for Tower D to participate in such enquiries to the exclusion of entities who did not. The Bidder is required to take note of the rules and conditions contained in paragraph 6.8.1 of this RFP Main Document under which such enquiries may be made.

(ii) **Tower V**

In SARS' evaluation of Tower V, SARS will look to achieve the most cost effective solution for its inbound and outbound voice requirements. In order to achieve this, in addition to awarding the service to a primary provider, SARS may make an award to additional providers (preferred providers) for the carriage of certain outbound call types. A prospective Bidder in Tower V must consult this RFP Main Document, the Business Requirements Specification, and the Network Carrier and Infrastructure Services Agreement for the conditions governing such proposals and such awards.

(iii) **Tower I**

While a solution for the Hosting component is included in the scope of Tower I, and must be submitted as part of the Bidder's proposal, at SARS' sole election, SARS may contract for the Hosting service from the commencement of the contract, during the term of the intended contract, or not at all.

(iv) **Tower S**

SARS intends awarding the scope of Tower S to at most two Service Providers. During the term, SARS will on a periodic basis, no less frequently than annually, update the routing algorithms for its SMS traffic to the Service Providers based on availability, performance and pricing, as it may be improved by the Service Providers.

2 INTERPRETATION AND DEFINITIONS

2.1 Interpretation

- 2.1.1 A capitalised term used in any document in the RFP Pack will have the meaning that has been defined for that term in the document in which the capitalised term appears.
- 2.1.2 If the capitalised term has not been defined in the document in which the capitalised term appears then it will have the meaning given to it in the glossary table below in paragraph 2.2.
- 2.1.3 If the capitalised term has not been defined in the glossary table below in paragraph 2.2 then it will have the meaning given to it in Schedule A of the Network Carrier and Infrastructure Services Agreement.
- 2.1.4 In the event that a capitalised term has not been defined as per 2.1.1, 2.1.2 or 2.1.3 above then: if the term is technical in nature then it will have its generally understood meaning in the Information Communication and Technology (ICT) industries; otherwise it will have its generally understood meaning.
- 2.1.5 In any document in the RFP pack an underlined and italicised term is a reference to a document in the RFP pack. The reference can be resolved to the full document filename in the table in paragraph 3.2 (RFP Pack Contents) below.
- 2.1.6 In this document, a reference to:
- 2.1.6.1 persons or entities, includes a reference to natural persons, a body corporate, association, trust, partnership or other entity or organization;
 - 2.1.6.2 a person or entity, includes a reference to that person's or entity's successors or assigns;
 - 2.1.6.3 the singular includes the plural and vice versa, unless the context otherwise requires;

- 2.1.6.4 the words "include" and "including" mean "include without limitation" and "including without limitation". The use of the words "include" and "including" followed by a specific example or examples will not be construed as limiting the meaning of the general wording preceding it.

2.2 Definitions (Glossary table)

Bid Bond	is a financial instrument lodged by the Bidder to secure its performance during the RFP process as more fully set out in paragraph 11.
Bidder	is a prospective Service Provider who submits a Proposal for one or more Towers of this RFP.
BRI	means a Basic Rate Interface.
Briefing Session(s)	means meeting(s) to be held with prospective Bidders, the details of which are set out in paragraph 9.2.
B-BBEE	means Broad-Based Black Economic Empowerment
CPE Router	means a Customer Premise Equipment Router.
Closing Date	means the date set forth in the table of dates in paragraph 4.
CSD	means the National Treasury Central Supplier Database.
ITIL	Information Technology Infrastructure Library.
MPLS	Multi-label Protocol Services network.
PABX	means a private automatic branch exchange, which is an automatic telephone switching system within a private enterprise.
PE Router	means the Provider Edge Router.
Preferred Outbound Voice Carrier Provider	has the meaning given to it in paragraph 6.3.2.
Preferred Outbound Voice Carrier Services	means the services provided by the Preferred Outbound Voice Carrier Provider.
Primary Voice Carrier Provider	has the meaning given to it in paragraph 6.3.2.
Primary Voice Carrier Services	means the services provided by the Primary Voice Carrier Provider.
PRI	means a Primary Rate Interface.
Proposal	is a response submitted by a Bidder to this RFP.
RFP	means this Request for Proposal, including all documents in the RFP Pack.
RFP Pack	means the collection of documents making up this RFP as listed in paragraph 3.2.
SARS	means an organ of the State established in terms of the South African Revenue Service Act, 1997 (Act No 34 of 1997) with its

	registered address located at its Pretoria Head Office, 299 Bronkhorst Street, Nieuw Muckleneuk, 0181, the Republic of South Africa.
SBD	means standard bid documents prescribed by National Treasury as listed in section 2 of the table set out in paragraph 3.2.
Service Provider	is a Bidder who is awarded one; more than one; and/or a subset of Towers within this RFP and with whom SARS has entered into a Network Carrier and Infrastructure Services Agreement.
Services	include the duties, services, activities, deliverables, functions and responsibilities to be provided and to be performed in terms of the Network Carrier and Infrastructure Services Agreement entered into with the Service Provider for one; more than one; and/or a subset of Towers.
SIP Trunking	means a voice carrier service that carries Voice-over-IP (VoIP) outside the enterprise network.
Site	means any premises at which SARS maintains office facilities, are managed by SARS, or at which SARS requires carrier services as advised to Service Provider from time to time.
TCS	Tax Clearance Status as indicated in the CSD Registration Report.
Term	means the term of the Network Carrier and Infrastructure Services Agreement which the Service Provider and SARS will enter into as set out in paragraph 6.8.5.
Tower	means an area of scope as defined in the preamble to this document.

3 STRUCTURE OF THE RFP PACK

3.1 Structure

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

Section	Description of section contents
1	Documents outlining the RFP background, conditions, instructions and documents necessary for a Bidder to register and attend the compulsory Briefing Session.
2	Standard Bid Documents (SBDs). These documents are required by SARS Procurement and National Treasury to be completed in full and to be returned as part of the Bidder's Proposal.
3	Documents outlining the business requirements, technical requirements and other information required by the Bidder to submit a Proposal.
4	The proposed agreement under which SARS wishes to procure the Services.
5	Response templates. Templates that are required to be completed and

	returned as part of a Bidder's Proposal.
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Each document in the RFP pack is identified by the following naming convention

SARS RFP 14-2016 <s>-<n> <document name>

Where: <s> is the section number (as above) and <n> is an identifying number within the section. <document name> is a name describing the document contents.

3.2 RFP Pack Contents

Section	Document name	Document filename
1	RFP Invitation Letter	SARS RFP 14-2016 1-0 Invitation letter
	RFP Main Document	SARS RFP 14-2016 1-1 Network Carrier and Infrastructure Services Summary Guidelines Instructions and Conditions
2	Invitation to Bid (SBD1)	SARS RFP 14-2016 2-1 Invitation to Bid (SBD 1)
	SARS Oath / Affirmation of Secrecy	SARS RFP 14-2016 2-2 SARS Oath – Affirmation of Secrecy
	Declaration of Interest (SBD 4)	SARS RFP 14-2016 2-3 Declaration of Interest (SBD 4)
	National Industrial Participation Program (SBD 5)	SARS RFP 14-2016 2-4 National Industrial Participation Program (SBD 5)
	Preference Points Claim Form (SBD 6.1)	SARS RFP 14-2016 2-5 Preference Points Claim Form (SBD 6.1)
	Declaration of Past SCM Practices (SBD 8)	SARS RFP 14-2016 2-6 Declaration of Past SCM Practices (SBD 8)
	Certificate of Independent Bid Determination (SBD 9)	SARS RFP 14-2016 2-7 Certificate of Independent Bid Determination (SBD 9)
	Supplier Cost and Risk Assessment Questionnaire	SARS RFP 14-2016 2-8 Supplier Cost and Risk Assessment Questionnaire
3	Business Requirements Specification	SARS RFP 14-2016 3-1 Business Requirements Specification
	SARS Site Classifications	SARS RFP 14-2016 3-2 SARS Site Classifications
	Town Concentrator Site List	SARS RFP 14-2016 3-3 Town Concentrator Site List.
	VPN List	SARS RFP 14-2016 3-4 VPN Circuits
	Metro Ethernet Circuits	SARS RFP 14-2016 3-5 Metro Ethernet Circuits
	Metro Ethernet P2P Circuits	SARS RFP 14-2016 3-6 Metro Ethernet P2P Circuits
	Leased Lines	SARS RFP 14-2016 3-7 Leased Lines
	ATM Circuits	SARS RFP 14-2016 3-8 ATM Circuits
	Wireless Circuits	SARS RFP 14-2016 3-9 Wireless Circuits
	VSAT Site List	SARS RFP 14-2016 3-10 VSAT Site List
	Third Party Circuits	SARS RFP 14-2016 3-11 Third Party Circuits
	Access Sites Router Configuration	SARS RFP 14-2016 3-12 Access Sites Router Configuration
	Hosting Network Hardware Configuration	SARS RFP 14-2016 3-13 Hosting Network Hardware Configuration
	WAN Diagrams	SARS RFP 14-2016 3-14 WAN Diagrams
	VSAT Diagrams	SARS RFP 14-2016 3-15 VSAT Diagrams
4	Network Carrier and Infrastructure Services Agreement	SARS RFP 14-2016 4-1 Network Carrier and Infrastructure Services Agreement
5	Tower D Pre-qualification Response Template	SARS RFP 14-2016 5-1-D Tower D Pre-qualification Response Template
	Tower V Pre-qualification Response Template	SARS RFP 14-2016 5-1-V Tower V Pre-qualification Response Template
	Tower I Pre-qualification Response Template	SARS RFP 14-2016 5-1-I Tower I Pre-qualification Response Template
	Tower S Pre-qualification Response Template	SARS RFP 14-2016 5-1-S Tower S Pre-qualification Response Template
	Tower D Technical Response Template	SARS RFP 14-2016 5-2-D Tower D Technical Response Template

Tower V Technical Response Template	SARS RFP 14-2016 5-2-V Tower V Technical Response Template
Tower I Technical Response Template	SARS RFP 14-2016 5-2-I Tower I Technical Response Template
Tower S Technical Response Template	SARS RFP 14-2016 5-2-S Tower S Technical Response Template
Tower D Contract Response Template	SARS RFP 14-2016 5-3-D Tower D Contract Response Template
Tower V Contract Response Template	SARS RFP 14-2016 5-3-V Tower V Contract Response Template
Tower I Contract Response Template	SARS RFP 14-2016 5-3-I Tower I Contract Response Template
Tower S Contract Response Template	SARS RFP 14-2016 5-3-S Tower S Contract Response Template
Tower D Pricing Response Template	SARS RFP 14-2016 5-4-D Tower D Pricing Response Template
Tower V Pricing Response Template	SARS RFP 14-2016 5-4-V Tower V Pricing Response Template
Tower I Pricing Response Template	SARS RFP 14-2016 5-4-I Tower I Pricing Response Template
Tower S Pricing Response Template	SARS RFP 14-2016 5-4-S Tower S Pricing Response Template
Proposal Checklist	SARS RFP 14-2016 5-5 Proposal Response Checklist
Bid Bond – required format	SARS RFP 14-2016 5-6 Bid Bond - required format

4 KEY DATES, ACTIVITIES AND LOCATIONS

The table below lists certain key dates, activities and locations relevant from time of issuance of the RFP up to and until the Closing Date:

No	Description	Start Date/Time	End Date/Time
1.	RFP published	24 June 2016	
2.	RFP available for download from SARS website	27 June 2016	
3.	Compulsory Briefing Session and location	7 July 2016 12h00	7 July 2016 16h00
		SARS Tender Office, Linton House, Brooklyn Bridge, 570 Fehrsen Street, Brooklyn, Pretoria	
4.	Bidders to submit written questions	7 July 2016	25 July 2016 16h00
5.	SARS to respond to written questions	11 July 2016	28 July 2016 16h00
6.	Proposal submission times and location.	9h00 – 15h00 1 August 2016 9h00 – 15h00 2 August 2016 9h00 – 15h00 3 August 2016 SARS Tender Box, located outside the entrance to SARS Procurement, Linton House, Brooklyn Bridge, 570 Fehrsen Street, Brooklyn, Pretoria	
7.	Proposal submission close (the “Closing Date”)		3 August 2016 15h00

All dates and times in this RFP are South African Standard Time. Any time or date in this RFP is subject to change at SARS’ discretion. 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 in any way for any Bidder to demand that any action be taken on the date established, or on any other date. The Bidder accepts that if SARS extends the deadline for RFP submission

for any reason the requirements of this RFP will otherwise apply equally to the extended deadline.

5 CONTACT PERSONS

All communication to SARS must be addressed to:

SARS Tender Office, Linton House, Brooklyn Bridge, 570 Fehrsen Street,
Brooklyn, Pretoria

or

Email: RFP14-2016@sars.gov.za and copy tenderoffice@sars.gov.za

Communication sent by SARS must only be regarded as official communication if it has been sent from tenderoffice@sars.gov.za or RFP14-2016@sars.gov.za, published on the SARS Procurement webpage, or a communication accompanied by a letter of authorisation signed by the SARS Executive: Procurement or SARS Group Executive: Procurement.

6 OVERVIEW OF SARS' REQUIREMENTS

6.1 Introduction

SARS' mandate under the South African Revenue Service Act, 1997 (Act No 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' 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.

SARS' business operations are highly dependent upon optimal availability of its ICT infrastructure and systems. Accordingly its network infrastructure needs to be commensurately functional, reliable, efficient and cost effective.

During 2006/7 SARS issued and awarded RFT 06/2006 in terms of which service providers were engaged to undertake SARS' network transformation and to provide on-going support and maintenance and carrier services. The network transformation project was completed during 2008/9.

The primary objective of this RFP is to ensure the continuity and cost-effectiveness of SARS' Data Carrier Services, Voice Carrier Services, Internet and Hosting Services and SMS Carrier Services. It is not SARS' primary objective in issuing this RFP to perform a transformation of the network to new technologies. During the Term the Service Provider(s) will be expected to implement new technologies as they may present new options for improved performance and/or reduced cost.

6.2 SARS' Objectives in issuing this RFP

SARS' objectives in issuing this RFP are to conclude Network Carrier and Infrastructure Services Agreement(s) with the successful Bidder(s) that will achieve the following:

- 6.2.1 to provide SARS the Services in a manner that is intended to create and maintain a high level of user satisfaction in line with the defined Service Levels;
- 6.2.2 to achieve significant cost savings for SARS without any degradation in the quality of the Services;
- 6.2.3 to contain SARS' risk appropriately, including with respect to (i) sustained service delivery; (ii) cost containment; (iii) changes in law; (iv) SARS' ability to transition the Services to itself or a third party at termination or expiration of the Term; and (v) security of SARS Confidential Information;
- 6.2.4 to procure the Services under a flexible and scalable arrangement which reflects SARS' needs from time to time;
- 6.2.5 to procure the Services for Charges that (i) are commensurate with SARS' actual consumption, (ii) are predictable and controllable, (iii) decline over the Term, and (iv) are at or below the South African market price for similar services throughout the Term;
- 6.2.6 to establish a successful contractual relationship between the Parties that is flexible and highly responsive to SARS' changing requirements during the Term;
- 6.2.7 to provide SARS with expertise including that which is required to identify, analyse, recommend, provide and implement, among other things, new technologies and processes;
- 6.2.8 to provide SARS with Services that improve and remain competitive over the Term; and
- 6.2.9 to enable the Service Provider and its Subcontractors to earn a reasonable return on their investment and a reasonable profit from the performance of the Services, provided that the Service Provider meets its obligations under the Agreement.

6.3 SARS' Requirements for Services

While the details of the required Services are contained in the Business Requirements Specification, document the following is a high level summary of SARS' requirements for Services:

6.3.1 Data Carrier (WAN) Services

SARS requires a Service Provider(s) to supply and provide the Data Carrier Services on an on-going basis throughout the Term. The Service Provider must provide circuits of specified capacity and performance to and from each SARS site as specified in the network design and specification outlined in the Business Requirements Specification and as may be requested by SARS during the Term.

The Service Provider will be required to take accountability for the provision of the underlying WAN network technologies and solutions to establish the core network including MPLS, leased lines, ATM circuits, Metro Ethernet circuits, satellite circuits and wireless circuits for redundancy. The Services Provider's responsibility includes the provision and management of the CPE Routers.

A critical component of the Data Carrier Services is the provision of up to date, near real-time, monitoring, alerting and reporting services to SARS relating to all elements of the Data Carrier Services via a Service Provider provided portal (the Monitoring and Reporting Portal). A further portal requirement is the provision of a Customer Provisioning Portal through which SARS may place, track and review the history and status of orders SARS has made. The Bidder must propose a solution that will meet the requirements for the portals as specified in the Business Requirements Specification.

The Services must include the requirements for service management, consulting services, training, technical security services as specified in the Business Requirements Specification.

6.3.2 Voice Carrier Services

SARS requires Service Provider(s) to supply and provide Voice Carrier Services to meet both its outbound and inbound voice call requirements at all SARS sites. SARS' requirement is to make outbound voice telephone calls at the most effective overall cost while retaining acceptable voice quality. SARS may contract with more than one Service Provider to carry its outbound voice calls in order to maximise the cost efficiency by routing calls on a different basis depending on the technology proposed and destination type.

SARS runs four main contact centres (Alberton, Doornkloof, Durban and Bellville) that deal with inbound calls as well as making outbound calls to taxpayers. SARS' strategy is to retain only Alberton and Doornkloof as the break-out/break-in points for voice calls.

SARS' overriding requirement is to maintain high availability of voice communications at optimal cost efficiency. SARS' requirement at the two break-out/break-in contact centres (Alberton and Doornkloof) is to carry its inbound, outbound and transferred voice calls using SIP technology to and from the main call centres and possibly to more of its sites during the Term.

A critical component of the Voice Carrier Services is the provision of up to date, and in certain cases real-time, monitoring, alerting and reporting services to SARS relating to its Voice Carrier Services via a Service Provider-provided reporting portal. A further portal requirement is the provision of a Customer Provisioning Portal through which SARS may place, track and review the history and status of orders SARS has made. The Bidder must propose a solution that will meet the requirements for the portals as specified in the Business Requirements Specification.

A Bidder wishing to submit a Proposal for all the voice carrier requirements (the **"Primary Voice Carrier Provider"**) must submit a proposal that will meet all the requirements as specified in the Business Requirements Specification at all SARS Sites.

Bidders wanting to submit Proposals to carry certain outbound calls (the “**Preferred Outbound Voice Carrier Provider**”) may do so by submitting a Proposal for the reduced scope and need not provide a Proposal for the entire scope. A proposal for the Preferred Outbound Voice Carrier Services must include SIP channel break-outs at both SARS’ Alberton and Doornkloof campuses and must be able to carry calls to all domestic and international subscribers (fixed and mobile). Bidders for the Preferred Outbound Voice Carrier Services must provide full pricing for the different destination types. The Bidder must reference paragraph 7.3.2 of the Business Requirements Specification for details.

The Services must include the requirements for service management, consulting services, technical security services as specified in the Business Requirements Specification.

6.3.3 Internet and Hosting Services

SARS requires a Service Provider to provide Internet service provider services including web services, Internet access services and related security services. The Internet and Hosting Services includes the provision of hosted infrastructure application services such as email gateway, anti-spam mail filtering, bulk email and web filtering services

SARS may require the Service Provider to provide hosting services. Such hosting services include the hosting of SARS servers, storage, network and other equipment and the services necessary for the delivery of SARS applications to Internet users, and may include firewall services, remote access services and hosting environment network support services.,

A critical component of the Internet and Hosting Services is the provision of up to date, near real-time, monitoring, alerting and reporting services to SARS relating to all elements of the Internet and Hosting Services via a Service Provider provided portal (the Monitoring and Reporting Portal). A further portal requirement is the provision of a Customer Provisioning Portal through which SARS may place, track and review the history and status of orders SARS has made. The Bidder must propose a solution that will meet the requirements for the portals as specified in the Business Requirements Specification.

The Services must include the requirements for service management, consulting services, training services, technical security services as specified in the Business Requirements Specification.

6.3.4 SMS Carrier Services

SARS requires Service Provider(s) to carry SARS’ computer generated SMS traffic to all mobile network operators for delivery to mobile network subscriber addressees. It is SARS’ intention to make an award to 2 (two) SMS Carrier service providers for redundancy and cost-optimisation. During the term, SARS will on a periodic basis, no less frequently than annually, update the routing algorithms for its SMS traffic to the Service Providers based on then current availability, performance and pricing.

A critical component of the SMS Services is the provision of up to date, near real-time, monitoring, alerting and reporting services to SARS relating to all elements of

the SMS Carrier via a Service Provider provided portal (the Monitoring and Reporting Portal). The Bidder must propose a solution that will meet the requirements for the portals as specified in the Business Requirements Specification.

The Services must include the requirements for service management, consulting services, technical security services as specified in the Business Requirements Specification.

6.4 General Notes Regarding the Services

SARS reserves the right to:

- 6.4.1 request ad hoc services within or related to the scope of the Services;
- 6.4.2 exclude Sites or certain services from the scope of Services;
- 6.4.3 include additional Sites or additional Services;
- 6.4.4 direct that Services be delivered to SARS on behalf of other government entities;
- 6.4.5 include additional services related to Services; and
- 6.4.6 require that the pricing of any new requirements be aligned with the pricing applicable to existing Services where such Services are similar to those already provided.

6.5 SARS' Current Model of Service Provision

SARS has contracted the provision of its data carrier, voice carrier and Internet service provider services to an external service provider as awarded in RFT 06/2006.

SARS has outsourced the management of its network to an external third party. As the day to day management of the data, voice, Internet and SMS carrier provider(s) falls within the scope of the managed network service provider services, Service Providers to whom the scope of services is awarded as a result of this RFP may be managed on behalf of SARS, by the current incumbent, or its successor. It is an essential condition of an award being made to a successful Bidder that it must agree to be managed by and co-operate with the current managed network services incumbent or its successor.

SARS has contracted the provision of the SMS carrier services from 2 (two) service provider on a non-exclusive basis.

The commercial management of all service providers is performed by SARS itself.

6.6 Transition

The Service Provider(s) appointed within each Tower will be required to perform a formal transition project to prepare for the delivery of services as specified in the Business Requirements Specification and the Network Carrier and Infrastructure Services Agreement and, where appropriate, the take on the services from the incumbent carrier and Internet service providers. Bidders must submit a transition plan detailing the approach, the detailed activities and timelines as part of its Proposal and Bidders must provide an all-inclusive price to perform the transition as part of its Proposal. The Bidder must reference the Business Requirements Specification and the (Tower x Pricing Response Template, where x is the Tower reference, either D, V, I or S) for details on how the transition is to be priced.

6.7 Proposed Contract

- 6.7.1 Any award made to a Bidder under this RFP is conditional, amongst others, upon SARS and such Bidder concluding a comprehensive written contract (the Network Carrier and Infrastructure Services Agreement).
- 6.7.2 The proposed Network Carrier and Infrastructure Services Agreement is set out in the Network Carrier and Infrastructure Services Agreement of this RFP which reflects the terms and conditions upon which SARS intends to contract with a successful Bidder. Although Bidders may indicate their unwillingness to contract under such terms and conditions by marking up the proposed Network Carrier and Infrastructure Services Agreement in accordance with paragraph 13.4.4 of this document, such marking up is discouraged and will negatively affect the evaluation score of the Bidder's Proposal. Where a Bidder chooses to mark up the proposed Network Carrier and Infrastructure Services Agreement, the Bidder must do so in the template provided (Tower x Contract Response Template, where x is the Tower reference, either D, V, I or S) and in accordance with the instructions regarding the completion of the template.

- 6.7.3 While SARS reserves to itself the right to vary the terms and conditions of the proposed Network Carrier and Infrastructure Services Agreement during the course of negotiations with a Bidder (including for purposes of better giving effect to the objectives in paragraph 6.2 above), it is a condition of the RFP that a successful Bidder will be bound by those terms and conditions of the proposed contract which have not been marked up in the Bidder's Proposal, unless SARS chooses otherwise.
- 6.7.4 Accordingly, a Bidder is required to ensure that the mark-ups to the Network Carrier and Infrastructure Services Agreement as submitted as part of its Proposal are, as nearly as is practically possible, in the form in which it is prepared to sign. It follows that changes to the proposed Network Carrier and Infrastructure Services Agreement requested by a successful Bidder after the award of a Proposal that are not contained in the mark-ups submitted in its Proposal will not be countenanced by SARS, unless these arise directly out of SARS' own changes to the proposed Network Carrier and Infrastructure Services Agreement.
- 6.7.5 By submitting a proposal, the Bidder acknowledges that SARS will rely upon the representations made in the Bidder's Proposal in evaluating and making an award. If the Bidder is successful, the Bidder should note that the terms of its Proposal will be incorporated in the proposed contract by reference. It follows therefore that misrepresentations in a Proposal may result in legal action or other processes by SARS against the Bidder notwithstanding the conclusion of a Network Carrier and Infrastructure Services Agreement between SARS and the Bidder for the provision of the Services in question.
- 6.7.6 SARS reserves the right to defer the commencement date of the delivery of Services or a component of the Services.
- 6.7.7 The Bidder's Proposal pricing, other than regulated tariff-based pricing, must be firm and, in the event that the Bidder is successful, must remain as per the Proposal until 12 (twelve) months after the conclusion of the contract provided that SARS will be given the benefit of any pricing decreases. The Bidder must take note of the provisions of Schedule D of the Network Carrier and Infrastructure Services Agreement which govern the annual adjustment of pricing. The first such adjustment will only be made on the first anniversary of the effective date of the contract.
- 6.7.8 In the event that the successful Bidder fails to sign the proposed Network Carrier and Infrastructure Services Agreement in the form submitted by it as part of its Proposal within 21 (twenty-one) days of SARS calling upon it in writing to do so, SARS reserves the right to:
- 6.7.8.1 cancel the award to the successful Bidder;
 - 6.7.8.2 make arrangements with reserve Bidder(s) to conclude the contract with such reserve Bidder(s); and / or
 - 6.7.8.3 take any other action SARS deems reasonable and appropriate in the circumstances, including the exercise of SARS' entitlement to encash the Bid Bond as set out in paragraph 11.2

6.8 Model of Service Supply

The details of the model of service supply are specified in the Business Requirements Specification. The Bidder's attention is drawn to the following assumptions that are fundamental to the model of service supply:

- 6.8.1 It is SARS' objective to appoint a single Service Provider to provide Data Carrier Services within Tower D and hence it is a requirement that Proposals must contain a complete solution for the entire scope and all required Services within that Tower. SARS may, during the Term, issue enquiries for services that lie within the scope of Tower D but outside the scope of the core network. Where such solutions do not require service management and / or integration to the SARS processes, SARS may issue such enquiries to all Bidders who have proceeded to the second stage of evaluation in Tower D (see paragraph 10.3.4), and other parties in a limited bid RFQ.
- 6.8.2 In order to achieve maximum cost-effectiveness of the services in Tower V, in addition to the objective of appointing a single Primary Voice Carrier Provider for the entire scope of Tower V, SARS may also appoint Preferred Outbound Voice Carrier Provider(s) to carry outbound calls from its Alberton and Doornkloof contact centres.

In Tower V therefore, Bidders may submit Proposals that address the entire scope of Tower V or just for the carriage of outbound calls from SARS Alberton and Doornkloof contact centres sites. A Bidder cannot be awarded a part of the scope of Tower V which was not included in its Proposal.
- 6.8.3 It is SARS' objective to appoint a single Service Provider for Tower I. Hence it is a requirement that Proposals for Tower I must contain a complete solution for the entire scope and all required Services within Tower I. Note that SARS may contract for the scope of the hosting environment at the commencement of the contract, during the Term or not at all.
- 6.8.4 It is SARS' objective to appoint at least one Service Provider for the scope of Tower S. It is a requirement that Proposals for Tower S must contain a complete solution for the entire scope and all required Services within Tower S.
- 6.8.5 It is SARS' objective to enter into a contract with each of the Service Providers appointed in each of the Towers for a period of 5 (five) years with the option, at SARS sole discretion and subject to the provisions of the awards, to extend such contracts twice for a period of 1 (one) year with each extension. (the "Term")
- 6.8.6 The Services are contracted without any commitment to volumes; without a commitment to any spend; and with the exception of the core network in Tower D, on a non-exclusive basis. The Bidder is advised to consult the Network Carrier and Infrastructure Services Agreement for the provisions under which SARS may terminate Services.

7 PROPOSAL QUALIFICATION

7.1 Introduction

SARS has a detailed evaluation method premised on Treasury Regulation 16A3 of the Public Finance Management Act, 1999 (Act No 1 of 1999), which prescribes that SARS' process must be, *inter alia*:

- 7.1.1 economical, efficient, fair, equitable, transparent, competitive and cost effective;
- 7.1.2 consistent with the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000); and
- 7.1.3 consistent with the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).

In furtherance of this evaluation method, the bidding qualifications as set out in this paragraph 7 will apply.

7.2 Pre-qualification Criteria

- 7.2.1 Prospective Bidders who cannot, or do not, satisfy all of the conditions contained in paragraphs 7.2.1.1 to 7.2.1.3 should not submit bid proposals. If a Bidder is found not to meet any one of the requirements listed in paragraphs 7.2.1.1 to 7.2.1.2 then that Bidder's Proposal will be rejected at SARS' sole discretion, without any further consideration. The Bidder is also advised to consult the terms under which SARS may encash the Bidder's Bid Bond in paragraph 11.2.
 - 7.2.1.1 SARS is only interested in organisations that take accountability for service delivery. To avoid issues encountered where a single entity cannot provide the warranties of performance required or be held accountable for performance SARS will not consider Proposals submitted by a consortium or a special purpose vehicle constituted for the purpose of responding to this RFP.
 - 7.2.1.2 A Bidder must be a company registered in South Africa in terms of South African company law.
 - 7.2.1.3 SARS will not make an award to any Bidder who is not registered on the National Treasury Central Supplier Database ("CSD"). Further the Bidder must be fully tax compliant in order for an award to be made to the Bidder. In this regard, the Bidder's attention is further drawn to the requirement that the successful Bidder must ensure that it, and its Subcontractors, remain compliant with all South African Tax and Customs laws and regulations throughout the Term, and failure to do so will be a material breach of the Agreement. The Bidder should submit their CSD Registration Report together with their Proposal. Bidders should note that while the non-submission of a CSD Registration Report indicating the compliancy of the Bidders' Tax Clearance Status will not serve as a dis-qualificationary criterion prior to the evaluation phase, it remains a mandatory requirement

for an award to be made to the Bidder. Similarly, a CSD Registration report for the Bidder's subcontractors should be submitted as part of the Bidder's Proposal. Although non-submission of the subcontractors' CSD Registration reports will not result in disqualification, their submission and indication of a tax compliant status will be a requirement for an award to be made to the Bidder.

7.2.1.4

The table below contains the pre-qualification criteria that are specific to a particular Tower. The Bidder should be aware that any other requirement that is indicated as a mandatory requirement in this or any other document in this RFP Pack may also serve as a pre-qualification requirement unless stated otherwise. The Bidder must substantiate its compliance to the criteria below by completing the document Tower x Pre-qualification Response Template (where x is the Tower reference).

Tower D	<p>The Bidder must be in possession of the regulatory licences to provide the services for which it is bidding in Tower D. The Bidder is required to submit proof of the licences it holds together with a warranty that its licence holding enables it to provide the Services for which it is bidding. The Bidder may rely on regulatory licences held by a parent company or subsidiary, provided a satisfactory explanation of how such reliance will comply with regulatory requirements and that the warranty of compliance is provided. The Bidder may not rely on a third party's licence(s).</p> <p>The Bidder must have been operating / running an MPLS network for South African customers for at least the past 3 (three) years.</p> <p>The Bidder must currently, as at the Closing Date, be supplying Data Carrier (WAN) services, as the primary Data Carrier (WAN) service provider, to at least 2 (two) South African customers at 100 (one hundred) or more sites for each customer.</p> <p>A Bid Bond of R1,500,000 (One Million, Five Hundred Thousand Rand) (see paragraph 11.1 for the requirements of the Bid Bond).</p>
Tower V	<p>The Bidder must be in possession of the regulatory licences to provide the services for which it is bidding in Tower V. The Bidder is required to submit proof of the licences it holds together with a warranty that its licence holding enables it to provide the Services for which it is bidding. The Bidder may rely on regulatory licences held by a parent company or subsidiary, provided a satisfactory explanation of how such reliance will comply with regulatory requirements and that the warranty of compliance is provided. The Bidder may not rely on a third party's licence(s) to meet this requirement.</p>

	<p>If the Bidder is submitting a Proposal for the Primary Voice Carrier Services, the Bidder must be, as at the Closing Date, supplying inbound and outbound voice carrier services to at least 2 (two) South African customers at 100 (one hundred) or more of each customer's sites.</p> <p>If the Bidder is only submitting a proposal for the Preferred Outbound Voice Carrier Provider Services and not for the Primary Voice Carrier Provider Services then the Bidder must be, as at the Closing Date, carrying outbound calls for at least 2 (two) customers over SIP channel infrastructure from the customers' site(s) to a terminating network operator.</p> <p>A Bid Bond of R1,500,000 (One Million, Five Hundred Thousand Rand) (see paragraph 11.1 for the requirements of the Bid Bond).</p>
Tower I	<p>The Bidder must be in possession of the regulatory licences to provide the services for which it is bidding in Tower I. The Bidder is required to submit proof of the licences it holds together with a warranty that its licence holding enables it to provide the Services for which it is bidding. The Bidder may rely on regulatory licences held by a parent company or subsidiary, provided a satisfactory explanation of how such reliance will comply with regulatory requirements and that the warranty of compliance is provided. The Bidder may not rely on a third party's licence(s).</p> <p>The Bidder must have been operating / running Internet service provider services for South African customers for the past 3 (three) years.</p> <p>A Bid Bond of R1,500,000 (One Million, Five Hundred Thousand Rand) (see paragraph 11.1 for the requirements of the Bid Bond).</p>
Tower S	<p>The Bidder must be in possession of the regulatory licences to provide the services for which it is bidding in Tower S. The Bidder is required to submit proof of the licences it holds together with a warranty that its licence holding enables it to provide the Services for which it is bidding. The Bidder may rely on regulatory licences held by a parent company or subsidiary, provided a satisfactory explanation of how such reliance will comply with regulatory requirements and that the warranty of compliance is provided. The Bidder may not rely on a third party's licence(s).</p> <p>The Bidder must have carried at least 70,000,000 (seventy million) messages in the 12 month period prior to the Closing Date).</p> <p>The Bidder must propose a solution that carries the SMS</p>

	<p>traffic directly to the mobile network operators and not to other Wireless Application Service Providers. The Bidder must have, and supply proof of, existing agreements that are current and in place with all mobile network operators in terms of which SMSs to subscribers of each mobile operator network is carried.</p> <p>A Bid Bond of R1,500,000 (One Million, Five Hundred Thousand Rand) (see paragraph 11.1 for the requirements of the Bid Bond).</p>
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7.2.2 Subject to sub-paragraph 7.2.3 below, SARS will disqualify any Bidder who either itself or any of whose members (save for such members who hold a minority interest in the Bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least 15% (fifteen percent) of the interests in the Bidder other than in the context of shares listed on a recognised stock exchange), directors or senior management, whether in respect of SARS or any other government organ or entity (and whether of the Republic of South Africa or otherwise) ("**Government Entity**"):

- 7.2.2.1 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;
- 7.2.2.2 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;
- 7.2.2.3 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;
- 7.2.2.4 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;
- 7.2.2.5 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;
- 7.2.2.6 pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- 7.2.2.7 has in the past engaged in any conduct referred to in sub-paragraphs 7.2.2.1 to 7.2.2.6 foregoing;
- 7.2.2.8 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; or

7.2.2.9 is listed on the National Treasury's Register of Tender Defaulters or the National Treasury's Database of restricted Suppliers.

7.2.3 SARS in its sole discretion will be entitled (but not obliged) to exempt, in writing, a Bidder from disqualification in terms of sub-paragraph 7.2.2.7 foregoing. A Bidder that stands to be disqualified in term of sub-paragraph 7.2.2.7 foregoing may, prior to submitting a Proposal, approach SARS in writing for an exemption as foresaid, in which event:

7.2.3.1 the Bidder is required to provide SARS with full information to enable SARS in its sole discretion to consider such application for exemption; and

7.2.3.2 SARS will not be obliged to consider any such application or to grant any exemption, such consideration or granting of exemption being solely within SARS' discretion.

7.2.4 By submitting a Proposal the Bidder represents to SARS that it does not stand to be disqualified in terms of sub-paragraph 7.2.2 foregoing, unless it has otherwise applied for exemption or been exempted in terms of sub-paragraph 7.2.3 foregoing.

7.2.5 SARS may disqualify a Bidder:

7.2.5.1 whose Proposal contains a misrepresentation which is materially incorrect or misleading;

7.2.5.2 in respect of whom any of the members (save for such members who hold a minority interest in the Bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least 15% (fifteen percent) of the interests in the Bidder other than through shares listed on a recognised stock exchange), directors or senior management are not in full compliance with all applicable laws relating to taxation in South Africa, in which regard SARS further reserves the right to require the Bidder to submit a valid tax clearance certificate in respect of any one or more such persons;

7.2.5.3 whom SARS considers to be directly or indirectly owned, controlled or managed by persons who are not acceptable to SARS from an ethical, business or governance perspective;

7.2.5.4 who fails to register as a Bidder as set out in paragraph 9.1;

7.2.5.5 who fails to attend the compulsory Briefing Session as set out in paragraph 9.2;

7.2.5.6 who unlawfully had access to any of SARS' proprietary information or any other matter that may have unfairly placed that Bidder in a preferential position in relation to any of the other Bidders;

7.2.5.7 who materially fails to comply with any conditions or requirements of this

RFP;

7.2.5.8 who in SARS opinion has either materially failed to comply with any of the conditions of any existing or past agreement between such Bidder and SARS or who has performed unsatisfactorily under any such agreement; or

7.2.5.9 who fails to respond as required to written notices given by SARS in connection with its Proposal under this RFP.

8 SUBCONTRACTORS

8.1 Definition of Subcontractor

For the purposes of this RFP 14-2016, suppliers of infrastructure and technology and related services which the Bidder is reselling are not regarded as subcontractors. A provider of a comprehensive solution to a portion of the scope of this RFP 14-2016 which the Bidder has engaged to enable the Bidder to propose a complete solution to SARS is regarded as a subcontractor.

8.2 Retained Accountability

Although SARS permits Bidders to subcontract areas of scope, the successful Bidder will at all times be solely and entirely accountable to SARS for the performance of the contractual obligations.

The Bidder's attention is drawn to the provisions of Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2011 issued 6 June 2011, regulations 11(8) and 11(9):

11(8) A person may not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer intends subcontracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, unless the intended sub-contractor is an exempted micro-enterprise that has the capability and ability to execute the sub-contract.

11(9) A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is subcontracted to an exempted micro-enterprise that has the capability and ability to execute the sub-contract.

The Bidder must take cognisance of these provisions in negotiating and concluding sub-contractor agreements.

8.3 Subcontractor Participation

SMME subcontractors wishing to participate in the RFP should engage with suitably qualified prime Bidders to participate in the submission of a Proposal and such SMME subcontractors are not restricted by SARS to only doing so with a single prime Bidder.

8.4 Subcontractor Details Required

Where a Bidder proposes to appoint a subcontractor, the Bidder must in its Proposal in respect of each proposed subcontractor:

- 8.4.1 identify the subcontractor in full;
- 8.4.2 provide full details of the functions which the subcontractor will fulfil. This should include details of the delimitations of scope within the Services to be assigned to such a subcontractor;
- 8.4.3 the estimated total contract value which will be sub-contracted to the subcontractor and the percentage of the total contract that the subcontracted value represents in the event that the Bidder is successful; and
- 8.4.4 submit the information specified in paragraph 9.6.1.6.

SARS reserves the right to refuse the Bidder the right to appoint any subcontractor in respect of whom the Bidder has not fully complied with the provisions of this paragraph 8.4 or paragraph 9.6.1.6; and

SARS may disqualify a Bidder's Proposal in which the Bidder proposes to appoint a subcontractor which does not comply with the provisions of paragraph 9.6.1.6.

9 BID PREPARATION AND SUBMISSION

9.1 Registration

The Bidder is required to register to participate in the RFP 14/2016 process. Registration will take place prior to and at the venue for Compulsory Briefing Session.

The registration process requires that 2 (two) valid email addresses are provided by the Bidder to SARS for the purpose of RFP-related communications. It is the Bidder's responsibility to ensure the email addresses are valid and that the mailboxes linked to the email addresses are monitored on a daily basis. SARS may communicate by email and bears no responsibility to monitor the success or failure of the delivery of emails sent to Bidders' email addresses. All emails sent by SARS to the Bidder's email addresses will be assumed to have been received and read by the Bidder. A Bidder's failure to respond to or to take required actions sent by email to the registered addresses may lead to the prospective Bidder's disqualification.

Bidders who have not registered to submit a Proposal in accordance with the registration process described in this paragraph 9.1 do not qualify to submit a Proposal and any Proposal(s) submitted by such Bidders will not be evaluated. A registration by a prospective Bidder is not transferable. A Proposal received from a Bidder must be submitted in the name of an entity that has successfully registered to submit a Proposal in order to be evaluated.

There are no consequences if a prospective Bidder registers its intent to submit a Proposal for the RFP and does not submit a Proposal.

9.2 Compulsory Briefing Session

To enable a Bidder to attain a more detailed degree of knowledge of SARS' requirements, SARS intends to hold a compulsory Briefing Session. Bidders must attend the compulsory Briefing Session that will take place on the date, time and location specified in the table in paragraph 4 above.

Each prospective Bidder must send at least 1 (one) and a maximum of 3 (three) representatives to the compulsory Briefing Session and must register to attend the compulsory Briefing Session at the above venue.

The names of attendees and the company that the attendee is representing will be read out prior to the conclusion of the Briefing Session to verify details given during the registration process.

Attendees whose names are not read out during the reading of registered names will be given an opportunity to rectify and/or supplement the list with their details at the conclusion of the Briefing Session.

While the attendance register will suffice as proof of attendance, Bidders may request and retain a Briefing Session attendance slip that has been signed by a SARS representative in the event that proof of attendance is later required to be shown. On request by SARS, the submission of a signed attendance slip will constitute proof of

attendance. It is not necessary to submit the proof of attendance slip as part of the Bidder's Proposal.

9.3 Question and Answer Process

- 9.3.1 Between the dates given in item 5 of the table in paragraph 4, SARS will accept questions sent by Bidders by email to both addresses: RFP14-2016@sars.gov.za and tenderoffice@sars.gov.za. SARS will respond to these questions, provided that SARS will not be obliged to respond to a question should it choose not to do so. Where SARS responds to a question, it will do so by publishing the question and response on the SARS procurement website. The identity of a Bidder who has directed a question to SARS will not be disclosed by SARS in such responses.
- 9.3.2 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 re-issued or additional documentation will be published on the SARS procurement website. It is the Bidder's responsibility to visit the SARS procurement website at regular intervals to ensure that the Bidder uses the latest versions of documents in the RFP pack.
- 9.3.3 Depending on SARS' assessment of the nature and extent of Bidders' questions during the Question and Answer process, SARS may schedule additional compulsory or optional briefing sessions.
- 9.3.4 The SARS procurement website must be treated as primary means of communication by SARS to registered Bidders. Communications to registered Bidders made by email are made as a courtesy. In the event of any communication received by the Bidders that is in conflict with communications posted on the SARS procurement website, the SARS procurement website communication will prevail.

9.4 SITE INSPECTIONS

Although SARS does not envisage that any site inspections of SARS sites will be required, SARS reserves the right to schedule either optional or compulsory site inspections should it become apparent to SARS that it is necessary for a full understanding of the RFP specification.

9.5 PROPOSAL SUBMISSION

- 9.5.1 Proposals must be deposited in the SARS tender box at Linton House, 570 Fehrsen Street, Brooklyn, Pretoria between the "Start Date/Times" and the "End Date/Times" on the "Proposal submission times" set out in the table in paragraph 4.
- 9.5.2 Proposal documents will only be considered if deposited in the SARS tender box in accordance with paragraph 9.5.1 regardless of the method used to send or deliver such documents to SARS.
- 9.5.3 **Late Proposals will not be considered under any circumstances whatsoever.**
- 9.5.4 Prior to submission the Bidder must check the numbering of the pages of its Proposal and satisfy itself that none are missing or duplicated. The Bidder must submit a signed Proposal Checklist in accordance with the instructions contained in

paragraph 13. No liability is accepted by SARS in regard to Proposals which have missing or duplicated pages and SARS is under no obligation to draw any defect in the Bidder's Proposal to the attention of the Bidder and/or allow the Bidder to correct such defect.

- 9.5.5 All hardcopy documents in the Bidder's Proposal must be signed by a duly authorised signatory on behalf of the Bidder and **initialled on every page** where a full signature is not required. A signatory's authority to sign must appear from supporting documentation such as a copy of a board resolution duly authorising the signatory to sign the Proposal on behalf of the company. The Bidder must sign and/or initial (as applicable) both the original and all copies of the RFP response. SARS may hold the signatory personally liable in the event that such person is not duly authorised by the Bidder.
- 9.5.6 All Proposal documents must be submitted in original, hard copy format, as well as electronically on a compact disc (CD) / digital versatile disk (DVD) in the document formats specified in paragraph 13.
- 9.5.7 All Proposals and supporting documentation must be submitted in English.
- 9.5.8 SARS reserves the right to retain the Bidder's Proposal for audit purposes. SARS will return the Bidder's Proposal only upon written request being made to SARS and on condition that SARS will be allowed to make the necessary photocopies of the Bidder's Proposal for record purposes, at SARS' cost.
- 9.5.9 All costs incurred during the preparation and compilation of a Bidder's Proposal, as well as the delivery of a Bidder's Proposal documents to SARS will be borne exclusively by the Bidder.
- 9.5.10 Proposals will remain valid for a minimum period of 180 (one hundred and eighty) days from the Closing Date.

9.6 PROPOSAL COMPLIANCE

The Bidder must ensure that all provisions and instructions in this paragraph 9 and paragraph 13 for the completion and submission of a Proposal are followed in detail.

- 9.6.1 The Bidder's attention is drawn to the following documents required as part of a Bidder's Proposal which, if omitted from a Proposal, will result in that Proposal being eliminated from evaluation at SARS' sole discretion:
 - 9.6.1.1 audited financial statements for the past 3 (three) consecutive financial years;
 - 9.6.1.2 all SBD documents, as included in Section 2 of this RFP pack, completed and signed as instructed;
 - 9.6.1.3 a Bid Bond for the correct amount and in the format prescribed in the Bid Bond – required format. The Bidder must note the importance of the requirement to provide a Bid Bond that fully complies with the provisions of paragraph 11.1;
 - 9.6.1.4 SARS Oath / Affirmation of Secrecy signed by each member of the Bidder's

Bid team in the presence of a Commissioner of Oaths;

9.6.1.5 Completed pre-qualification response template (*Tower x Pre-qualification Response Template*, where x is the Tower(s) for which the Bidder is submitting a Proposal); and

9.6.1.6 the identical information referred to in sub-paragraph 9.6.1.4 foregoing in respect of each proposed subcontractor.

9.6.2 SARS may reject a Proposal which:

9.6.2.1 is conditional on SARS' acceptance of substantial deviations from the proposed contract included in this RFP;

9.6.2.2 fails to commit to the key deliverables required by this RFP;

9.6.2.3 does not contain correct number of copies, or who submits copies in an incorrect format; or

9.6.2.4 is non-compliant in any respect.

10 EVALUATION AND SELECTION

10.1 Process after Closing Date

After the Closing Date in paragraph 4:

10.1.1 SARS may request additional information, 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. Only under exceptional circumstances and as may be permitted by applicable legislation, SARS may, at its sole discretion, allow Bidders to make any amendments to or supplement their Proposals after the stipulated Closing Date and time;

10.1.2 SARS may conduct a due diligence exercise on any Bidder or its Subcontractor, which may include interviewing customer references or other activities to verify information and capabilities claimed (including visiting the Bidder's or Subcontractor's premises, sites and facilities to verify certain stated facts or assumptions) and in which regard 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 will evaluate the Bidder's Proposal based on the limited information at hand;

10.1.3 no amendment may be made to a Proposal, unless specifically permitted or requested by SARS;

10.1.4 SARS may shortlist Bidders and may request presentations from short-listed Bidders;

10.1.5 SARS will enforce whatever measures it considers necessary to ensure the confidentiality and integrity of the contents of the Proposals;

- 10.1.6 SARS will evaluate the Proposals with reference to SARS' evaluation criteria detailed in paragraph 10.3. SARS reserves the right to employ subject matter experts to assist in performing such evaluations.

10.2 SARS' Pre-qualification Criteria

- 10.2.1.1 SARS has defined the minimum pre-qualification criteria that must be met by the Bidder in order for SARS to accept a Proposal for a Tower for evaluation. In this regard a pre-evaluation verification will be carried out by SARS in order to determine whether a Proposal complies with the provisions of paragraphs 7.2 and 9.6.
- 10.2.1.2 Where the Bidder's Proposal fails to comply fully with any of the pre-qualification criteria or SARS is for any reason unable to verify whether the pre-qualification criteria are fully complied with, SARS will have the right to either:
- 10.2.1.2.1 entirely reject the Proposal in question and not to evaluate it at all;
 - 10.2.1.2.2 give the Bidder an opportunity to submit and/or supplement the information and/or documentation provided by it under its Proposal so as to achieve full compliance with the pre-qualification criteria, provided that such information and/or documentation can be provided within a period of 7 (seven) days, or such alternative period as SARS may determine, of it being requested by SARS and is administrative in nature, as opposed to forming a material part of the Bidder's Proposal; or
 - 10.2.1.2.3 in any event permit the Proposal to be evaluated.

10.3 SARS' Evaluation Criteria

- 10.3.1 SARS' evaluation criteria provide for the accumulation of points for a Bidder's Proposal based on the extent to which it:
- 10.3.1.1 provides a technical solution and services that meet SARS' requirements. In this regard the Bidder is directed to examine the requirements set out in the Business Requirements Specification and in particular to those requirements which are essential to the Bidder's Proposal being acceptable as a technical solution;
 - 10.3.1.2 enables SARS to contain its risks, which will include an evaluation of the effect of any mark-up made by a Bidder to the proposed contract and a financial analysis of the Bidder's audited or reviewed financial statements;
 - 10.3.1.3 achieves SARS' Broad Based Black Economic Empowerment objectives read with the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) Regulations and National Treasury guidelines; and
 - 10.3.1.4 is financially competitive and offers value for money.

SARS' evaluation of Proposals includes functionality as a criterion and hence the evaluation of Proposals will be conducted in a two stage process after pre-qualification.

- 10.3.2 A financial statement analysis will be conducted on the recommended Bidders after completion of the pricing and B-BBEE evaluation stage. In this regard Bidders are referred to paragraph 13 in terms of which Bidders are required to submit completed sets of the last 3 (three) audited/reviewed annual financial statements in the name of the Bidder.
- 10.3.3 In the **first stage**, an assessment of functionality will be performed in terms of the following criteria:

Criterion	Description	Weighting per Tower				Evaluation values
		D	V	I	S	
Capability	Bidder's track record and current supported customer base, skills and subcontractor reliance.	25	20	30	30	Maximum points toward this criterion will be achieved by the Bidder who can demonstrate proof of a sustainable business of sufficient size and experience to take on the SARS scope in each Tower listed in the <i>Business Requirement Specifications</i> and has a successful track record of delivery and a satisfied customer base of 3 (three) or more years.
Technical Solution	Bidder's solution meets or exceeds the technical requirements and a commitment to the development of the technical offering, including provision of specified portals.	35	40	35	35	Maximum points toward this criterion will be achieved by Bidders whose solution meets or exceeds every aspect of the technical specifications.
Service Management	The ability to provide required service management requirements of the RFP.	10	10	5	10	Maximum points toward this criterion will be achieved by Bidders whose Proposal contains a solution to all service management aspects of the scope of the RFP, including but not limited to the portal requirements for monitoring and provisioning.
Transition, risk and quality	The Bidder's proposal to transition current provider(s) to the Bidder's proposed solution, the Bidder's proposal for risk and quality management	15	15	15	10	A Proposal that demonstrates a complete plan for transition of all the in scope services at minimal or no risk together with a comprehensive risk and quality management approach will achieve maximum points.

Contract Risk	Compliance to the <u>Network Carrier and Infrastructure Services Agreement</u> issued with the RFP.	15	15	15	15	Bidders returning a Proposal accepting all terms without condition or mark-up will achieve the maximum score for this criterion. Each mark-up made by a Bidder will be assessed for the risk (in terms of probability and impact) it poses to SARS if SARS were to contract with the Bidder on a basis including such a marked-up condition. The Bidder's score for this criterion will be reduced by an amount proportional to the increase in risk to SARS for each mark-up made by the Bidder.
Total for Functionality		100				

If, during the evaluation, an aspect of the Bidder's Proposal for a Tower is found to render the solution unacceptable to SARS then the Bidder's Proposal for that Tower will be rejected and not evaluated further.

Together the criteria listed in the table in 10.3.3 above make up the functionality criterion and a Bidder's Proposal will be evaluated for **functionality** within a Tower out of a possible 100 (one hundred) points.

Proposals for a Tower that score a number of points for functionality that is greater than or equal to a minimum threshold of 70 (seventy) points will proceed to the next stage of evaluation for that Tower.

In the event that no Proposals qualify to proceed to the next stage of evaluation in a Tower SARS, at its sole discretion, may consider the Proposal scoring the highest number of points for functionality and Proposals scoring higher than 95% (ninety-five percent) of the highest scoring Proposal for functionality in that Tower for selection to the second stage of evaluation for that Tower.

- 10.3.4 In the **second stage** of the evaluation, qualifying Proposals from the first stage will be evaluated in terms of the 90/10 preference points system under section 2 of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), read with the Preferential Procurement Policy Framework Regulations and National Treasury guidelines.

Criterion	Maximum Points
B-BBEE	10
Price	90

Points for the B-BBEE criterion will be allocated in accordance with the Bidder's B-BBEE status level claimed. Points for the price criterion will be calculated in accordance with the formula in section 6(1) of the Preferential Procurement Regulations, 2011.

- 10.3.5 A financial statement analysis will be conducted on the Bidders that have progressed to the second stage of the evaluation. In this regard, the Bidders are

referred to paragraph 10.3.9 below in terms of which Bidders are required to submit completed sets of the last 3 (three) audited/reviewed annual financial statements in the name of the Bidder.

10.3.6 SARS B-BBEE Requirements

Points for the B-BBEE criterion will be allocated in accordance with the Bidder's B-BBEE status level claimed.

NB: Points for BBEE can only be awarded to a Bidder who submits the BBEE certificate and **completes in full** the SBD6.1 preference points claim form for each Tower.

Failure to complete the SBD6.1 in full for a Tower will be interpreted to mean that preference points for BBEE status level of contribution have not been claimed for that Tower.

Note regarding the completion of section 8 of *SARS RFP 14-2016 2-5 Preference Points Claim Form (SBD 6.1)*. If the Bidder intends subcontracting to more than one subcontractor, the Bidder must submit a separate attachment with the following information and reference must be made to the attachment in the form.

Subcontractor name	Estimated Percentage of contract (by revenue)	B-BBEE status of subcontractor	Is the subcontractor an EME? (Yes/No)

This RFP is issued in accordance with the ICT Charter, therefore B-BBEE certificates issued in terms of the ICT sector codes are encouraged.

Classification	Turn Over	Submission Requirement
Exempted Micro Enterprise (EME)	Below R5 million p.a. (Old Codes) Below R10 million p.a. (Amended Codes)	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by IRBA or a letter from an Accounting Officer as contemplated in the CCA. A sworn Affidavit or Certificate from CIPC
Qualifying Small Enterprise (QSE)	Between R5 million and R35 million p.a. (Old Codes) Between R10 million and R50 million p.a. (Amended Codes)	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by IRBA. A sworn Affidavit or Certificate from CIPC
Large Entity (LE)	Above R35 million p.a. (Old Codes) Above R50 million p.a. (Amended Codes)	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by IRBA.

10.3.7 Pricing evaluation

Points for the price criterion will be calculated in accordance with the formula in the Preferential Procurement Regulations. The price of the Bidder's Proposal will be calculated over the anticipated term of the Agreement. Any additional costs that would be incurred by SARS by the Bidder implementing the solution or a part of the solution may be taken into account during evaluation.

The electronic version of the Tower x Pricing Response Template (where x is the Tower reference(s) for which the Bidder is submitting a response) as completed by the Bidder and submitted with the Bidder's Proposal will be used for the calculation of price. In this regard:

- 10.3.7.1 the Bidder must ensure the completeness and accuracy of the pricing figures provided in the Tower x Pricing Response Template (where x is the Tower reference(s) for which the Bidder is submitting a response).
- 10.3.7.2 the Bidder's authorised signatory warrants that the electronic copy submitted and the hardcopy contain the same information and must initial every page of the hardcopy response of the pricing response template(s).
- 10.3.7.3 the Bidder's Proposal for Tower x may be regarded as non-responsive if the electronic Tower x Pricing Response Template contains omissions.

SARS, in its sole discretion, may regard the Bidder's Proposal for Tower x as non-responsive if one or more of the pricing components of the Tower x Pricing Response Template provided in the Proposal are: not firm; subject to negotiation; subject to variation other than by mechanisms contemplated in the proposed contract; dependant on assumptions not provided by SARS in the RFP; or not reasonably determinable at the time of evaluation for any other reason.

- 10.3.8 The points accumulated for the B-BBEE status criterion for a Tower added to the points accumulated for the price criterion for that Tower will make up the points a Bidder's Proposal will score for that Tower. The non-submission of any B-BBEE documents will result in a score of zero for B-BBEE status.
- 10.3.9 Bidders are required to submit a complete set of audited / reviewed annual financial statements (statement of comprehensive income, statement of financial position, statement of cash flow and accompanying notes) in the name of the bidding entity for 3 (three) years. A financial statement analysis will only be conducted on the qualifying bidders after completion of the pricing and B-BBEE evaluation. Entities trading for less than 3 (three) financial periods, should provide reasons in a letter signed by a duly authorised individual of the entity. All documentation to support the reasons of the entity trading for less than 3 (three) financial periods should accompany this submission. If the Bidder/s is a subsidiary of a holding company and submits the holding company's financial statements as requested, the bidder is requested to furnish a letter from the holding company, stating the holding company will undertake to cover any or all risks associated with being awarded a tender.

10.4 Process Following Evaluation

- 10.4.1 Following SARS' evaluation of the Proposals in each Tower, SARS has the right to, inter alia, in its sole discretion:
 - 10.4.1.1 consider the business case for the award of the RFP and of the optional components in each Tower based on the Proposals received;
 - 10.4.1.2 undertake a Bidder clarification or Best and Final Offer (BAFO) process with respect to some or all of the items;
 - 10.4.1.3 short list 1 (one) or more Bidders in each Tower;
 - 10.4.1.4 conduct a due diligence exercise on any Bidder or its Subcontractor, which may include interviewing customer references or other activities to verify a Bidder's submitted or other information and capabilities (including visiting the Bidder's or Subcontractor's premises, sites and facilities to verify certain stated facts or assumptions) and in which regard the Bidder will be obliged to grant SARS with all such access, assistance and/or information as SARS may reasonably request and to respond within the timeframes set by SARS;
 - 10.4.1.5 conduct a risk assessment of a Bidder's capability to : conduct the transition; perform the Services in accordance with the specified Service Levels; and or more generally to achieve SARS' objectives as set out in paragraph 6.2;
 - 10.4.1.6 take any other action it deems appropriate.
- 10.4.2 SARS reserves the right to revise the points accorded to a Bidder in respect of all or any of the criteria at any time in the event of further information being obtained by SARS (including but not limited to under sub-paragraphs 10.3.1.1 to 10.3.1.4 foregoing), which in SARS opinion justifies such revision.
- 10.4.3 Upon completion of its evaluations, SARS may select 1 (one) or more preferred Bidders for any one or more Towers.
- 10.4.4 SARS will be under no obligation to select the Bidder with the highest number of points.
- 10.4.5 Upon an award in a Tower, the successful Bidder in that Tower will be required to enter into the Agreement with SARS in accordance with paragraph 6.7. In this regard:
 - 10.4.5.1 SARS may require the Bidder to enter into an interim agreement under which the Transition Services would commence;
 - 10.4.5.2 SARS will enter into negotiations with the Bidder with a view to concluding the Agreement;
 - 10.4.5.3 SARS will be entitled to cease negotiating with a Bidder and negotiate with another Bidder if SARS, in its sole discretion, is of the opinion that: the Bidder has made misrepresentations in its Proposal; the Bidder is attempting to withdraw from positions or commitments made in its Proposal; the Bidder is not negotiating in good faith; or an agreement may not be expeditiously

concluded with the Bidder for any other reason.

- 10.4.6 SARS may invite Bidders who have progressed to the second stage of the evaluation in Tower D to respond to Requests for Quotations (RFQs) issued by SARS from time to time after the award of this RFP. SARS will be under no obligation to :
- 10.4.6.1 issue such RFQs to any service provider who did not progress to the second stage of the evaluation in Tower D; or
 - 10.4.6.2 issue an RFQ at all.
- 10.4.7 In addition to appointing a Bidder as the Primary Voice Carrier Provider in Tower V, SARS may appoint one or more Bidders to provide outbound Voice Carrier Services (Preferred Outbound Voice Carrier Provider(s)). The basis on which calls will be routed is detailed in clause 1.10 of the Schedule B-V of the Network Carrier and Infrastructure Services Agreement. If SARS appoints a Bidder as a Preferred Outbound Voice Carrier Provider, SARS is under no obligation to contract with the Bidder for services at all the sites for which the Bidder submitted a Proposal. SARS is under no obligation to appoint a Bidder as a Preferred Outbound Voice Carrier Provider if no Bidder's Proposal provided a more cost-effective solution for outbound voice traffic.
- 10.4.8 SARS reserves its rights, in full, to make no award for all or part of the scope of a Tower if a risk assessment performed in terms of 10.4.1.5 discloses unacceptably high risks to SARS.

11 BID BOND

11.1 Bid Bond Value and Format

- 11.1.1 The Bidder is required to submit a Bid Bond in favour of SARS as part of its Proposal for an amount of R1,500,000 ((One Million, Five Hundred Thousand Rand) for the Data Carrier Services Tower (Tower D); R1,500,000 (One Million, Five Hundred Thousand Rand) for the Voice Carrier Services Tower (Tower V); R1,500,000 ((One Million, Five Hundred Thousand Rand) for the Internet and Hosting Services Tower (Tower I); and R1,500,000 (One Million, Five Hundred Thousand Rand) for the SMS Carrier Services Tower (Tower S). This amount operates cumulatively for each Tower for which the Bidder is submitting a Proposal. If, for example, a Bidder is submitting a Proposal for Tower D, Tower V and Tower I then the Bidder is required to submit a Bid Bond of R4,500,000 (Four Million, Five Hundred Thousand Rand).
- 11.1.2 The Bid Bond must be issued by a registered South African financial institution and submitted in the form provided in the Bid Bond – required format. The Bidder must not deviate from the form provided. The Bidder's attention is drawn to the provisions of paragraph 9.6.1.3.
- 11.1.3 The Bidder's Bid Bond may be underwritten by a third party (for example via its parent company). The Bid Bond is still required to be in the form provided in the Bid Bond – required format and issued by a South African financial institution.

- 11.1.4 The Bid Bond must be issued with an expiry date of no earlier than 27 January 2017.

11.2 Bid Bond Encashment and Release

- 11.2.1 Regardless of any other provision in this RFP, SARS will be entitled to encash the Bid Bond received from the Bidder if:

- 11.2.1.1 the Bidder fails to sign the proposed contract in the form submitted by it as part of its Proposal within 21 (twenty-one) days of SARS calling upon it in writing to do so as provided for in paragraph 6.7.8;
- 11.2.1.2 the Bidder submits a Proposal when it is subject to an exclusion set out in paragraphs 7.2.1.1 to 7.2.1.2;
- 11.2.1.3 the Bidder is disqualified under the provisions of paragraph 7.2.2 (other than in circumstances where the Bidder has in writing applied for exemption in terms of paragraph 7.2.3 and SARS has not responded to such application before the Closing Date);
- 11.2.1.4 the Bidder is disqualified in terms of any of paragraphs 7.2.5.2, 7.2.5.6, 7.2.5.7 or 12.11;
- 11.2.1.5 SARS withdraws from negotiations with the Bidder in terms of paragraph 10.4.5.3.
- 11.2.1.6 SARS becomes entitled to make a claim under paragraph 12.7; or
- 11.2.1.7 the Bidder, in contravention of the terms of the Confidentiality and Secrecy Undertaking and the SARS Oath / Affirmation of Secrecy given by the Bidder to SARS, discloses any confidential information (as defined in such undertaking) of or relating to SARS.

- 11.2.2 By submitting a Proposal, the Bidder agrees that:

- 11.2.2.1 if SARS encashes the Bid Bond in terms of the foregoing, SARS will be entitled to retain the full amount of the Bid Bond as a genuine pre-estimate of the damages suffered by SARS; and
- 11.2.2.2 if for any reason the provisions of this paragraph 11 are held to operate as a penalty, then the Bidder waives, to the fullest extent permitted by law, any right it may have to claim a reduction of such penalty and SARS will be entitled at any time to claim damages in lieu of such penalty.

- 11.2.3 Unless SARS is entitled to encash the Bid Bond under the provisions of this paragraph 11 or any of the paragraphs referred to in this paragraph 11, the Bid Bond will be released and returned to the Bidder upon the earliest of:

- 11.2.3.1 SARS withdrawing this RFP;
- 11.2.3.2 SARS advising the Bidder that its Proposal was eliminated or unsuccessful;
- 11.2.3.3 SARS advising the Bidder that no award will be made; or

- 11.2.3.4 the execution by both SARS and the Bidder of the Network Carrier and Infrastructure Services Agreement for the provision by the Bidder of the Services it has been awarded and the Bidder having delivered to SARS the performance bond provided for in that agreement.

12 GENERAL CONDITIONS OF TENDER

12.1 Acceptance of RFP Conditions

The Bidder's participation in the RFP process (including but not limited to registering for and/or attending the compulsory Briefing Session or information sessions; directing questions to SARS as referred to in paragraph 9.3 or submitting a Proposal) is deemed to constitute acknowledgement and acceptance by the Bidder of the terms and conditions contained in this RFP as binding on the Bidder.

12.2 Reservation of Rights

SARS reserves the right in its sole discretion to:

- 12.2.1 make no award in one or more of the Towers and/or to make an award for services making up a part of a Tower;
- 12.2.2 withdraw, suspend or cancel this RFP or the RFP process at any time;
- 12.2.3 change any of its requirements as set out in this RFP by notice to all registered Bidders;
- 12.2.4 change any condition, procedure or rule of the RFP by notice to all registered Bidders;
- 12.2.5 supplement any information contained in this RFP by notice to all prospective Bidders;
- 12.2.6 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;
- 12.2.7 re-advertise for Proposals;
- 12.2.8 provide further information in respect of, and modify the provisions of, this RFP at any time prior to the Closing Date by notice to all prospective Bidders;
- 12.2.9 conduct site visits and/or perform audits on any Bidder whenever SARS deems it prudent to do so;
- 12.2.10 undertake further checks on Bidders, which may include information on public record or in the public domain;
- 12.2.11 take into account the service history of the Bidder should services and/or goods previously have been rendered and/or delivered to SARS by the Bidder, or by any

of the Bidder's directors, members or trustees. SARS reserves the right not to award the Proposal to a Bidder whose track record (or that of any of its directors, members or trustees) with SARS is unsatisfactory. In such an event the Bidder will be informed accordingly and afforded an opportunity to object;

- 12.2.12 to 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 invited to comment;
- 12.2.13 to award a Proposal based on which Bidder is offering the best value for money, even if such Proposal is not the lowest priced Proposal; and
- 12.2.14 to make the award subject to the successful Bidder entering into the Network Carrier and Infrastructure Services Agreement with SARS on such terms and conditions as are acceptable to SARS.

12.3 Validity of Information

SARS has made reasonable efforts to ensure accuracy in compiling this RFP. However, neither SARS, nor its employees, officers, advisers or agents will be liable to the Bidder or any third party for any inaccuracy or omission in the RFP or in respect of any additional information SARS may provide to the Bidder as part of the RFP process.

The 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 before submitting its Proposal.

The Bidder must 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.

12.4 RFP not an Offer

This RFP does not constitute an offer to do business with SARS, but merely serves 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 a contract.

12.5 Preparation Costs

The Bidder will bear all its costs in preparing, submitting and presenting any response or Proposal to this RFP and all other costs incurred by it throughout the RFP process. Furthermore, 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 Proposal to this RFP.

12.6 Conflict of Interest

If at any time the 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 such conflict to SARS' satisfaction.

12.7 Indemnity

If a Bidder breaches any condition of this RFP and, as a result of that breach, SARS incurs costs or damages (including, without limit, the cost of any investigations, procedural impairment, repetition of all or part of the RFP process and enforcement of intellectual property rights or confidentiality obligations), then the Bidder indemnifies and holds SARS harmless from any and all such costs which SARS may incur and for any damages or losses SARS may suffer. The Bidder's attention is drawn to paragraph 11.2.

12.8 Precedence

The terms and conditions of this RFP Main Document will prevail over any information provided during any briefing session or communication whether oral or written, unless such information is official communication, as set out in paragraph 5, in writing and that such information expressly states that it amends this RFP Main Document.

12.9 Responsibility for Subcontractors and Bidder's Personnel

A Bidder is responsible for ensuring that its subcontractors, personnel (including officers, directors, employees, advisors and other representatives of a Bidder) and personnel of its subcontractors comply with all terms and conditions of this RFP and in particular the provisions of paragraph 12.10 below.

12.10 Confidentiality

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, information contained in or relating to this RFP or 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.

No part of the RFP may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Proposal. This RFP and any other documents supplied by SARS remain proprietary to SARS and must be promptly returned to SARS upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived therefrom.

Throughout this RFP process and thereafter, Bidders must secure SARS' written approval prior to the release of any information that pertains to (i) the potential work or activities to which this 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.

After the Closing Date, no confidential information relating to the process of evaluating or adjudicating Proposals or appointment of a Bidder will be disclosed to a Bidder or any other person not officially involved with such process.

12.11 Communication with SARS

The Bidder may not make any communication to SARS regarding this RFP other than through the official contact provided in paragraph 5. SARS may, at its sole discretion, disqualify the Bidder if the Bidder communicates or attempts to communicate any information regarding this RFP to any SARS employee; official; or any third parties involved in the preparation, evaluation or award of the RFP other than through the official contact provided in paragraph 5.

12.12 Intellectual Property

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

12.13 Limitation of Liability

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.

12.14 Tax Compliance

The RFP will not be awarded to a Bidder who is not tax compliant. In this regard, the Bidder is referred to paragraph 7.2.1.3. SARS reserves the right to withdraw an award made, or terminate the contract concluded with a successful Bidder in the event that it is established that such Bidder was in fact not tax compliant at the time of the award. SARS further reserves the right to terminate a contract with a successful Bidder in the event that such Bidder does not remain tax compliant during the full Term of the Network Carrier and Infrastructure Services Agreement.

12.15 National Treasury Restrictions

The RFP will not be awarded to a Bidder whose name (or any of its members, directors, partners or trustees) appears on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers.

SARS reserves the right to withdraw an award, or terminate a contract concluded with a Bidder should it be established, at any time, that a Bidder's name (or that of any of its members, directors, partners or trustees) appears on the Register of Tender Defaulters kept by National Treasury, or it has have been placed on National Treasury's List of Restricted Suppliers; or if the Bidder has been blacklisted by any other government institution.

12.16 Governing Law

South African law governs this RFP and the RFP response process. The Bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any

kind that may arise out of or in connection with the subject matter of this RFP, the RFP itself and all processes associated with the RFP.

13 INSTRUCTIONS FOR SUBMITTING A RESPONSE TO THIS RFP

This paragraph 13 details the instructions to Bidders for preparing a Proposal in response to RFP 14-2016. These instructions must be followed in detail to enable the information contained in the Bidder's Proposal to be read, understood and evaluated in a common and consistent layout. Should a Proposal be received that is not in the correct format, SARS reserves the right to reject the entire Proposal or portions of the Proposal depending on the extent of the deviation from the format described in this document. Information that has not been requested must not be submitted in the Bidder's Proposal.

13.1 Proposal Format

- 13.1.1 The Bidder's Proposal contents are detailed in paragraph 13.2.
- 13.1.2 The Bidders must submit a single hardcopy of its Proposal contained in a number of hardcopy files, and a single electronic copy written to a number of Compact Discs (CD) or Digital Versatile Discs (DVD).
- 13.1.3 The Bidder's hardcopy must be printed single-sided.
- 13.1.4 Where reference is made to a "hardcopy file" this means a separate A4 ring bound file. Where reference is made to a "CD" this means a separate CD or DVD. The Proposal submission will consist of a number of hardcopy files and CD's.
- 13.1.5 A File will consist of a hardcopy file and a CD. The CD must be the electronic copy of the hardcopy file.
- 13.1.6 A File (the hardcopy file and CD) must be wrapped and sealed in brown paper and must be labelled with the same text as the hardcopy file and CD.

13.2 Organisation and Contents of a Proposal

13.2.1 Common File

Irrespective of which or how many Towers for which the Bidder is submitting a Proposal, the Bidder will be required to submit the Common File. This file must contain the following sections; each divided by a file divider in the hardcopy file and placed in separate directories on the electronic copy CD.

Common File		
Label (on both file cover and CD)		<p>RFP 14/2016</p> <p><Bidder Name></p> <p>Common File</p>
No.	File divider / Directory name	Content required

1	Covering Letter	<p>A letter from the Bidder confirming the submission of the Proposal, for which Tower(s) and/or options within the Tower(s) the Bidder is submitting its Proposal and is signed by an authorised signatory of the Bidder.</p> <p>No template is provided – this is to be submitted in free format and must be submitted on the Bidder's letterhead.</p> <p>PDF format in electronic copy.</p>
2	Board Resolution	<p>Signed Board resolution authorising the Bidder's signatory.</p> <p>In the electronic copy the original signed document must be scanned and submitted in PDF format.</p>
3	SBDs	<p>Completed Standard Bidding Documents.</p> <p><u>Invitation to Bid (SBD1)</u></p> <p><u>Declaration of Interest (SBD 4)</u></p> <p><u>National Industrial Participation Program (SBD 5)</u></p> <p><u>Declaration of Past SCM Practices (SBD 8)</u></p> <p><u>Certificate of Independent Bid Determination (SBD 9)</u></p> <p><u>Supplier Cost and Risk Assessment Questionnaire</u></p> <p>The original signed documents must be included in the hardcopy file.</p> <p>In the electronic copy the original signed document must be scanned and submitted in PDF format.</p>
4	Signed Oaths / Affirmations of Secrecy.	<p>The <u>SARS Oath / Affirmation of Secrecy</u> signed by each member of the Bidder's and Subcontractors' bid teams.</p>
5	Bidder CSD Registration report.	<p>CSD Registration report including the Tax Clearance Status.</p> <p>In the hardcopy file a printout of the report obtained from the CSD system should be included. (www.csd.gov.za).</p> <p>In the electronic copy the downloaded PDF report should be included.</p> <p>The Bidder is referred to paragraph 7.2.1.3 regarding the non-mandatory nature of this requirement for evaluation and of its mandatory nature for award.</p>

6	Bid Bond	<p>The Bid Bond document for the total required amount for all Towers(s) for which the Bidder is submitting a Proposal. The form of the Bid Bond is given in the <u><i>Bid Bond – required format</i></u>. The Bidder is referred to paragraph 11 of this document for further instructions regarding the Bid Bond.</p> <p>In the hardcopy file the original Bid Bond document must be included.</p> <p>In the electronic copy the original Bid Bond must be scanned and submitted in PDF format.</p>
7	Pre-qualification response template for each Tower the Bidder is submitting a Proposal for.	<p>A completed template for each Tower for which the Bidder is submitting a Proposal:</p> <p><u><i>Tower x Pre-qualification Response Template</i></u> (where x is the Tower reference for which the Bidder is submitting a response)</p> <p>A printout of the completed and signed template(s) must be included in the hardcopy file.</p> <p>The completed template(s) must be submitted in Microsoft Word format in the electronic copy.</p>
8	Annual Financial Statements	<p>The Bidder's last 3 (three) years audited annual financial statements.</p> <p>In the electronic copy the originals must be scanned and submitted in PDF format.</p>
9	Checklist	<p>Completed template:</p> <p><u><i>Proposal Checklist</i></u></p> <p>A signed printout of the completed template must be included in the hardcopy file.</p> <p>A scanned copy of the signed checklist must be submitted in PDF format.</p>

13.2.2 File NP-x (Non Pricing Section for Tower x)

Depending on which and for how many Towers the Bidder is submitting a Proposal, the Bidder will be required to submit a File NP-x for each Tower bid upon (where x is the Tower reference). This file must contain the following sections; each divided by a file divider in the hardcopy file and placed in separate directories on the electronic copy CD and labelled as set out hereunder. Note that the x is the Tower reference appearing in the title, divider name, directory names and filenames.

Note that if a Bidder is submitting a Proposal for more than one Tower, the same documents may have to be submitted in more than one File. (For example, if a Subcontractor is proposed in more than one Tower, then the subcontractor's CSD Registration Report should be submitted in each Tower File for which the Subcontractor is being proposed). Note that an original certificate need not be supplied in every File, provided that where a copy is provided, the copy must contain a note referencing the File in which the original is contained. This principle applies to all documents, so that all documents for a Tower are contained within the File for a Tower, and can be evaluated as a self-contained pack.

File NP-x (Non Pricing Section for Tower x)		
Label (on both file cover and CD)		RFP 14/2016 <Bidder Name> File-NP-x Non-pricing
No.	File divider / Directory name	Content required
1	Technical Response Template	<p>Completed template: <u><i>Tower x Technical Response Template</i></u></p> <p>A printout of the completed, signed and initialled template must be included in the hardcopy file.</p> <p>The completed template must be submitted in Microsoft Word format in the electronic copy.</p>
2	Contract Mark-ups	<p>Completed template: <u><i>Tower x Contract Response Template</i></u></p> <p>A printout of the completed template must be included in the hardcopy file.</p> <p>The completed template must be submitted in Microsoft Word format in the electronic copy.</p>
3	Subcontractor CSD Registration report.	<p>In the hardcopy file a printout of the report obtained from the CSD system should be included. (www.csd.gov.za).</p> <p>In the electronic copy the downloaded PDF report should be included.</p> <p>The Bidder is referred to 7.2.1.3 regarding the non-mandatory nature of this requirement for evaluation and of its mandatory nature for award.</p>

13.2.3 File P-x (Pricing and B-BBEE Section for Tower x)

Depending on which and how many Towers the Bidder is submitting a Proposal for, the Bidder will be required to submit a File P-x for each Tower for which it is submitting a Proposal (where x is the Tower reference). This file contains one section to be placed in a file divider in the hardcopy file and in a directory on the electronic copy CD with the label set out hereunder. Note that the "x" (appearing in the title, directories and filenames) is the Tower reference. The actual Tower reference must be substituted for "x" in the Bidder's response.

Note that if a Bidder is submitting a Proposal for more than one Tower, the same documents may have to be submitted in more than one File. (For example, if a Subcontractor is proposed in more than one Tower, then the Subcontractor's B-BBEE certificate; must be submitted in each Tower File for which the Subcontractor is being proposed). Note that an original certificate need not be supplied in every File, provided that where a copy is provided, the copy must contain a note referencing the File in which the original is contained. This principle applies to all documents, so that all documents for a Tower are contained within the File for a Tower, and can be evaluated as a self-contained pack.

File P-x (Pricing Section for Tower x)		
Label (on both file cover and CD)		RFP 14/2016 <Bidder Name> File-P-x Pricing
No.	File divider / Directory name	Content required
1	Pricing Response template	Completed template: <u><i>Tower x Pricing Response Template</i></u> A printout of the completed template must be included in the hardcopy file. The completed template must be submitted in Microsoft Excel format in the electronic copy.
2	Preference Points Claim Form	A completed Preference Points Claim Form (SBD 6.1) for Tower x.
3	Bidder's BEE Certificate	The Bidder's B-BBEE certificate, valid as at the Closing Date. For the electronic copy, the original hardcopy must be scanned and submitted in PDF format.

4	Subcontractor B-BBEE Certificates	<p>For every subcontractor named by the Bidder in the template 1 in 13.2.2 above, the Bidder must attach a B-BBEE certificate or auditor's report in the hardcopy file.</p> <p>The B-BBEE certificates must be scanned and submitted as PDF documents on the CD.</p>
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13.3 Example

13.3.1 If a Bidder is submitting a Proposal for Tower D and Tower V, it would consist of the following:

Files	Documents in the file
<p>Hardcopy response to be submitted in file labelled:</p> <p style="text-align: center;">RFP 14/2016 <Bidder Name> Common File</p> <p>Electronic response to be submitted in on a CD labelled:</p> <p style="text-align: center;">RFP14-2016-<Bidder Name>- Common</p>	<ul style="list-style-type: none"> • Covering Letter • Board resolution • Standard Bid Documents • Oaths/Affirmations of Secrecy • Bidder's CSD Registration Report (see paragraph 7.2.1.3) • Bid Bond • Pre-qualification template for Tower D and the Pre-qualification template for Tower V • Annual Financial Statements • Proposal Checklist (indicating that all documents have been submitted)
<p>Non-Pricing Section – Tower D</p> <p>Hardcopy response to be submitted in file labelled:</p> <p style="text-align: center;">RFP 14/2016 <Bidder Name> File NP-D</p>	<ul style="list-style-type: none"> • Technical Response Template for Tower D • Contract Mark-up Template for Tower D • Subcontractor list • Subcontractors CSD Registration

<p align="center">Non Pricing</p> <p>Electronic response to be submitted on a CD labelled:</p> <p align="center">RFP14-2016-<Bidder Name>-NP-D</p>	<p>Report. (see paragraph 7.2.1.3).</p>
<p>Pricing Section – Tower D</p> <p>Hardcopy response to be submitted in file labelled:</p> <p align="center">RFP 14/2016</p> <p align="center"><Bidder Name></p> <p align="center">File P-D</p> <p align="center">Pricing</p> <p>Electronic response to be submitted on a CD labelled:</p> <p align="center">RFP14-2016-<Bidder Name>-P-D</p>	<ul style="list-style-type: none"> • Pricing Response Template for Tower D • Preference Points Claim Form SBD 6.1 for Tower D • Bidder's B-BBEE Certificate • Subcontractors' B-BBEE certificates
<p>Non-Pricing Section – Tower V</p> <p>Hardcopy response to be submitted in file labelled:</p> <p align="center">RFP 14/2016</p> <p align="center"><Bidder Name></p> <p align="center">File NP-V</p> <p align="center">Non Pricing</p> <p>Electronic response to be submitted on a CD labelled:</p> <p align="center">RFP14-2016-<Bidder Name>-NP-V</p>	<ul style="list-style-type: none"> • Technical Response Template for Tower V • Contract Response Template for Tower V • Subcontractor list • Subcontractors CSD Registration Report. (see paragraph 7.2.1.3). • Subcontractors' B-BBEE certificates
<p>Pricing Section – Tower V</p> <p>Hardcopy response to be submitted in file labelled:</p> <p align="center">RFP 14/2016</p> <p align="center"><Bidder Name></p> <p align="center">File P-V</p> <p align="center">Pricing</p>	<ul style="list-style-type: none"> • Pricing Response Template for Tower V. • Preference Points Claim Form SBD 6.1 for Tower V • Bidder's B-BBEE Certificate • Subcontractors' B-BBEE certificates

Electronic response to be submitted on a CD labelled: RFP14-2016-<Bidder Name>-P-V	
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The Bidder, in this example, will submit 5 (five) sealed packages wrapped in brown paper:

- (i) a package containing the hardcopy file of the Common File and the CD of the Common File labelled:

RFP 14/2016

<Bidder Name>

Common File

- (ii) a package containing the hardcopy file File NP-D and the CD of File NP-D labelled:

RFP 14/2016

<Bidder Name>

File NP-D

Non Pricing

- (iii) a package containing the hardcopy file File P-D and the CD of File P-D labelled:

RFP 14/2016

<Bidder Name>

File P-D

Pricing

- (iv) a package containing the hardcopy file File NP-V and the CD of File NP-V labelled:

RFP 14/2016

<Bidder Name>

File NP-V

Non Pricing

- (v) a package containing the hardcopy file File P-V and the CD of File P-V labelled:

RFP 14/2016

<Bidder Name>

File P-V

Pricing

13.4 Template Specific Instructions

13.4.1 Pre-qualification Template

The Bidder must complete and submit the Tower x Pre-qualification Response Template (where x is the Tower reference) for each Tower for which the Bidder is submitting a Proposal.

The completed template(s) must be included in File 1 (Common File).

13.4.2 Pricing Response Template

For each Tower for which the Bidder is submitting a Proposal, the Bidder must provide a response to the Tower x Pricing Response Template. (where x is the Tower reference).

The detailed instructions for preparing a response to the Tower x Pricing Response Template (where x is the Tower reference) are embedded in the template.

Bidders must submit an electronic copy as well as a signed and initialled hardcopy of the Pricing Response Template. A submission that is not accompanied by an electronic copy will not be considered. The completed pricing template must contain values in all cells that are required to be populated. If the price is 0(zero) for an item, the Bidder must ensure a zero is entered.

The completed template must be included in the pricing section for the Tower.

13.4.3 Technical Response Template

The Bidder must complete and submit Tower x Technical Response Template for each Tower for which it is submitting a Proposal. (Where x is the Tower reference).

The Bidder must provide responses to all questions, requests for information or detail, or other requests posed to the Bidder in the technical response template document(s). Where a response is requested in the template and no response is supplied by the Bidder it will result in a zero being scored by the Bidder for that section.

The completed template must be included in the non-pricing section for the Tower.

13.4.4 Contract Response Template.

The Bidder must respond to the proposed contract terms found in the Network Carrier and Infrastructure Services Agreement per Tower for which it is submitting a Proposal. The Bidder is required to respond in the following manner:

Each clause in the document in the Network Carrier and Infrastructure Services Agreement must be reviewed by the Bidder. Where the Bidder cannot accept a term of the Network Carrier and Infrastructure Services Agreement, the Bidder should propose a mark-up to the clause using the template in Tower x Contract Response Template (Where x is the Tower reference) as follows:

- 13.4.4.1 enter the section number (including all subsections, paragraph and subparagraph references as necessary to identify the clause) in the "Section Reference" column;

- 13.4.4.2 state in the column marked "Request" the words "Change Requested";
- 13.4.4.3 copy the full text of the paragraph into the column marked "Marked up Original Text" and update the text in MS-Word's "Track Changes" with the precise wording change to the original text of the requested change; and
- 13.4.4.4 state the rationale for requesting the change in the column "Rationale".

Clauses for which the Bidder does not state "Change Requested" will be deemed accepted as they are and subsequent requests for change will not be entertained. Any commentary provided without stating "Change Requested", accompanied with the specific mark-up in Word track changes and with a detailed, specific rationale will be disregarded. Changes requested that are not accompanied with both the statement "Change Requested" and the specific wording mark-ups to the original paragraphs in Word track changes will be disregarded. General, blanket or conceptual explanations that are not specific to the change requested and the context of the provision will not be considered.

At the end of the list of the Bidder's mark-ups in the template, the Bidder must enter the words "End of List" in the "Section Reference" column in the first row following the last mark-up. If the Bidder has no mark-ups the words "End of List" must appear in the first row of the table after the header row.

All clauses will be deemed accepted by the Bidder unless the Bidder identifies and explains any requested changes in the format set out in the response template. If the Bidder does not follow this format for any clause the Bidder will be deemed to have accepted the clause notwithstanding the Bidder's response on the clause.

The completed template must be included in the non-pricing file for the Tower.

13.4.5 Proposal Checklist

The Bidder must complete, and a duly authorised representative must sign, the checklist Proposal Checklist. Only one checklist must be submitted, regardless of the number of Towers for which the Bidder is submitting a proposal.

The completed template must be included in the Common File.