

## BRIEFING SESSION QUESTIONS AND ANSWERS

### RFP 39/2016 Provision of media bulk buying services for SARS

Briefing date : 23 January 2017  
Briefing time : 13H00  
Briefing venue : Linton House Auditorium 2<sup>nd</sup> Floor  
Last updated : 06/02/2017

#	QUESTION	SARS RESPONSE
Questions received during briefing session		
1	Will questions be made available on the SARS website for interested parties to view?	Yes. All the questions and answers received at the briefing session as well as post the briefing will be consolidated and uploaded.
2	Are the estimates on discounts binding? If there is no guaranteed volume then on what basis will the negotiation on discount be?	There is no guaranteed volume/expenditure. However SARS must spend on major campaigns such as tax season every year as well as budget speech etc.
3	Is the requirement in terms of testimonials that clients should specify their headcount.	The requirements for testimonials are stated in Annexure A1 on page 28 of the RFP document. Bidders should endeavour to submit testimonials that cover all of the requirements.
4	Response to transformation on page 28. How will this be dealt with if it is not part of the scoring	The response to transformation will not be scored, however SARS requires all bidders to provide a response to this. SARS will engage in negotiations post the evaluation of the tender with the successful bidder on certain aspects of transformation as listed in section 9.3.7. of the RFP document.

## Questions received post briefing session

5	There is an attachment called “5. Service agreement media buying” – which looks like a contract we would enter into. Please advise what we should do with this? Do we need to sign it? Do we need to hand it in?	<p>Bidders are required to peruse the draft Services Agreement and use the “track changes” function in MS Word to indicate any proposed changes. The comment function can also be used to bring to our attention any comments that you may have for our noting. Kindly save this document on a CD-ROM or USB in soft-copy and also return to SARS a hardcopy print-out in the paper bid submission.</p> <p>The Services Agreement does not have to be signed as the document is a draft. SARS will enter into negotiation with the successful bidder after the tender process has been concluded.</p>
6	There is an attachment called “6. SARS GCC” – which contains all information on the conditions of the contract. Please advise what we should do with this? Do we need to sign it? Do we need to hand it in?	Bidders are required to peruse the content of the GCC and return a signed copy of the document along with the bid submission to indicate agreement with the content.
7	Will I need to provide 3 years audited financials as I have only unaudited financial due to the fact that I have not reached the tax bracket that requires audited financials.	<p>SARS requires financial statements that are audited, reviewed or prepared by an independent compiler. However financial statements are accepted even if they are not audited, reviewed or prepared by an independent compiler.</p> <p>Bidders may submit unaudited financial statements.</p>
8	<p>In the RFP document (p. 13, 10.6) bidders are instructed not to include pricing information in the Technical Proposal (File 1). Pricing information is to be included only in the Price and BEE Proposal (File 2, Exhibit 6), as has generally been SARS practice in evaluation tender submissions.</p> <p>However:</p>	<p>a. The intention of commissions and discounts in this Gate is to evaluate the Bidder’s understanding of commissions and discounts in the overall media planning and buying value chain.</p> <p>Therefore, in response to paragraph 13.1.2, bidders are required to provide detailed information of their commission and discounts structure,</p>

	<p>On page 27 of the RFP (13.1.2.) pricing information is requested as part of the Technical Evaluation Criteria, and allocated a weight of 23 points. This appears to contradict the requirement outlined above.</p> <p>Pricing information (commissions and discounts) appear to be scored three times:</p> <ol style="list-style-type: none"> <li>First, pricing information appears to be scored as part of the Technical Proposal (13.1.2, page 27), which forms part of Gate 1.</li> <li>Second, the same pricing information appears to be scored again as part of the Presentation phase (see p 29, 13.2.1.).</li> <li>Third, the same pricing information is scored once again as part of Annexure B – Pricing Schedule (see RFP p. 29, 14.1).</li> </ol> <p>Please provide clarity on (i) the apparent contradiction in requiring pricing information to be both included in and excluded from the Technical Proposal, and (ii) whether it is correct that the same pricing information is scored on multiple occasions.</p>	<p>early settlements, spend per media house, etc.</p> <p>Bidders will NOT be scored and allocated points on the basis that their commission structure or discounts, etc. are better than others, but on the comprehensiveness of their commission structure including terms and conditions where applicable. The rate of proposed discounts and commission will only be considered in Gate 2 and should not be included in the technical proposal.</p> <ol style="list-style-type: none"> <li>Once again, the intention of commissions and discounts in this phase is to evaluate the Bidder's overall understanding of commissions and discounts in the media planning and buying value chain.</li> </ol> <p>For the presentation, the shortlisted bidders will be required to hypothetically develop and present a media placement strategy for the Tax season 2017. The presentation will measured as outlined in page 29. The “proposed rate of discount” is for the purpose of the presentation on the brief. Other attributes to be demonstrated during the presentation are outlined in page 29.</p> <ol style="list-style-type: none"> <li>SARS will consider the degree of commission and discounts solely in Gate 2.</li> </ol>
9	<p>In Section 9.3 of the RFP (9.3.7. – Transformation), (i) skills transfer to SARS is included as an element under discussion, and (ii) the document states: “The response on transformation will not be scored as part of technical evaluation.”</p>	<p>There is a misunderstanding in terms of the requirements for the separate elements mentioned above. There is no contradiction in terms of the Transformation requirement and Knowledge, Information and Skills transfer requirement. The difference between the two requirements are as follows:</p>

	<p>This is contradicted elsewhere in the RFP, which states (page 28, 13.1.5) that “Knowledge, Information and Skills Transfer” to SARS will account for 8 points as part of Gate 1 Technical Evaluation. It would appear that both of these statements cannot be true at the same time.</p> <p>Please provide clarity as to (i) whether the apparent contradiction is simply a function of misunderstanding on our part, and (ii) if the contradiction in fact exists, the means by which SARS proposes to resolve the issue.</p>	<p>1. Knowledge, Information and Skills transfer – SARS will evaluate the Bidders proposed skills transfer platform and plan for the transfer of knowledge and skills to the internal SARS Communications Business Unit. The purpose of this is to aid the SARS Communication Team to better understand the media industry and to ensure that they are kept abreast of new developments and best practices in the media space. Please note that this requirement will be scored as outlined in paragraph 13.1.5.</p> <p>2. Transformation (Skills transfer plan over the duration of the contract) – This refers to the Bidders strategic plan to support transformation and supplier development in the media buying industry. SARS requires Bidders to state what initiatives they will put in place to transfer skills to SMME’s, for example and develop the skills of unemployed graduates, etc.</p> <p>The transformation requirement will not be scored as part of Gate 1, however SARS does require Bidders to provide a response that will form the basis of negotiations post award of the tender.</p>
10	<p>I do have a further question regarding the discount schedule: I understand from your answer that the intention is to evaluate the level of discount for scoring purposes <u>only</u> during Gate 2. However, if the “rate of discount” is to be included in the Presentation (which is Gate 1), this appears to me to be introducing pricing information (which is what the discount schedule comes down to) into the Gate 1 process. This means that people evaluating and scoring the Technical Proposal will therefore have sight of pricing</p>	<p>No. Should you bid be shortlisted after desktop evaluation, you will be given a brief and required to present a hypothetical scenario of the end to end process. This does not have anything to do with the information contained in Pricing Schedule.</p>

	information. Am I correct?	
11	<p>Please clarify the relationship between Gate 1 and Gate 2 with respect to the calculation of the final score.</p> <ul style="list-style-type: none"> <li>Will Gate 1 and Gate 2 scores be combined to arrive at a single score, or will the score for Gate 1 fall away once evaluation begins for Gate 2? Stated differently, is it possible for a Bidder to succeed if it doesn't achieve the highest score during Gate 2?</li> <li>If Gate 1 and Gate 2 scores will be combined to arrive at a final score, what is the relative weight of Gate 1 and Gate 2 (in other words, at what ratio is the final score calculated)?</li> </ul>	<p>Gate 1 and Gate 2 scores will not be combined to arrive at a single score.</p> <p>Please refer to section 11 of the main RFP document. This clearly outlines the evaluation methodology of the tender and the thresholds applicable to each evaluation Gate.</p>
12	<p>We have investigated the local content regulations (SATS 1286:2011). The role of a media agency is to (i) provide a service (strategy, planning, client service) and (ii) provide media inventory (purchasing the inventory on behalf of the advertiser). Since the service is provided wholly in South Africa, and the inventory is by its very nature "local content", our view is that local content regulations do not apply with respect to this RFP, and that we are therefore not required to complete SBD 6.2 (Declaration with respect to local content). Can you confirm that this view is correct?</p>	<p>Please refer to page 15 of the main RFP which specifies the SBD documents that must be submitted.</p>
13	<p>We are submitting to this tender and would like to know if we need to send in the documents for pre-qualification before the 13<sup>th</sup> of February or can it be in the same file as the entire response to RFP?</p>	<p>The pre-qualification documents must be submitted along with the Technical as well as Price and BBBEE proposal before the closing date and time of the tender.</p> <p>Refer to section 10.6 on page 13 of the main RFP document for instructions to Bidders on how to package bid proposals.</p>