



## RFP10/2017 - SARS RESPONSE TO BIDDERS' QUESTIONS

- Question 1 – 19 Received between 14 – 21 July
- Question 20 – 22 Received on 22 July (Non Compulsory Briefing session)
- Question 23 – 28 Received between 23 – 31 July
- Question 29 – 33 Received on the 4<sup>th</sup> August

#	QUESTION	SARS RESPONSE
<b>Questions received before briefing session</b>		
1	Will there be an oral presentation?	Bidders will be invited for presentation, refer to section 11.2 of the RFP document and pages 29 - 31
2	Will the oral presentation be restricted to the Methodology/ Approach?	The presentation of Methodology/Approach will be scored as outlined in pages 29-31 of the main RFP.
3	When will the oral presentation take place?	The exact date for presentation will be communicated to the qualifying bidders.

4	Should we include the Methodology/ Approach in the proposal we submit or only in the oral presentation?	Kindly include bidder's proposed methodology/Approach as outlined in section 9.4 of the RFP document in the bidder's written response.
5	What other technologies do you have for sourcing and procurement?	SAP SRM/MM & SAP E-Sourcing
6	Has the e-sourcing platform been implemented for all categories (ICT, Facilities, and Professional Services)? What is the current process in terms of spend that goes through the software, thresholds and other parameters?	E-Sourcing has been implemented for all categories as part of phase 1 which was limited to internal procurement without integration to other procurement applications ( e.g. SLC, SRM and MM) and NT. Currently SAP SPM is supposed to monitor all spend, which is in development as part of the E-Sourcing phase 2 project which focus on the integration points.
7	Do you have specific software currently addressing contract management? Could you share the current contracting process (e.g. Process flow, signing authority, spend threshold etc)	Contracts are created in E-Sourcing, then replicated to SAP SRM for procure to pay process (P2P). <i>(process flow to be provided separately)</i>
8	Under 9.3.1.1, 3rd bullet point: Does SARS want vendors to implement SARS 'Standard process, tools and templates' which was an outcome of the earlier projects? If so, could you please provide the deliverables from that intervention?	Please note that reference is made to "implement" as one of the deliverables. Bidders must review all these tools, templates etc. as part of establishing the baseline and make a recommendation for implementation/development.
9	9.3.1.2 "Review and enhance category sourcing strategy". Could you provide the current category sourcing strategy?	SARS is currently in the process of developing the category strategies across the three categories. The successful bidder will work closely with the respective categories in the development/refinement of the category

		strategies/management.
10	Does SARS want vendors to implement the 'Procurement Transformation Policy and Plan' as a result of earlier interventions (mentioned in 9.3.1.3 first bullet point). If so, can that be shared?	The Procurement Transformation Policy and Plan is in draft. The successful bidder will work with SARS' team in ensuring finalisation of the Policy and Plan for approval and implementation.
11	How many SARS resources will be working on this Transformation project? Full time and part time? For all points where we need to co-develop and/or co-implement (e.g. 9.3.1.3), how many SARS resources will be working on this?	Four SARS resources will be made available for the Socio-Economic Imperative initiative.
12	What is the current process for demand planning that is mentioned in 9.3.1.1	SARS is guided by the National Treasury annual demand plan process. This process is available from National Treasury.
13	What is the total spend across the three categories? How many contracts do we have across the 3 categories? How many individually for ICT, Facilities, and Professional Services?	The annual procurement spend is estimated at R4,2bn. ICT constitute the highest spend, followed by Facilities.
14	Do you have a defined category framework (level 2/3 subcategories defined) for these categories?	No, they are not defined. This will form part of the deliverables for Category Strategy.
15	Do you have any standard developed policies and/or constraints around the addressability of the spend?	Yes.
16	Is there any guidance currently around how ROE escalations are treated?	This differs from project to project and the process is not standardised.
17	What are the kinds of risks that SARS currently faces under Fraud / Corruption? Please provide a couple of standard cases?	SARS requires the bidder to focus on the risks associated with the procurement process.

18	Under 9.4.6, does SARS expect hiring of resources when they mention 'capacity building'?	No, SARS will use the current resources.
19	Is there some kind of supplier segmentation in place currently for the 3 broad categories? Can you give us a sense of what type of categories & the approximate no. of suppliers that might require supplier development as mentioned under Socio economic requirements?	Yes, there is supplier segmentation. This information will be shared with the successful bidder.  The supplier will not be responsible for the supplier development.
#	<b>Questions received during briefing session</b>	
20	Where can we get the briefing session presentation	The briefing session presentation will be uploaded on the SARS website & eTender.
21	Can the phases be performed concurrently?	Yes, where feasible.
#	<b>Questions received post briefing session</b>	
22	<p>We have been in the process of reviewing the requirements for the tender including having attended the tender briefing session on Tuesday. It is our view that in order to do the RFP justice and submit a quality proposal showcasing our capability in Procurement as well as how we can assist SARS in the Implementation of Procurement Strategic Initiatives, we would need more time than the stipulated 16 August 2017 deadline.</p> <p>We therefore request an extension to the tender submission deadline of an additional one week.</p>	As at 1 August 2017, the closing date of the tender remains 16 August 2017, 11h00.

	<p>Please let us know if this meets with your approval.</p>	
<p>23</p>	<p>At the tender briefing last week, it was communicated that bidders would have the opportunity to submit questions until the 4 August and that these along with the answers would be published on the tender website. We have been checking the website daily and it does not appear anywhere; are these questions and answers published somewhere else specific? And if so where? Is there a link that can be sent to guide us on where we might find these questions and answers?</p>	<p>This Q&amp;A, consolidates questions and answers from bidders between 25 July to 31 July 2017.</p> <p>The next Q&amp;A will be uploaded on the SARS' website and eTender on 7 August should there be additional questions from bidders.</p>
<p>24</p>	<p>We have been going through the RFP documents in detail. The Human Capital work stream terms of reference are still not completely clear to us. Can we get clarity on what specific Human Capital support you require for this work?</p> <ul style="list-style-type: none"> <li>- Does SARS require assistance in baselining the current procurement organisation from a people and cost perspective? <b>(NO)</b></li> <li>- Does SARS require the consulting firm to determine the strategic procurement operating or capability model? <b>(NO)</b></li> <li>- Is the consulting firm required to define changes to procurement organisation structures? <b>(NO)</b></li> <li>- Should the consulting firm determine the most appropriate size of procurement teams? <b>(NO)</b></li> <li>- Does SARS require the alignment of procurement roles to the developed</li> </ul>	<p>Human Capital work stream is out of scope for this tender. This stream/initiative was mentioned in section 9.1.1 as part of the Procurement department 5 year high level plan and it is not covered in section 9.3.</p> <p>Please find SARS' response in <b>RED</b> to the questions relating to Human Capital stream.</p>

	<p>strategy referred to, to recommendations the consulting firm makes through reviewing operations (including tech and system recommendations) and / or to the strategic initiatives being implemented? <b>(NO)</b></p> <ul style="list-style-type: none"> <li>- Will SARS require assistance with Change Management in transitioning to the desired end-state? <b>(NO)</b></li> <li>- Will the consulting firm be required to define and embed the performance desired culture within the procurement team? <b>(NO)</b></li> <li>- Does SARS require assistance in determining the leadership strategy of the procurement organisation? <b>(NO)</b></li> <li>- Is a skills assessments / audit of existing procurement staff part of the scope for this RFP? <b>(NO)</b></li> </ul>	
25	<p>Regarding the overall Scope:</p> <ul style="list-style-type: none"> <li>- To what extent does the strategy need to be reviewed? Must it be taken as accepted?</li> <li>- To what extent have the design elements of new processes, frameworks, templates etc been developed? It was stated that these those that exist can be reviewed; should they still be developed or is it pure implementation of what has already been developed?</li> </ul>	<ul style="list-style-type: none"> <li>- The review of the current strategy forms part of the baseline.</li> <li>- A significant number of documents, templates, processes have been developed.</li> </ul>
26	<p>We also require clarity on the Sub-Contracting and partnership requirements:</p> <ul style="list-style-type: none"> <li>- Are there conditions under which it is mandatory to have a sub-contractor or partner as part of the bidding organisation?</li> </ul>	<ul style="list-style-type: none"> <li>- This mandatory requirement is not applicable in this bid.</li> </ul>

	<p>- In Section 11.3.2 under Sub-Contracting it states “Compulsory sub-contracting of a minimum 30% of contracts or projects above R30million to EMEs or QSEs. Bidder who submit bids for contracts or projects above R30million will have to comply fully with regulations 9 and 12 of the PPPFA Act with regard to sub-contracting.” Does this mean for all bids above R30million the bidder would have to enter into sub-contracting agreement with an EME or QSE?</p>	<p>- This requirement will become applicable if a bidder submits a proposal above the threshold stipulated.</p>
27	<p>In respect of the RFP 10/2017 paragraph 14.1.3.1 of the bid document under capability “schedule of the bidder’s experience and proven track record over the past five (5) years, in implementing procurement strategic initiatives at various organisations.” We would require clarity on the requirement.</p> <p>We are a group of companies (SMMEs) eligible for this tender in terms of the skills and expertise required. Our companies were established less than five years ago. Moreover we form a team with combined experience of 120 years in inter alia:</p> <ul style="list-style-type: none"> <li>i. Implementation of strategic initiatives at any organisation in any industry;</li> <li>ii. Implementing procurement strategies;</li> <li>iii. We have gained this 120 years’ experience through serving different departments &amp; entities of government</li> <li>iv. Key personnel/management team are SCM practitioners, legal experts, accountants, auditors with AG experience on SCM &amp; related methodology.</li> </ul>	<p>Bidders are required to provide a schedule of the “bidder’s experience and proven track record <b>WITHIN</b> the past five (5) years”. That means, relevant experience dating back from 2012/13-2017.</p>

	<p>Our key personnel managing the companies have more than a minimum of five years' experience in the services that SARS requires. We note that the Receiver requires the bidder (a company or JV etc) with five years' experience (our interpretation being that it is not necessarily the experience of the personnel that will be performing the required services which you are interested in. The government of South Africa has committed to developing black small businesses as part of economic transformation; however we note further that the five year requirement (if limited to a company's experience and not the experience of key personnel) would not be in alignment thereof.</p> <p>Kindly advise whether our interpretation is correct in line with the tender documents to clear the confusion.</p> <p>Kindly respond in time to enable the board to decide on a resolution whether or not we should not commit resources to tender.</p>	
28	<p>We have the following question:</p> <ol style="list-style-type: none"> <li>1. How many personnel are in the procurement department?</li> <li>2. How many personnel are in each functional division of the procurement department?</li> </ol>	<p>98 permanent employees. The breakdown will be provided to the successful bidder.</p>



29	<p>What portions of the R4.2bn spend is attributable to the 3 categories (ICT, Facilities and Professional Services)? And what is that breakdown across the 3 categories?</p>	<p>40% for ICT, 35% for Facilities, 20% for Professional Services and the remaining 5% for Procure to Pay.</p>
30	<p>How many resources will be allocated from SARS per work stream?</p>	<p>Approximately 3 to 4 depending on the complexity of the stream.</p>
31	<p>Is SRM 7.0 the same as the eSourcing tool? <b>SRM and E-Sourcing are similar procurement application which has similar functionalities for kick starting procurement process.</b></p> <p>Do they fulfil the same function? <b>Not really. The two software offer largely similar set of functionalities for strategic sourcing. E-Sourcing is used for tender and contract lifecycle management and SRM for procure to pay process.</b></p> <p>What is the name of the eSourcing tool? <b>E-Sourcing Version 10.0</b></p>	<p>Please find SARS' response in <b>RED</b> to the questions relating E-sourcing.</p>
32	<p>Can you please confirm whether or not the proposal submitted on the 16th August must include the presentation document?</p>	<p>Kindly include bidder's proposed methodology/Approach as outlined in section 9.4 of the RFP document in the bidder's written response.</p>
33	<p>Our Risk and Legal teams have been carefully considering the terms of the bid submission. As a result they have highlighted a few points to be considered in our response to the bid, particularly around the Oath of Secrecy:</p> <ul style="list-style-type: none"> <li>• As bidders we have no control over when this work will be awarded as such despite our best efforts it is possible that different people may actually</li> </ul>	<p>The attached Oath of Secrecy is one of the pre-qualifying documents that must be completed in full and submitted together with all the Standard Bidding documents (SBD).</p> <p>Once a service provider is appointed, all the resources/consultants/contractors assigned to this project and who will also be working on site (i.e. SARS</p>



<p>service the project as opposed those disclosed in the proposal;</p> <ul style="list-style-type: none"><li>• We as bidders are currently proposing for this work and have not yet been awarded the work, should we be successful it would then be appropriate to consider having the bidding firm's individual professionals sign the Oath of Secrecy.</li></ul> <p>With this in mind, may we request that we be provided with an organisational NDA / Oath of Secrecy which we will sign which applies to the RFP stage; and then if we are successful we will address confidentiality aspects in conjunction with future contracting.</p>	<p>premises) will be required to sign the same Oath of Secrecy.</p> <p>In the event that resources are replaced, the new people, once approved by SARS will be required to also sign the Oath of Secrecy.</p>
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