

**SARS**  
**RFP 45/2018**  
**Printing, Packing and Labelling of**  
**Communication Material Services to**  
**SARS**  
**Non-Compulsory Briefing Session**

**24 July 2018**  
SARS Procurement Office  
Linton House  
Brooklyn

RFP 45/2018

Printing, Packing and Labelling of  
Communication Material Services  
Non-Compulsory Briefing Session

**Welcome**

# Governance, Rules and Procedures

## **SARS Procurement**

# Purpose

## Briefing Session

- **Purpose**
  - explain selected concepts, procedures and other aspects of the RFP
  - confirm formal registration of Bidders for notices and other communications
- **It may contain**
  - additional information
  - additional rules that must be adhered to
- **It does not**
  - cover every item in the RFP
  - replace any of the issued RFP material
  - change any of the RFP rules unless explicitly communicated in writing
- **The briefing session slides will be posted on the SARS website**
- **The RFP pack remains the primary source of information for the Bidder to respond.**

# Procedures during conference

- **Questions during the session.**
  - SARS will take written questions submitted during the session
  - SARS will review and focus on most pertinent themes arising from the questions and provide answers where possible.
  - All questions and answers will be published as part of the wider Q & A process
  - The published answers will take precedence over any verbal response given in the briefing session.
- **The session is being recorded.**

# Governance requirements

- **Strict communication channels**
  - **Bidders will be disqualified for non-compliance**
- **No solicitation of information will be allowed other than by prescribed channels**
- **Deadlines to be strictly met**
- **Adhere to prescribed submission format to ensure queries are properly dealt with.**

# Agenda

<u>Start</u>	<u>End</u>	<u>Topic</u>
10:00 - 10:05		Welcome
10:05 - 10:15		Governance, Rules and Procedures
10:15 - 10:30		RFP Overview
10:30 - 11:15		Business Requirements (Refer to BRS presentation)
11:15 - 11:30		RFP Process, RFP Pack Content and Bidder's Proposal Format
11:30 - 11:40		Pricing Templates
11:40 - 11:50		B-BBEE Overview
11:50 - 12:00		Central Supplier Database (CSD)
12:00 - 12:05		Responses to questions

# RFP Overview



# Background

- **SARS's Mandate**

- South African Revenue Service Act, 1997 (Act No 34 of 1997)
- collection of all revenues that are due, ensuring maximum compliance with revenue legislation
- providing a customs service that will maximise revenue collection, facilitate trade and protect the borders of South Africa.

- **SARS's vision**

- innovative revenue and customs agency that enhances economic growth and social development
- 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.

# Background

- **Printing of taxpayer education and information material is an important aspect of the SARS marketing and communication strategy and is a platform which the organisation uses to reach taxpayers and employees about important issues.**
- **SARS has been operating under 3 quote system model to purchase print products which is often time consuming and hinders Communication from responding to Business needs and meet deadlines quickly and effectively.**

# Business Requirements Specification

Refer to BRS Presentation

# RFP Process

# RFP model

- **Open tender**
- **The RFP has mandatory pre-qualification requirements**
  - Bidder must meet these before Bidder's Proposal will be considered for evaluation.

**Bidder is strongly advised to make sure it complies fully before making the decision to submit a Proposal.**

# Bid preparation phase – Q&A

- Any questions / queries regarding the RFP process or content must be submitted in writing (email) to the email address below.
- All questions / queries must be submitted by Bidders no later than 17 Aug 2018.
- Any oral communication will be considered unofficial and non-binding to SARS.
- The queries must be :
  - from registered representatives
  - to [tenderoffice@sars.gov.za](mailto:tenderoffice@sars.gov.za) Email format:

**Subject** : “RFP 45-2018 – Question”

**Body** : “Bidder: <Bidder name>”

: “Question : <Question text>”

# Bid preparation phase – Q&A

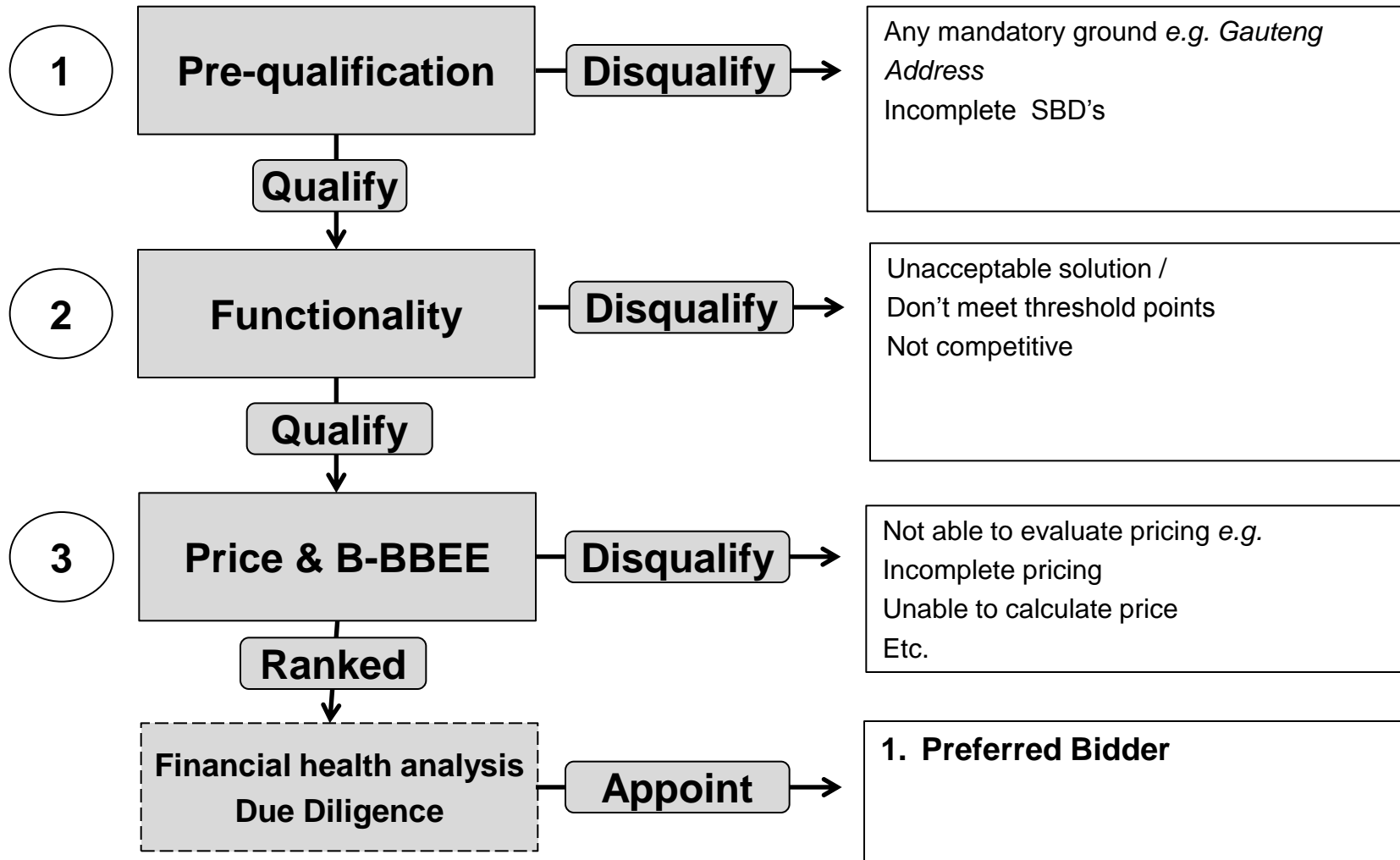
- **The answers will be published on the SARS website without the details of who posed the question**
- **SARS will endeavour:**
  - to provide a response to questions as soon as possible after receipt
  - to finalise all responses on or before **21 Aug 2018**

# Bid preparation phase

- **SARS may:**
  - call one or more briefing sessions
    - non-compulsory
    - issue communications
    - answering questions from Bidders
    - clarifying issues arising from questions
    - amending the RFP, including changing dates and times in the RFP process.



# Evaluation process



# Pre qualification and evaluation

# Prequalification - Mandatory

- **Bidder entity**

- No consortia / special purpose vehicles
- Bidder must be incorporated & registered in South Africa
- Similar provisions apply to subcontractors that apply to the Bidder.

- **Mandatory Pre-qualification Criteria**

- Gauteng Physical Address (The Bidder must supply the latest municipal rates not older than 3 months and/or Leasing agreement to demonstrate that Bidder's operation is Gauteng based).

# Pre-Technical qualification –

Mandatory	Requirement
Gauteng Physical Address	The Bidder must supply the latest municipal rates not older than 3 months and/or Leasing agreement to demonstrate that Bidder's operation is Gauteng based.
Machines and Finishing equipment with advanced Capability.	The Bidder's factory must be equipped with machines and finishing equipment with advanced capabilities. Pictures of the machines must be provided as proof (A site visit will be conducted for this Mandatory requirement).

# Prequalification - Mandatory

- **History**
  - No member of management / shareholding with history of collusive dealings or corruption.
- **Board Resolution**
  - Bidder must supply a board resolution authorising the signatory to the Bidder's Proposal.
- **3 year's audited financial statements**
- **All Standard Bid Documents completed and signed**
- **Signed Oaths of Secrecy**
  - By all members of the Bidder's bid team

# Prequalification - Discretionary

- **SARS, at its sole discretion, may disqualify a Bidder from the evaluation process for:**
  - Shareholder, indirect shareholder (>15%), director or senior management not fully tax compliant
  - Incomplete tender documentation
    - Oath of Secrecy / 3 year financial statements / required format / number of copies / omitted or incomplete responses

# Prequalification - Discretionary

- **SARS, at its sole discretion, may disqualify a Bidder from evaluation for:**
  - Non-adherence to RFP rules
  - Non-adherence to rules of engagement
  - Non-compliance to ethics

# Evaluation : Functionality 1/5

<b>Criteria</b>	<b>Weighting</b>
<b>Reference</b>	<b>20</b>
<b>Capability</b>	<b>30</b>
<b>Service</b>	<b>30</b>
<b>Security</b>	<b>20</b>
<b>Total</b>	<b>100</b>



# Evaluation : Functionality 2/5

- **Reference**

- The Bidder must demonstrate its clients based to which it has provided service or is currently delivering services that fall within the scope of this Tender and describe the nature and scope of the services.

- **Capability**

- The Bidder must indicate its capability in Printing, Packing and Labelling of 1ton – 100tons of paper for parcels addressed from 1 to 200 recipients.

# Evaluation : Functionality 3/5

- **Service**

- SARS seeks to establish the experience and capabilities that the Bidder will be able to bring to bear in delivering services to SARS.

- **Security**

- The Bidder must illustrate the security coverage of the Bidder's factory including any premises that will be used to deliver SARS Business Requirement Specification for this tender. (SARS will conduct a site visit for this requirement)

# Evaluation : Functionality 4/5

- **A Bidder's Proposal may be disqualified at any stage during the evaluation of functionality if:**
  - for whatever reason SARS is unable to evaluate the Bidder's proposal.
  - the solution proposed by the Bidder will not meet SARS's minimum requirements or will not achieve SARS's objectives.

# Evaluation : Functionality 5/5

- **A Bidder's Proposal may be selected to progress to the Stage 2 (Price and BEE) evaluation if:**
  - **the Bidder has not been disqualified for any reason during the technical evaluation; and**
  - **the Bidder's Proposal's aggregated weighted score for functionality equal or exceeds 70 (seventy) points**

# Evaluation: Price and B-BBEE

Criteria	Weighting (ex 100)
B-BBEE	20
Price	80

- 80/20 evaluation in terms of PPPFA<sup>1</sup> on contract value.
- B-BBEE evaluation performed on the basis of the submitted B-BBEE certificate.<sup>2</sup>
- Statutory formula<sup>2</sup> applied to the Bidder's submitted pricing.

<sup>1</sup> Preferential Procurement Policy Framework Act 5 of 2000

<sup>2</sup> National Treasury Regulations 2017 to the PPPFA

# Evaluation: Price and B-BBEE

- **B-BBEE**
  - Details covered later
- **Pricing**
  - Solution price will be calculated over a 3 year period

# RFP Pack content

# RFP Pack Contents

<b>Section 1</b>	<b>Summary, guidelines, instructions and Conditions. Main Document</b>
<b>Section 2</b>	<b>Standard Bid Documents Oath of Secrecy Supplier Cost and Risk</b>
<b>Section 3</b>	<b>Business requirements specification</b>
<b>Section 4</b>	<b>Proposed contract, service levels. (Documents not yet available)</b>
<b>Section 5</b>	<b>Documents, templates, questionnaires and checklists required for the submission of the Bidder's Proposal</b>



# RFP Pack – Points to note

- **The SARS website may indicate the use of Standard Bid documents not included in the RFP pack.**
  - DO NOT SUBMIT THESE.
  - SUBMIT THE DOCUMENTS AS PER THE INSTRUCTIONS AND THE TEMPLATES INCLUDED IN THE RFP PACK.

# Bidder's Proposal Format

# Bidder's Proposal

- **Each Proposal section must be separately wrapped and must contain:**
  - One hardcopy
    - A4, ring binders
  - One electronic copy
    - CD or DVD
- **The hardcopy must be signed and must contain the original signatures.**

# Bidder's Proposal contents

## **Common File A - Sections**

- Covering Letter (signed)
- Board resolution (signed)
- Standard Bid Documents
- Bidder Oaths of Secrecy
- Bidders CSD Registration report
- Pre-qualification template(s)
- Bidder Annual Financial Statements
- Checklist (signed)

The sections are separated by file dividers labelled with the section names in the hardcopy version. On the CD/DVD the files must be placed in directories named after the sections.

# Bidder's Proposal contents

## Non-Pricing – Sections

- Pre-Technical Response Template
- Technical Response Template
- Contract Response Template

## Pricing - Section

- Pricing template (signed)
- Preference Points Claim Form (SBD 6.1)
- Bidder's BEE certification
- Subcontractor BEE certifications

The sections are separated by file dividers labelled with the section names in the hardcopy version.

On the CD/DVD the files must be placed in directories named after the sections.

# Selected topics

# Pricing templates

# Pricing template completion

- **Complete green cells only**
- **All pages of the hardcopies need to be signed and are legally binding if there are conflicts with the submitted soft-copies**
- **The price validity for this bid is for a maximum period of 180 days from the closing date.**
- **Bidders must provide the unit prices (Excluding VAT) and the other columns will automatically calculate.**
- **Bidders MUST NOT change the Pricing Template. SARS may at its sole discretion disqualify your bid in the event that the pricing template has been changed.**
- **Bidders should complete ALL tables in the templates.**

# Financial Analysis Requirements



# Background

- **Public Finance Management Act (PFMA)**
  - Fair
  - Equitable
  - Transparent
  - Competitive
  - Cost-effective

# Purpose

- **Financially Stable**
- **Financially Viable**
- **Identify Financial Risks**
- **Apply Appropriate Mitigating Strategies**

# Required Documents

- **Complete Sets of Audited/Reviewed Annual Financial Statements**
  - Signed Auditors / Accounting Officers Opinions
  - Statement Of Comprehensive Income (Income Statement)
  - Statement of Financial Position (Balance Sheet)
  - Statement of Cash Flows (Cash Flow Statement)
  - Accompanying Unabridged Notes for ALL of the above documents
- **Less than 3 Financial Periods**
  - Explanatory Letter
- **Joint Ventures**
  - Unincorporated JVs must submit separate F/S for each party to the JV.
  - Signed JV legal agreement.
- **Financial statements in Bidding Companies Name**
  - Subsidiary submitting holding company's F/S must also furnish a Performance Guarantee

# National Treasury Central Supplier Database

## Registration and Tax Compliance

# National Treasury CSD Registration



CENTRAL SUPPLIER  
**DATABASE**  
FOR GOVERNMENT

**Report Date:**

05 May 2016 11:14:16 AM

**Unique Registration Reference Nr:**

C3D97624-AAB5-4E62-AD86-347A5860B3AF

## CSD REGISTRATION REPORT

### SUPPLIER IDENTIFICATION

Supplier number

MAAA0 [REDACTED]

South African company/CC  
registration number

[REDACTED]

# Tax Compliance Status

- **Tax compliance**

- Bidder (and subcontractors) must be fully tax compliant.
- Valid tax clearance certificate (TCC) not necessary, SARS will verify the tax compliance status of the bidders on the CSD.
- Selected service provider must be tax compliant during award and the term of the agreement.

# Tax Compliance Verification

## TAX INFORMATION

Income tax number

[REDACTED]

Validation response received

Tax Clearance Compliance Status /  
Certificate Verified

VAT number

[REDACTED]

Status

Active

Are you Registered with  
SARS?

Yes

Created by

[REDACTED]

Is tax declaration accepted?

Yes

Created date

29 Apr 2016 16:37:15:000

Last validation date

5/6/2016 8:23:00 AM

Edit by

[REDACTED]

Tax clearance certificate  
expiry date

14 Mar 2017

Edit date




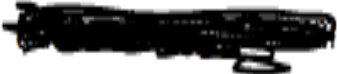
29 Apr 2016 16:37:15:000

Would you like to receive  
notifications?

No

# Tax Compliance Verification

## TAX INFORMATION

Income tax number		Validation response received	Non-compliant tax status found
VAT number		Status	Active
Are you Registered with SARS?	Yes	Created by	
Is tax declaration accepted?	Yes	Created date	03 May 2016 19:24:08:000
Last validation date	5/3/2016 8:22:00 PM	Edit by	
Tax clearance certificate expiry date	04 May 2015	Edit date	03 May 2016 20:21:38:000



# B-BBEE Overview

# BEE = 20 points

B-BBEE points may be allocated to Bidders on submission of documentation or evidence as follows:

ADJUDICATION CRITERIA	POINTS
A duly completed Preference Point Claim Form: SBD 6.1 and a B-BBEE Certificate.	20

Bidders **MUST** complete and sign the SBD 6.1 form to claim the Bidder's B-BBEE preference points.

# BEE Certificate

•The table below indicates the specific B-BBEE certification documents that must be submitted for this tender. Failure to submit the required certification documents will result in Bidders scoring zero.

Classification		Turnover	Submission Requirement
<b>Exempted Enterprise ( EME)</b>	<b>Micro</b>	Below R10 million p.a.	A DTI Affidavit or Certificate from CIPC
<b>Qualifying Enterprise (QSE)</b>	<b>Small</b>	Between R10 million and R50 million p.a.	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating.  A DTI Affidavit – Only 51% BO and above
<b>Large Enterprise (LE)</b>		Above R50 million p.a.	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency.

# USE AND ACCEPTANCE OF AFFIDAVITS

- Section 1.6 SBD 6.1 states.. The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.
- SARS reserves the right to request that bidders submit their Black ownership and turnover information in support of their Affidavits.**

# •B-BBEE KEY SECTIONS TO COMPLETE IN SBD

## BID DECLARATION

6.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

### 7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution: ..... = .....(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

## 8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted? .....
- (ii) the name of the sub-contractor? .....
- (iii) the B-BBEE status level of the sub-contractor?
- (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

## **JOINT VENTURES**

Incorporated JVs must submit the B-BBEE status of the entity. Unincorporated JVs must submit a consolidated B-BBEE certificate as if they were a group structure for every separate Bid.

## **SUB-CONTRACTING**

- **Bidders who want to claim preference points will have to comply fully with regulations 11(8) and 11(9) of the Preferential Procurement Regulations, 2011 with regard to sub-contracting:**
- **A person must not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer intends sub-contracting 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.**

## **Proof of Existence: Joint Ventures and/or Sub-Contracting**

- Bidders must submit concrete proof of the existence of joint ventures and/or sub-contracting arrangements. SARS will accept signed agreements as acceptable proof of the existence of a joint venture and/or sub-contracting arrangement.
- The joint venture and/or sub-contracting agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or sub-contracting party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or sub-contracting arrangement.

# WRAP UP

- **Tender Closing date 23 Aug 2018 at 11:00**
- **Reminder to submit all follow-up questions electronically to SARS Procurement before close of business 17 Aug 2018 to**  
**[tenderoffice@sars.gov.za](mailto:tenderoffice@sars.gov.za)**