



South African Revenue Service

## RFP 01-2019 QUESTIONS & ANSWERS

DATE 15 MAY 2019

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	QUESTIONS	ANSWERS
1.	For costing purposes, do we consider that the full implementation of all 16 sites / 54 lines to be completed during year 1, as well as the corresponding sales of 985 million fiscal marks?	Full implementation and sales of fiscal marks will be deemed as the date that 16 sites / 54 lines has been completely installed. The exact timeline will be prescribed upon contracting.
2.	What will be the payment terms with the manufacturers for the ordering and application of the marks / stamps? And who will regulate the payment terms?	<b>Reference is made to page 5 of the main RFP, “The service provider must,</b> Enter into a commercial agreement and establish service level agreements with the cigarette manufacturer(s). Amendments of the legislation will provide clear guidelines for the relationship between service provider and cigarettes manufactures.
3.	When will the legislative changes be applied, and by when will the changes be enforced into the trade? i.e. by when will the manufacturers be required to have	The current Customs and Excise Act 91 of 1964 makes provision of the fiscal mark, and the rules will be promulgated prior to going ‘live’.

	changed, implemented and running?	
4.	The logistics events post manufacturing are barely detailed in the BRD; Can we get more clarity on what is expected to in terms of the logistics processes and what are the events that the solution is supposed to record.	All local manufactured and imported cigarettes are to be scanned in and out of all licensed facilities until the cigarettes go into retail. Duty paid imports to be scanned at the point of entry into retail – activation. Exported cigarettes to be scanned out of the warehouse and out at the border
5.	Provide more details related to perceived volumes over the 8 year period, i.e. 805 million packs produced locally and 105 Million packs imported from April 2016 to March 2017, what is the risk that the volumes will decrease or increase year on year over the contract period?	SARS is not in a position to estimate future volumes on a year on year basis, therefore the risk of volumes increasing or decreasing is possible.