

**APPOINTMENT OF A SUITABLY QUALIFIED NATIONAL
AUCTIONEERING SERVICE PROVIDER TO AUCTION
VARIOUS MOVABLE GOODS AT SARS STATE
WAREHOUSES**

Non-Compulsory Briefing Session: 20 November 2019 at 10H00 to 12H00

Tender Number : RFP 32/2019

Closing Date : 3 December 2019 at 11H00

Presented by : Frans Ramodibana

Assisted by : Zamokhuhle Latha

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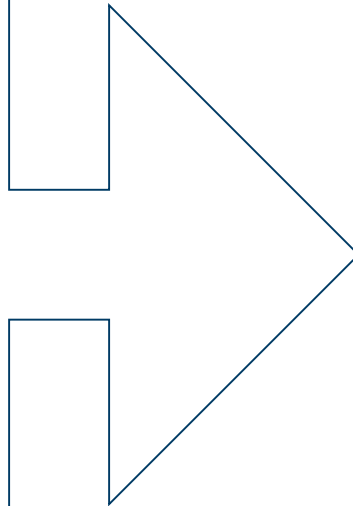
RFP TIMELINES

NO.	ACTIVITY	DATE
1.	Clarification of Questions & Queries	4 November 2019 to 26 November 2019
2.	RFP Closing Date	3 December 2019 at 11H00
3.	Notice to Bidders	13 March 2020
4.	Contract Finalisation	To be negotiated

PURPOSE & SCOPE

PURPOSE

APPOINTMENT OF
A SUITABLY
QUALIFIED
NATIONAL
AUCTIONEERING
SERVICE
PROVIDER TO
AUCTION VARIOUS
MOVABLE GOODS
AT SARS STATE
WAREHOUSES



SCOPE

TO AUCTIONEER
VARIOUS MOVABLE
GOODS ON BEHALF OF
SARS AT STATE
WAREHOUSES

BID EVALUATION PROCESS

Gate 0

Pre-Qualification Evaluation



- Invitation to Bid SBD 1
- Pricing Schedule SBD 3.1
- Declaration of interest SBD 4
- Preference Point Claim form- SBD 6.1
- Declaration of Bidder's Past SCM Practices – SBD 8
- Certificate of Independent Bid Determination – SBD 9
- SARS Oath of Secrecy
- Supplier Risk Assessment Questionnaire
- General Conditions of Contract (Including all Annexures)
- Central Registration Report (Central Database System) from National Treasury
- Audited/Reviewed Annual financial statement for three (3) most recent financial periods

Gate 1

Technical Evaluation

100 points

Achieve overall score of 70 out of 100 points to proceed to Gate 2

Mandatory Requirements

Technical Requirement

- Proof of registration as an active member of an association of auction practitioners

- Auctioneer's Qualification
- Bidder's Relevant Auctioneering Experience
- Online Advertising Capability
- Online Auctioneering Capability
- Reference

Gate 2

B-BBEE – 20 Points

Price & BEE Evaluation

Pricing – 80 Points

- B-BBEE Certificate with SBD 6.1
- Fully Completed Pricing Template

TECHNICAL REQUIREMENTS

TECHNICAL SPECIFICATION

SARS Customs and Excise State Warehouses require the services of an Auctioneer that is registered with an association of Auction Practitioners. Proof / written confirmation of registration from the association of Auction Practitioners must be provided.

The auctioneer will be required to:

Effectively provide auctioneering services of various goods for a period of five years, subject to satisfactory performance.

Auction various goods which include among others: furniture, motor vehicles, household goods and personal effects, and a variety of other items.

Auction goods that require scrapping e.g. motor vehicles that are not roadworthy, as well as other machinery.

Conduct auctions per hub on an as and when required basis, on condition that the potential revenue per auction is R250 000.00 to the benefit of SARS.

TECHNICAL SPECIFICATION

AUCTION HUB	SATELLITE WAREHOUSE
Kaserne	Gauteng Province – <ul style="list-style-type: none"> • ORTIA Customs and Excise State Warehouse • Pretoria Customs and Excise office • Johannesburg - Kaserne Customs and Excise State Warehouse • Pretoria Iscor Customs and Excise State Warehouse
Upington	Northern Cape Province – <ul style="list-style-type: none"> • Vioolsdrift Customs and Excise Border Post • Nakop Customs and Excise Border Post • Upington Customs and Excise office
Durban	KwaZulu-Natal Province – <ul style="list-style-type: none"> • Richards Bay Customs and Excise office Durban Customs Warehouses: <ul style="list-style-type: none"> • New Pier Customs and Excise State Warehouse • Cato Creek Customs and Excise State Warehouse • Prospecton Customs and Excise State Warehouse
Ladybrand	Free State Province – <ul style="list-style-type: none"> • Ladybrand Customs and Excise State Warehouse • Ficksburg Customs and Excise Border Post • Caledonspoort Customs and Excise Border Post • Van Rooyens Hek Customs and Excise Border Post • Qacha's Nek Customs and Excise Border Post
Kopfontein	North West Province – <ul style="list-style-type: none"> • Ramatlabama Customs and Excise Border Post • Kopfontein Customs and Excise Border Post • Skilpadshek Customs and Excise Border Post
Musina	Limpopo Province – <ul style="list-style-type: none"> • Musina Customs and Excise State Warehouse • Beit Bridge Border Customs and Excise Border Post • Grobler's Bridge Customs and Excise Border Post • Old Pietersburg Airport
Lebombo	Mpumalanga Province – <ul style="list-style-type: none"> • Lebombo Customs and Excise State Warehouse

TECHNICAL SPECIFICATION

Conduct auctions at venues appointed by SARS as listed above or different venues on request and in support of SARS operations.

Provide adequate audio and visual aid equipment in order to effectively communicate with the bidders during the auction.

Advertise Customs auctions at a capped cost and hire tables and chairs: these costs will be reimbursed on production of valid invoices. The auctioneer is responsible for advertising an auction in the public press in English and depending on the target group, advertisements may also be in other languages as well. Proof of such adverts must be submitted to SARS.

Have the capability of conducting bi-monthly online auctions for goods that have been selected by Customs and Excise for online auctioning purposes. There is no minimum auction value applicable to online auctions.

Furnish a performance guarantee in the amount of R2 000 000.00 from an approved financial institution, upon award of the tender. The performance guarantee will be held by the Procurement Division and must be valid for the duration of the Services Agreement i.e. five years.

TECHNICAL SPECIFICATION

Lodge a guarantee / surety of the estimated income from any auction as a deposit two weeks prior to the auction taking place. This amount will be refunded once all proceeds of sale are finally accounted for. This condition appears in the auctioneer's contract, i.e. the Services Agreement. The amount lodged as security, which is 10% plus VAT, must be lodged on a DA 70 (provisional payment) and calculated at least two weeks before the auction in consultation with the branch office.

Make payment of the proceeds of auction sales to SARS within 48hrs of the auction date.

Register as a Dealer Stockist to be able to manage the documentation for registration of local auctioned vehicles, as and when applicable.

Register with SARS to obtain an importer / exporter code, if awarded the tender.

Have and maintain in force adequate insurance cover consistent with acceptable and prudent business practices to cover any losses or damages arising from the rendering of the auctioneering services.

Undertake to perform all such duties and exercise all such functions, as may be permitted by law and as may be necessary or desirable to give effect to the provisions of this Scope of Work, and to provide the services according to the terms and conditions of the Services Agreement and its annexures.

PRICING REQUIREMENTS



- Presented by Faradh Khan

Preference Point Systems

Second stage of Evaluation, Tenders that have met all the mandatory requirements (threshold of 70 points in technical) will be evaluated for Pricing in terms of the 80/20 preferential points system.

Under section 2 of the Preferential Procurement Policy Framework Act, 2000, read with the Preferential Procurement Regulations, 2017

- The 80/20 preference point system is applicable to this tender
- (RFP 0032/2019)
- To, or above R30 000 and up to a Rand value of R 50 million (all applicable taxes included).
- The 90/10 preference point system is applicable to bids with a Rand value above R50 million (all applicable taxes included)

PRICING TEMPLATE

AUCTIONEERING OF MOVABLE GOODS ONSITE

COST ESTIMATES SUMMARY

	RANGES OF AUCTIONS	PROPOSED PERCENTAGE
1	Less than R 250 000.00	
2	R 250 000.00 – R 750 000.00	
3	R 750 000.00 – R 1 500 000.00	
4	R 1 500 000.00 – R 2 000 000.00	
5	R 2 000 000.00 – R 2 500 000.00	
6	R 2 500 000.00 – R 3 000 000.00	
7	R 3 000 000.00 – R 3 500 000.00	
8	R 3 500 000.00 – R 4 000 000.00	
9	R 4 000 000.00 – R 4 500 000.00	
10	Above R 5 000 000.00	

PRICING TEMPLATE

AUCTIONEERING OF MOVABLE GOODS ONLINE

COST ESTIMATES SUMMARY

	RANGES OF AUCTIONS	PROPOSED PERCENTAGE
1	Less than R 250 000.00	
2	R 250 000.00 – R 750 000.00	
3	R 750 000.00 – R 1 500 000.00	
4	R 1 500 000.00 – R 2 000 000.00	
5	R 2 000 000.00 – R 2 500 000.00	
6	R 2 500 000.00 – R 3 000 000.00	
7	R 3 000 000.00 – R 3 500 000.00	
8	R 3 500 000.00 – R 4 000 000.00	
9	R 4 000 000.00 – R 4 500 000.00	
10	Above R 5 000 000.00	

PRICE EVALUATION

- Only Bidders that have achieved the minimum technical threshold of **70** will be considered for price evaluation
- Evaluation criteria:

Adjudication Criteria	Points
Price Evaluation $P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	80

Where

- P_s = Points scored for price of bid under consideration
- P_t = Rand value of bid under consideration
- P_{\min} = Rand value of lowest acceptable bid

NOTES TO PRICE SUBMISSION

Notes:

- 1. The Bidders must complete ALL cells highlighted in Yellow fully.**
- 2. Bidders are not allowed to change the format of this pricing template; any changes by the bidders may result in their bid being non-responsive.**
- 3. Bidders must take note of the requirement for Onsite & Oline Auctioneering services and price accordingly.**
- 4. All rates provided by the bidder must INCLUDE VAT at 15% .**
- 5. Bidders must note that Advertising costs will be catered for by SARS and therefore should not be factored into the Bidder's proposed rate (%).**
- 6. Recovery Costs are to be the sole responsibility of the appointed Bidder.**
- 7. Bidders are required to submit a signed copy of the pricing template and the excel version of the template on a memory stick or CD-Rom**

B-BBEE REQUIREMENTS

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/Sworn Affidavit	20

Bidders **MUST** complete and sign the SBD 6.1 form to claim the Bidder's B-BBEE preference points, failing which, the Bidder will be scored zero.

B-BBEE Key Sections to complete in SBD

BID DECLARATION

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

6. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 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 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7 SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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7.1.1 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 or QSE?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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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 also result in Bidders scoring zero for B-BBEE.

Classification	Turnover	Submission Requirement
Exempted Micro Enterprise (EME)	Below R10 million p.a.	A DTI Affidavit or Certificate from CIPC
Qualifying Small Enterprise (QSE)	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
Large Enterprise (LE)	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.

BEE

JOINT VENTURES AND CONSORTIUMS

- 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:

REGULATION 11(8)

- 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.

BEE

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.

FINANCIAL ANALYSIS

BACKGROUND

Public Finance Management Act (PFMA)

- Fair
- Equitable
- Transparent
- Competitive
- Cost Effective

PURPOSE

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

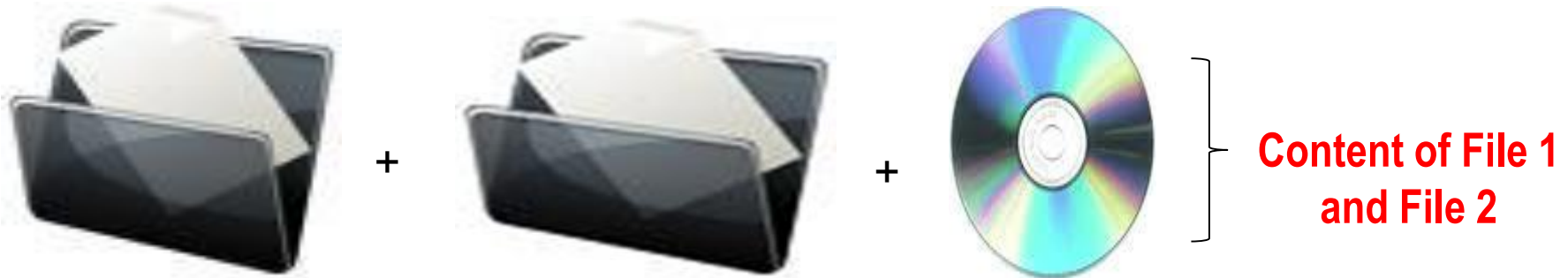
FINANCIAL REQUIREMENTS

- **Complete Sets of Audited/ Independently 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

RFP SUBMISSION

- Bidders must submit copies of each file (Original and Duplicate) and a CD-ROM / USB with content of each file by the

3 December 2019 at 11:00



TENDER BOX

SARS Brooklyn Bridge, 570 Fehrsen
Street, Linton House, Brooklyn

RULES OF ENGAGEMENT

- Bidders may not contact SARS personnel directly
- All contact relating to RFP matters are only to be addressed to SARS Procurement at
 - ❖ email: tenderoffice@sars.gov.za
 - ❖ Telephone: (012) 647 9569

