

SARS RFP 20/2020

The Procurement of Third Party Data and Related Services from a Credit Bureau or a Similar Service Provider

**Non- Compulsory Briefing Session
23 November 2020**

Zoom

RFP 20/2020

The Procurement of Third Party Data and Related Services from a Credit Bureau or a Similar Service Provider

Welcome and Introduction

Agenda

<u>Start</u>	<u>End</u>	<u>Topic</u>
11:00 - 11:05		Welcome
11:05 - 11:10		Governance, Rules and Procedures
11:15 - 11:30		RFP Overview
11:30 - 12:00		Business Requirements (Refer to BRS presentation)
12:00 - 12:15		RFP Process
12:15 - 12:30		Pricing Templates
12:30 - 12:40		B-BBEE Overview
12:40 - 12:45		Bidder's Proposal
12:45	13:00	Responses to questions

Governance, Rules and Procedures

SARS Procurement

Non- Compulsory 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.**

RFP Pack content

RFP Pack Contents

Section 1	The Procurement of Third Party Data and Related Services from a Credit Bureau or a Similar Service Provider for the South African Revenue Service Summary Guidelines Instructions and Conditions for SARS
Section 2	Standard Bidding Documents (SBD's)
Section 3	Business Requirements Specification (BRS) documents for the Procurement of Third Party Data and Related Services from a Credit Bureau or a Similar Service Provider
Section 4	Mandatory Response Templates for the Procurement of Third Party Data and Related Services from a Credit Bureau or a Similar Service Provider
Section 5	Technical Response Template for the Procurement of Third Party Data and Related Services from a Credit Bureau or a Similar Service
Section 6	Pricing Template for the Procurement of Third Party Data and Related Services from a Credit Bureau or a Similar Service Provider
Section 7	Software Licence Maintenance and Support Services Agreement for the Procurement of Third Party Data and Related Services from a Credit Bureau or a Similar Service Provider

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.

RFP Overview

Background 1/2

- **SARS's Statutory Mandate**
 - **South African Revenue Service Act, 1997 (Act No 34 of 1997)**
 - **Verifying and ensuring that taxpayers' information is correct is SARS primary function in administering the Tax Act**

- **SARS's Strategic Objectives**
 - **To detect taxpayers and traders who do not comply and make non-compliance hard and costly and**
 - **To expand and increase the use of data to improve integrity, derive insight and improve outcomes**

Background 2/2

- **In order to optimise tax collection intertwined with increasingly sophisticated data evasion strategies of some non-compliant taxpayers, SARS has to procure innovative verification data and services to be utilised by Analysts, Researchers, Risk Profilers, Investigators and Collectors**

- **In addition, SARS has to enhance the accuracy and completeness of the Taxpayer Register. In order for SARS to increase taxpayer compliance and collect all revenue due, the base from which SARS is working on i.e. the Taxpayer Register has to be complete, accurate and current.**

Business Requirements Specification 1/3

- **A complete and all-inclusive solution is required which can provide:**
 - **Reliable**
 - **Updated and**
 - **Accurate tracing, searching and verification data**
- **The solution is required for consumers and businesses:**
 - **Individuals**
 - **Companies**
 - **Corporates**
 - **Traders and**
 - **Trusts**

Business Requirements Specification 2/3

- **Individual demographic data**
 - E.g. identity verification data inclusive of ID photos

- **Property, deeds and estate details inclusive of ownership details and transfers**

- **Vehicle and any other moveable asset data**
 - E.g. vehicle make, model, finance, book value
 - E.g. vehicles, yachts and/or planes ownership (current and history)

Business Requirements Specification 3/3

- **Consumer and commercial financial data**
 - E.g. payment profiles
 - E.g. credit checks, credit report files, credit records and credit scores/profiles based on risk ratings

- **All available data on companies, corporates and trusts**
 - E.g. directorships (current and historic, local and international)
 - E.g. company and director status (active/inactive/suspended/estate/dormant)

- **Lifestyle assessment and audit data**

Mandatory Evaluation

The Bidder must be currently registered in terms of the National Credit Act (NCA) 34 of 2005 with the National Credit Regulator (NCR).

The Bidder must attach documentary evidence of registration.

If a Bidder is not registered and/or evidence is not provided the Bidder will be disqualified.

Technical Evaluation 1/4

- Bidders to provide evidence of established operation capabilities and extensive experience in managing consumers and business credit information and payment behaviours
- Bidders to provide evidence of the size, nature, sector (e.g. financial and/or retail) in which their clients belong and also indicate if their clients are corporate and JSE listed
- Bidders to provide five (5) contactable references of clients where similar services are provided currently
- Bidders to provide an all inclusive solution of both credit related information and contact details for individuals, companies and trusts as stipulated in the Business Requirements Specification (BRS)
- Bidders to provide full explanations as well as print screens of the credit report examples, credit record examples as well as a further explanation of the credit scoring algorithm function

Technical Evaluation 2/4

- Bidders to provide detail on their various mechanisms for the delivery of information e.g. bulk data provision, system to system transactions and online web-based queries and indicate how it conform to the SARS requirements as contained in Annexure I of the BRS
- Bidders to provide evidence of local and international data source providers and frequency of data updates
- Bidders to provide evidence that they have the necessary procedures and mechanisms in place to provide accurate and complete data
- SARS requires an overview of the availability features of the Bidder's infrastructure. Bidders to provide actual availability figures for the past twelve (12) months
- Bidders to specify and clearly indicate if they are able to provide searching options/mechanisms as listed in the BRS, e.g. by telephone numbers and/or address details in instances where the ID number or company registration number is not available

Technical Evaluation 3/4

- ❑ Bidders to provide details regarding the way in which data will be managed and interfaced by SARS according to the BRS and Annexure 1. Bidders may also be requested to provide additional demonstrations, presentations and/or a POC to demonstrate their proposed offering**
- ❑ Bidders to adhere to all applicable governance requirements as set out in the BRS. Bidders to conform to ISO/IEC 27001 (Information Security Management System), ISO/IEC 27002 (Controls), ISO/IEC 27005 (Information Security Risk Management) and the prescribed King codes on good governance. Bidders to provide an overview of information security governance policies, standards and processes. Bidders to provide a detailed description on how they will fully comply with the Protection of Personal Information (POPI) Act, Act No. 4 of 2013 and the relevant regulatory requirements. In addition, Bidders to provide proof of how the POPI policy has been internalised and operationalised internally**

Technical Evaluation 4/4

- Bidders to provide all training and support offerings on how to ensure continual successful operation of the solution. A full description of all relevant training offerings and of non-classroom training options e.g. eLearning, webinars via WebEx are required. A list and examples of all relevant training guides/user manuals must also be provided
- Bidders to provide a full description on all available end user support functions

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 07 December 2020.
- Any oral communication will be considered unofficial and non-binding to SARS.
- The queries must be :
 - from registered representatives
 - to tenderoffice@sars.gov.za Email format:

Subject : “RFP 20-2020 – Question”
Body : “Bidder: <Bidder name>”
: “Question : <Question text>”

Bid preparation phase – Q&A

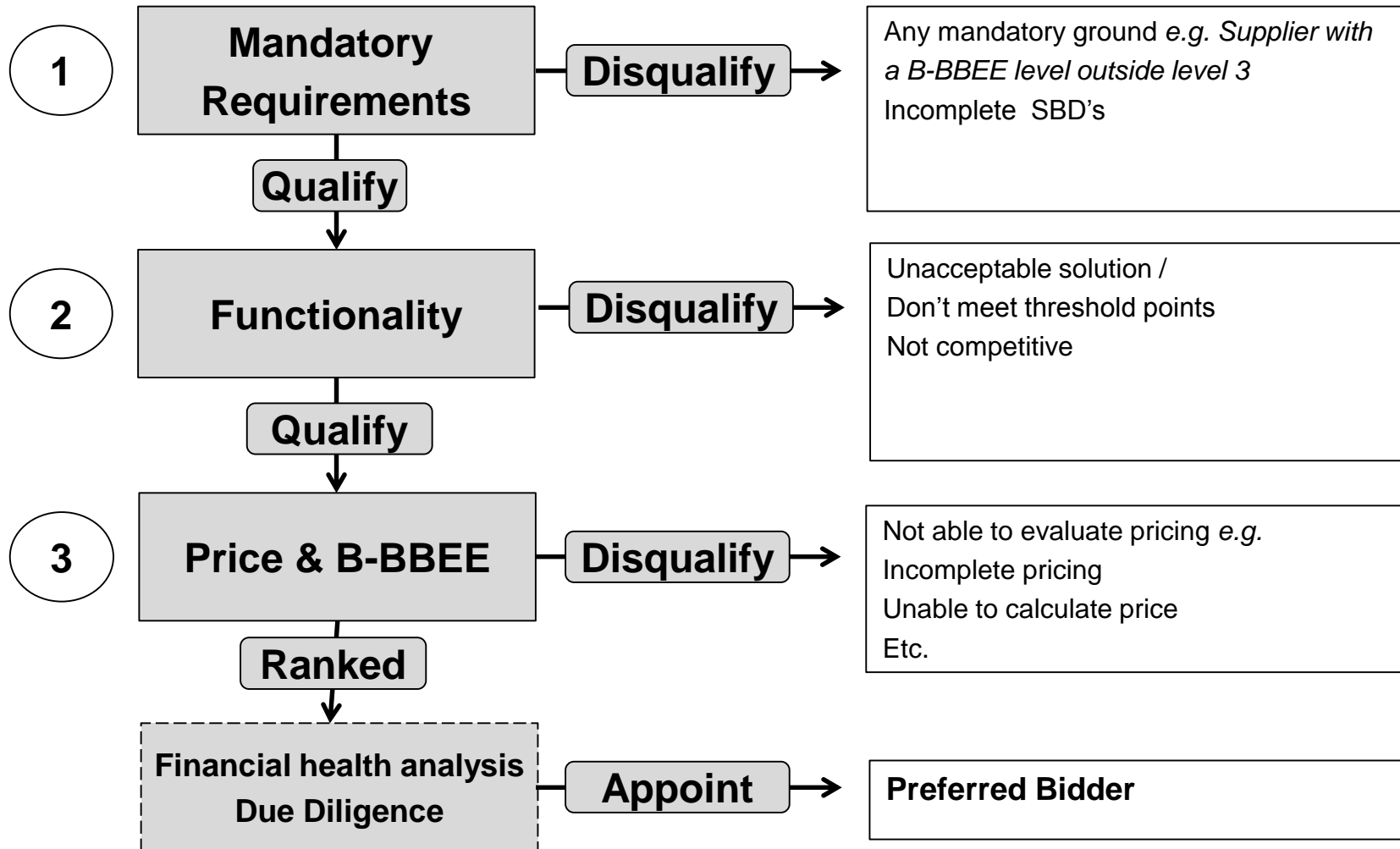
- **The answers will be published on the SARS website without the details of who posed the question**
- **SARS will endeavour:**
 - to provide a response to questions as soon as possible after receipt
 - to finalise all responses on or before **09 December 2020**

Bid preparation phase

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

EVALUATIONS

Evaluation process



Gate 0- Prequalification

- **History**
 - No member of management / shareholding with history of collusive dealings or corruption.
- **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

Gate 0- 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

Gate 0- 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

Gate 1 (Mandatory Requirements)

No:

Mandatory Requirements

1.

The Bidder must be currently registered in terms of the National Credit Act (NCA) 34 of 2005 with the National Credit Regulator (NCR).

The Bidder must submit a letter from NCR which confirms that the bidder is registered with NCR.

If a Bidder is not registered and/or evidence is not provided, the Bidder must be disqualified at this stage of the evaluation process.

Gate 2 (Technical Evaluation) : Functionality

Criteria	Weighting
VERIFIABLE TRACK RECORD	12
INFORMATION REQUIREMENTS	4
CREDIT REPORTS, CREDIT RECORDS AND CREDIT SCORING	4
DELIVERY OF INFORMATION MECHANISMS	12
INFORMATION ADEQUACY	12
SEARCHING OPTIONS	4
DATA MANAGEMENT AND INTERFACING	4
GOVERNANCE COMPLIANCE	4
TRAINING AND SUPPORT	4
Total	60

NB: The points obtained for technical evaluation must be a minimum of 42 points (70 percent) out of 60 points (100 percent). Bidders who obtain less than 42 points (70 percent) out of 60 points (100 percent) will be declared non-responsive and therefore disqualified to proceed for further evaluations on Gate 3: Price and BEE evaluations stage.

Gate 2 (Technical Evaluation) : Functionality

- **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.
- **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;
 - the Bidder's Proposal's aggregated weighted score for functionality equal or exceeds 42 points out of 60 points (70 percent).

Gate 3 (Price and B-BBEE Evaluation)

Criteria	Weighting (ex 100)
B-BBEE	10
Price	90

- 90/10 evaluation in terms of PPPFA¹ on contract value.
- B-BBEE evaluation performed on the basis of the submitted B-BBEE certificate.²
- Statutory formula² applied to the Bidder's submitted pricing.

¹ Preferential Procurement Policy Framework Act 5 of 2000

² National Treasury Regulations 2017 to the PPPFA

Pricing Requirements

Preference Point Systems

In the second stage of the evaluation, Tenders that have submitted all the required mandatory documents will be evaluated in terms of the 90/10 preference points system under section 2 of the Preferential Procurement Policy Framework Act, 2000, read with the Preferential Procurement Regulations, 2017

- **The 90/10 preference point system is applicable to bids* with a Rand value equal R50 million or above (all applicable taxes included).**

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

Adjudication Criteria	Points
$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	90

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

- Bidders must complete the Cover Sheet with the Bidder's NAME, refer to Cover Tab.
- Bidders must complete ALL the cells with GREEN FILL. If no price is filled in a cell with green fill, the price will be regarded as zero.
- Where a cost in a specific line item description is covered in a preceding one(or one after), a Bidder is advised to indicate that the line item is included.
- Bidders must enter all prices VAT INCLUSIVE. Unit Costs/Prices are to be provided across all Schedules of the price template.
- Bidders MUST NOT change the Pricing Template other than by providing values in the cells with GREEN FILL.
- Bidders must note that SARS may, at its sole discretion, disqualify a tender where the pricing template has been changed other than in terms of the instructions.
- After completing the Price Template, Bidders must print the spreadsheet, initial each page, sign and submit in Hardcopy as well as submitting in electronic (EXCEL) format.
- The quoted prices MUST be inclusive of all SARS' requirements as per the Business Requirements Specification Document(BRS) including **Annexure 1**. No additional costs will be considered post award.
- The pricing is to remain firm for **180** days from the closing date of this tender; SARS reserves the right to negotiate with the recommended bidder prior to signing of the contract and on annual basis.
- Bidders are allowed to provide comments if any, relating to the quoted amounts in the comments columns.
- Bidders are required to clearly indicate and provide basis of annual escalation.

RFP NUMBER	
RFP Name	THE PROCUREMENT
BIDDER'S NAME	

- Bidders must carefully read the NOTES below before completing the Price Template:**
- Bidders must complete the Cover Sheet with the Bidder's NAME, refer to Cover Tab.
 - Bidders must complete ALL the cells with GREEN FILL. If no price is filled in a cell with green fill, the price will be regarded as zero.
 - Where a cost in a specific line item description is covered in a preceding one(or one after), a Bidder is advised to indicate that the line item is included.
 - Bidders must enter all prices VAT INCLUSIVE. Unit Costs/Prices are to be provided across all Schedules of the price template.
 - Bidders MUST NOT change the Pricing Template other than by providing values in the cells with GREEN FILL.
 - Bidders must note that SARS may, at its sole discretion, disqualify a tender where the pricing template has been changed other than in terms of the instructions.
 - After completing the Price Template, Bidders must print the spreadsheet, initial each page, sign and submit in Hardcopy as well as submitting in electronic (EXCEL) format.
 - The quoted prices MUST be inclusive of all SARS' requirements as per the Business Requirements Specification Document(BRS) including Annexure 3. No additional costs will be considered post award.
 - The pricing is to remain firm for 180 days from the closing date of this tender; SARS reserves the right to negotiate with the recommended bidder prior to signing of the contract and on annual basis.
 - Bidders are allowed to provide comments if any, relating to the quoted amounts in the comments columns
 - Bidders are required to clearly indicate and provide basis of annual escalation.
 - The contract duration as per the Main RFP document is for a period of three(3) years, however SARS reserves the right to extend the contract for an additional period of two(2) years - highlighted yellow. A Bidder is

TABLE 1:

Schedule 1 - BULK REQUESTS

NUMBER OF BULK RECORDS REQUESTED	Year 1		Year 2
	CONSUMER (Rand per record VAT Inclusive)	COMMERCIAL (Rand per record VAT Inclusive)	CONSUMER (Rand per record VAT Inclusive)
100 000 - 200 000			
200 001 - 400 000			
400 001 - 600 000			
600 001 - 800 000			
800 001 - 1000 000			
1000 001 - 1250 000			
1250 001 - 1500 000			
1500 001 - 1750 000			
1750 001 - 2000 000			
2000 001 - 2500 000			
≥ 2500 000			

Schedule 2 (a) CONSUMER SEARCHES

Search Type	Year 1	Year 2	Year 3
	(Rand per search VAT Inclusive)	(Rand per search VAT Inclusive)	(Rand per search VAT Inclusive)
1. Individual demographic data			
1-1 Individual identification			
1-2 ID number validity and verification inclusive of ID photo			
1-3 Education level			
1-4 Race			
1-5 Nationality			
1-6 Gender			
1-7 Deceased information and records			
1-8 Possible relatives/dependants details			

RFP 20/2020 – Price Template

B-BBEE

B-BBEE = 10 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/Affidavit.	10

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 Certificate/Affidavit

The table below indicates the specific B-BBEE certification documents that must be submitted for this tender.

Classification	Turnover	Submission Requirement
Exempted Micro Enterprise (EME)	Below R10 million p.a	A sworn 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 agency. A sworn 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.

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.

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 proof of their Black ownership and turnover information in support of their Affidavits.

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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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.**

Regulation 11(9)

- **A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an Exempted Micro Enterprise that has the capability and ability to execute the sub-contract.**

Proof of Existence: Joint Ventures

- 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 Requirements

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

Background

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

Purpose

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

Agreement Requirements

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

Invitation to Bid (SBD1)

Declaration of Interest (SBD 4)

Declaration of Past SCM Practices (SBD 8)

Certificate of Independent Bid Determination (SBD 9)

Supplier Cost and Risk Assessment Questionnaire

Signed Oaths of Secrecy

Central Supplier Database (CSD)

A completed and signed mandatory template (as well as the References)

Annual Financial Statements

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

Technical Responses as well as References

Agreement

Subcontractor CSD registration

Pricing - Section

Pricing template

Preference Points Claim Form (SBD 6.1)

Bidder's B-BBEE Certificate

Subcontractor B-BBEE Certificates

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.

WRAP UP

- **Tender Closing date 15 December 2020 at 11:00**
- **Reminder to submit all follow-up questions electronically to SARS Procurement before close of business 07 December 2020 to tenderoffice@sars.gov.za**