

# **SOUTH AFRICAN REVENUE SERVICE**

## **REQUEST FOR PROPOSAL**

**RFP 26/2024**

**Provision of Medical Aid Brokerage Services**

### **MAIN RFP DOCUMENT**

**INSTRUCTIONS, GUIDELINES, AND CONDITIONS OF TENDER**

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## REQUEST FOR PROPOSAL

### Summary, Guidelines, Conditions and Instructions

#### 1 PURPOSE OF THIS REQUEST FOR PROPOSAL

- 1.1 The purpose of this Request for Proposal (RFP) is for the South African Revenue Service (SARS) to invite suitably qualified service providers (bidders) to submit proposals (tenders) in accordance with the rules set out in this RFP for an appointment as a service provider on a non-exclusive basis.

#### 2 OVERVIEW OF SARS' REQUIREMENTS

##### 2.1 Background

Providing advice and assistance regarding Medical Aid Schemes and benefits is an essential service for SARS employees. This service is particularly important during key events such as employee appointments, life events (e.g., marriage, divorce, death of members, birth of children), and the year-end revision process. Additionally, managing employees' membership information and contributions is crucial to ensure correct payments for continuous coverage.

Since SARS HR staff are not Financial Advisory and Intermediary Services (FAIS) registered or compliant, they cannot provide the service that a Medical Aid Broker can, it is essential for SARS to secure the services of a Medical Aid Broker to meet these needs.

##### 2.2 Scope of work

The Successful Bidder will be required to render the following the services:

##### 2.2.1 Medical Aid Service consulting to employees

- Advise new and existing employees on the different medical aid schemes options as and when required;
- Assist existing employees with adding or removal of dependents;
- Assist employees with medical accounts queries;
- Manage employees' membership information and contributions
- Provide awareness with regard to medical aid option changes and year end revision changes;
- Provide one-on-one consultation pertaining to medical aid cover or other member queries, in person or virtually as and when required;
- Analyse employees medical aid option and claims history and consult employees where they are over or under insured
- Provide weekly consultation (physical and/or virtual) to employees at all offices. However, other offices might require less frequent consultation;

- Provide escalated query assistance;
- Assist employees with hospital admission authorisation as and when required; and
- It would be an advantage if the service provider can offer the services in the majority of the official South African languages.

### **2.2.2 Medical Aid Service consulting to SARS**

The successful bidder will be required to:

- Provide the employer with employee's medical aid option changes and dependent information;
- Provide the employer with advice on medical aid scheme changes and legislation changes;
- Assist the employer with required medical aid schemes analysis and surveys;
- Provide report on the previous year end revision process;
- Provide review of demographic profile of active members within SARS;
- Provide scheme and option comparisons;
- Provide scheme national demographics compared to SARS scheme membership;
- Provide legislative review and update;
- Provide project planning and implementation (i.e. bulk recruitment, wellness days strategy, etc.);
- Conduct quarterly healthcare market trend analysis and forecasting (i.e. But not limited to scheme performance, national health insurance, etc.); and
- Conduct an annual review on all medical aid schemes with recommendations to the best possible schemes
- Avail all necessary personnel with requisite skills to attend to meetings relating to brokerage services to SARS, including the key accounts manager, as and when required.
- Avail themselves in person or virtually when SARS requires a meeting

### **2.2.3 Wellness**

Facilitate and coordinate wellness days in collaboration with SARS Wellness according to agreed project timelines or as needed, including in unexpected circumstances. This includes:

#### **2.2.3.1 Providing the following on wellness days:**

- Health screening (through medical aid insured benefits) on wellness days,
- One-on-one screening for exco members in their offices and
- Providing therapeutic anti-stress messages for those who undergo screening on wellness days.

#### **2.2.3.2 Providing health information material (e.g. Health passports, brochures, leaflets, posters and so forth);**

#### **2.2.3.3 Providing onsite group information on medical aid schemes during the wellness days;**

#### **2.2.3.4 Engaging with other medical aids outside of SARS preferred medical aids to accommodate employees who are not on SARS preferred medical aid schemes during wellness days;**

#### **2.2.3.5 Identifying and engaging employees with chronic conditions during the wellness days and assist them**

with registration on the relevant medical aid chronic disease programme; and refer such employees to the SARS Employee Assistance Program (EAP) for psychosocial support;

2.2.3.6 Participate in scheduled meetings (e.g. Monthly and ad hoc) at mutually agreed locations (either in person or virtually);

2.2.3.7 Providing information pertaining to health calendar days (e.g. World aids day, cancer awareness, diabetes and other medical condition awareness);

2.2.3.8 Providing advice and support pertaining to medical aid changes in relation to unpredicted health risks as they emerge; and

2.2.3.9 Provide wellness day related value-added services

#### **2.2.4 Year End Revision Services**

2.2.4.1 Project planning and implementation for all offices should consider the following:

- Headcount of employees;
- Locations of SARS offices;
- Operating hours;
- Reaching employees at SARS premises, working from home and remotely from other locations.
- Business operational demands (e.g. Contact centre);
- Preferential provision for executive consultation; and
- Ability to render the service at multiple sites simultaneously within the project timelines, taking into account implementation deadlines.

2.2.4.2 Conduct year-end revision information sessions regarding product options and benefits; and

2.2.4.3 Record keeping of sessions i.e. Attendance registers.

#### **2.2.5 Reporting**

2.2.5.1 Provide the following medical Aid brokerage reports:

- Monthly reporting;
- Quarterly reporting;
- Risk management as and when identified;
- Executive and annual reports;
- Benchmark review as and when required; and
- Ad-hoc reports.

All reports to be submitted within 5 working days after the end of the month or quarter or year or as and when required.

NB: bidder requested to submit sample report relating to the above-mentioned list.

2.2.5.2 Wellness Days reports:

- Provide regular and ad hoc comprehensive reports (monthly dashboard, quarterly and annual) on Wellness Days. Reports should be broken down according to regions, office, division and

business unit; and

- Provide comprehensive report/data of chronic disease registrations onto the different medical aids broken down by regional distribution, on a quarterly basis.

### 2.2.6 Business Continuity

Provide and submit to SARS proof of a Business Continuity Plan in case the company encounters operational constraints and/or systems failure.

### 2.2.7 GEOGRAPHIC LOCATIONS

Provide services to employees across the nine provinces of South Africa, land borders, ports of entry and call centres. Below is an estimated head count in different SARS locations/regions:

Region	Total Employees per region
Eastern Cape	664
Free State	475
Gauteng Central	189
Gauteng North	1706
Gauteng South	1875
Head Office	2963
Kwa-Zulu Natal	1553
Limpopo	431
Mpumalanga	448
North West	297
Northern Cape	143
Western Cape	1458
<b>Grand Total</b>	<b>12202</b>

*\*Note:*

- SARS might amend working structures therefore the Business areas and locations as well as the number of employees per area might change.
- There are various offices/sites within the different regions

## 2.3 BIDDERS RESPONSES/DOCUMENTATION REQUIRED

Bidders must respond to all the information required in this section in their bid proposals. Bidders should also refer to paragraph 2.2, which detail the technical requirements.

### 2.3.1 Company Profile

2.3.1.1 The Bidders must provide in their response to SARS, the following detail:

- The company's organogram with the operational structure of the medical aid brokerage unit stipulating the personnel's responsibilities, reporting sequence and roles of the team that will be responsible for the management of the SARS account;

- The bidder must have at least 5 years' experience actively involved in medical aid brokerage industry with a breakdown of such services rendered; and
- The full contact details of the Key Accounts Manager who will be assigned to SARS, including his/her role and responsibilities. This is the resource that will assist SARS with all communications relating to the project

### **2.3.2 Capability**

#### **2.3.2.1 Bidder's Client List**

The bidder is required to submit three (3) reference letters from current clients for whom they are providing medical aid brokerage services. These letters should be on company letterhead or authenticated with a company stamp signed and dated. Each letter must include the following information: Client name; Contact person and contact details, Duration of the contract and Description of the Services.

Each reference letter provided by the Bidder should indicate and rate the following:

- Level of satisfaction on quality of Medical Brokerage Service; and
- The size of the company.

Notes:

- Annexure F may be copied to the client's company letterhead or authenticated with a company stamp.
- SARS may contact the clients for a reference check. It is therefore important to ensure that the clients listed are contactable. Information that is not relevant to the required services will not be considered.

#### **2.3.2.2 Key Personnel**

Bidders must provide proof of at least 9 Key Personnel to be allocated to the SARS account. Of the 9 resources, 5 of the staff members must have a minimum of 5 years of experience in medical broker industry as these individuals are crucial to the successful delivery of services. The Bidder's submission must include the following for these personnel:

- Valid proof (certified copy of certificate/license) of FAIS registration; and
- Valid proof (certified copy of certificate/license) of Council for Medical Schemes (CMS) accreditation

Note:

- SARS reserves the right to verify the validity of the above information with the respective accreditation bodies
- A Bidder may not change its Key Personnel. If a Bidder needs to change or substitute the Key Personnel proposed in its submission during the term of the contract, the bidder must first obtain SARS' consent and the new member must have the same or better qualifications and experience as the outgoing member.

### 2.3.3 Geographical Coverage

The Bidder must confirm their ability to provide services as per the SARS geographical location indicated in paragraph 2.2.7

The Bidder must provide details on how SARS employees will be serviced (how logistics will be managed) in their respective locations as indicate in the SARS geographical locations.

The Bidder must have virtual communication tools and provide proof thereof. The Bidder must submit one the following documentation

- Billing Information: details about bidder's subscriptions, including the type of license, the number of licenses, and the renewal dates.
- Downloaded Invoices: invoices or receipts for the bidder's subscriptions. These documents serve as proof of purchase and can be used to verify your licensing status.
- License Assignment: which licenses have been assigned to the bidder. This can help confirms if the bidder is properly licensed.
- Subscription Agreement: documents provided by the service for subscription agreement.

### 2.3.4 Customer Relationship Support Systems

The Bidder must provide a short description supported by a screenshot for each of the following:

- Existing customer relationship management (CRM) system;
- Web functionality;
- Self-service functionality;
- Virtual communication (e.g. MS Teams, etc);
- Contact centre facility; and
- Bulk SMS functionality

### 2.3.5 Manage Member information, contributions etc.

2.3.5.1 The Bidder must provide the method and process on how member data and contribution data will be shared with SARS, as well as how the data with medical aid schemes will be verified.

2.3.5.2 The bidder must also provide proof of billing discrepancies (billing accuracy percentage%) for the last 12 months for their existing clients.

NB: SARS may contact the clients for billing accuracy confirmation. It is therefore important to ensure that the clients referred to are contactable.



### 2.3.6 Year-end Revision Services

2.3.6.1 The Bidder must submit a comprehensive project plan to cover all offices for year-end revision facilitation of information sessions and/or presentations regarding product options and benefits, taking into consideration the following:

- Headcount of SARS employees
- Location of SARS employees
- Business Operating hours (including Shift Workers)
- Flexible working arrangements (office & remote work)
- Executive consultation
- Servicing multiple sites (Office and Remote) at the same time within project timelines

### 2.3.7 Wellness Days

2.3.7.1 The Bidder must submit a detailed proposal on how they will facilitate and coordinate Wellness Days in collaboration with SARS Wellness according to agreed project timelines or as needed, including in unexpected circumstances. The proposal should include, but is not limited to:

- Health screening on Wellness Days;
- Provision of health information material (e.g. health passports, brochures, leaflets, posters and so forth);
- Provision of onsite group information sessions during Wellness Days;
- Engaging with other medical aids outside of SARS preferred medical aids to accommodate employees not on SARS preferred schemes during Wellness Days;
- Identifying and engaging employees with chronic conditions through Wellness Days and encouraging them to register on the relevant medical aid chronic disease management programme;
- Executive Wellness Days screening.

## 3 STRUCTURE OF THE RFP PACK

### 3.1 Structure

3.1.1 This RFP pack is organised into 5 (five) sections consisting of one or more documents in each section.

**Table 1: RFP pack outline and contents**

Section	Index	Description of section contents
1	<b>Main RFP Document</b>	Documents outlining the main RFP guidelines, instructions, conditions and documents necessary for a bidder to submit a proposal.
2	<b>Business Requirements Specification</b>	Document(s) outlining the business requirements specifications, technical requirements and other information required by a bidder to submit a proposal.
3	<b>SBD Documents</b>	Standard Bid Documents (SBDs) and other administrative documents that are required by National Treasury and SARS Procurement to be read, completed, and returned as part of a bidder's proposal.
4	<b>Contract management</b>	The General Conditions of Contract (GCC) and/or proposed Services Agreement under which SARS wishes to contract the services.
5	<b>Response templates</b>	Where applicable, response templates that are required to be completed and returned as part of a bidder's proposal.

## 4 KEY ACTIVITIES AND DATES

- 4.1 The table below lists certain key dates and activities relevant from the time of issue of the RFP up to and until the closing date:

**Table 2: Key activities and dates**

No.	Activity	Date / Time / Details
1.	<b>Bid Number:</b>	RFP 26/2024
2.	<b>Description:</b>	Provision of Medical Aid Brokerage Services.
3.	<b>Duration of contract:</b>	The successful bidder will be appointed for a period of forty-eight (48) months, subject to SARS terms and conditions.
4.	<b>Validity period of proposals:</b>	Bids submitted will be valid for a period of 180 calendar days from closing date. SARS may however, subject to the bidders' consent, extend the validity period prior to expiry thereof.
5.	<b>Advertisement of the RFP:</b>	a) <b>National Treasury e-Tender Portal: 13 December 2024</b> b) <b>SARS website: 13 December 2024</b>
6.	<b>RFP pack (complete set of bid documents) available for download from National Treasury e-Tender Portal and SARS website:</b>	<b>13 December 2024</b>
7.1	<b>Virtual briefing session date and registration:</b>	The <b>non-compulsory</b> briefing session will be held virtually via a Microsoft Teams meeting and can be accessed at the following link:

No.	Activity	Date / Time / Details
		<a href="#">[Join the meeting now]</a> Meeting ID: 328 544 466 516 Passcode: QU7WN7Sq  <i>Date: 15 January 2025 at 11am</i>
8.	<b>Bidders to submit written questions on or before:</b>	<b>From 13 December 2024 to 20 January 2025 at 16H00</b>
9.	<b>SARS to respond to bidders' written questions on or before:</b>	<b>31 January 2025</b>
10.	<b>CLOSING DATE AND TIME (proposals due):</b>	<b>11 February 2025</b>

- 4.2 All dates and times in this RFP are South African Standard Time. The establishment of a time or date in this RFP does not create an obligation on the part of SARS to take any action or create any right or expectation in any way for any bidder to demand that any action be taken on the date established, or on any other date. A bidder accepts that if SARS extends the deadline (closing date) for proposal submissions for any reason whatsoever, the requirements of this RFP will apply equally to the extended deadline.

## 5 COMMUNICATION

- 5.1 All communications to SARS must be addressed to the SARS Tender Office, emailed to [tenderoffice@SARS.gov.za](mailto:tenderoffice@SARS.gov.za), and must contain a clear reference to this RFP. Communication sent by SARS must only be regarded as official communication if sent from [tenderoffice@SARS.gov.za](mailto:tenderoffice@SARS.gov.za), or a communication accompanied by a letter of authorisation signed by the SARS Procurement Executive.
- 5.2 A bidder may not make any communication to SARS regarding this RFP other than through the official contact provided in this document. SARS may, at its sole discretion, disqualify a bidder if the bidder communicates or attempts to communicate any information regarding this RFP to any of SARS' employees; officials; or any third parties involved in the preparation, evaluation, or award of the RFP other than through the official contact provided.

## 6 TENDER PREPARATION AND SUBMISSION

### 6.1 Introduction

- 6.1.1 SARS has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under section 76 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), which prescribes that SARS' procurement processes be:
- 6.1.1.1 economical, efficient, fair, equitable, transparent, competitive and cost effective; and
  - 6.1.1.2 consistent with the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), its Regulations, and the Broad-Based Black Economic Empowerment Act, 2003 (Act

No. 53 of 2003).

## 6.2 Question and answer process.

- 6.2.1 A bidder may submit questions to SARS as part of the question-and-answer process to gain a full understanding of any aspect of the RFP that is not clear to the bidder.
- 6.2.2 Between the dates given in paragraph 4, SARS will receive written questions sent by bidders by email through the official contact provided in this document. SARS will respond to these questions, but however is not be obliged to respond to a question which in SARS' opinion is inappropriate and does not reasonably warrant an answer. The questions and answers will be published on the National Treasury e-Tender Portal and the SARS website. The identity of a bidder who has directed a question to SARS will not be disclosed by SARS in such responses.
- 6.2.3 SARS may issue updated versions of documents issued in the RFP pack and/or may issue additional documentation to form part of the RFP pack. Such reissued or additional documentation will be published on the National Treasury e-Tender Portal and SARS website. It is a bidder's responsibility to visit the National Treasury e-Tender Portal and SARS website at regular intervals to ensure that a bidder uses the latest versions of documents in the RFP pack.
- 6.2.4 **The National Treasury e-Tender Portal must be treated as the primary means of communication. In the event of any other communication that conflicts with communications posted on the National Treasury e-Tender Portal, the National Treasury e-Tender Portal communication will prevail.**

## 6.3 Central Supplier Database

- 6.3.1 All bidders wishing to do business with SARS must register on the Government's Central Supplier Database (CSD) at [www.CSD.gov.za](http://www.CSD.gov.za), and to include in their submission their CSD Master Registration Number. The recommended bidder(s) must be registered on the CSD prior to an award letter / purchase order / signed contract being issued.
- 6.3.2 Foreign suppliers with neither South African tax obligations nor history of doing business in South Africa must complete the questionnaire on the Standard Bidding Document (SBD) 1.

## 6.4 Proposal submission

- 6.4.1 For this RFP, SARS will accept proposal submissions in the form of physical proposal submissions, either deposited in the SARS tender box or posted to the SARS Tender Office.
- 6.4.2 The physical proposal submissions must be deposited in the SARS tender box on or before the closing date and time at the SARS Tender Office, situated at the main entrance at:

**SARS Procurement Tender Office,  
Lehae La SARS,  
299 Bronkhorst Street, Nieuw Muckleneuk, Brooklyn,  
Pretoria, 0181.**

- 6.4.3 The proposals may also be couriered to the address provided in the afore mentioned paragraph.
- 6.4.4 Proposals will only be considered if received by the SARS Tender Office before the closing date and time, regardless of the method used.

6.4.5 Late proposals will not be accepted.

6.4.6 The onus is on the bidder to ensure that its proposal submission and documentation received by SARS in this bid are submitted timeously and are accurate and complete. Failure by any bidder to discharge this onus will result in proposal submissions being disqualified for consideration.

## 6.5 Instruction for submitting a proposal

6.5.1 This section details the instructions to bidders for preparing a proposal in response to this RFP, which must be followed in detail to enable the information contained in a bidder's proposal to be read, understood and evaluated in a common and consistent layout, and to ensure that the information submitted is correct, complete and well structured. Should a proposal be received that is not in the correct format, SARS reserves the right to disqualify the entire proposal or portions of the proposal depending on the extent of the deviation from the format described in this document.

6.5.2 All proposals and supporting documentation must be submitted in English.

6.5.3 A bidder's proposal is required to be submitted in two forms:

<b>1 x Hardcopy submission</b>	One (1) hardcopy submission clearly marked.  A "hardcopy submission" means an A4 ring bound lever arch file.
<b>1 x Electronic submission</b>	One (1) electronic submission of a complete copy of the hardcopy submission.  An "electronic submission" means a memory stick (USB stick) containing a complete copy of the hardcopy submission. The onus is on the bidder to ensure that the electronic submission submitted is a complete copy of the hardcopy submission.

6.5.4 The hardcopy and electronic submission must be marked and labelled correctly, and must be outer sealed, wrapped and packaged, for ease of reference during the evaluation process.

6.5.5 **Technical and Pricing information must be included in separate folders. The Technical information must be included in "Folder 1", and the Pricing information must be included in "Folder 2".**

6.5.6 A bidder is required to submit the contents of its submission (hardcopy and electronic) in the following format:

**Table 3: Format and organisation of proposal**

Files		Section	Responses
<b>Folder 1:</b> TECHNICAL proposal	<ul style="list-style-type: none"> <li>RFP reference</li> <li>Description</li> <li>Bidder name</li> </ul>	<b>1</b>	<ul style="list-style-type: none"> <li>Prequalification documents (SBD and other documents), <i>excluding SBD 6.1 Preference point claim form</i></li> </ul>
		<b>2</b>	<ul style="list-style-type: none"> <li>Response to mandatory requirements</li> <li>Supporting documents for mandatory requirements</li> </ul>
		<b>3</b>	<ul style="list-style-type: none"> <li>Response to technical requirements</li> </ul>

Files		Section	Responses
			<ul style="list-style-type: none"> <li>Supporting documents for technical requirements</li> </ul>
		4	<ul style="list-style-type: none"> <li>Company profile</li> <li>Supplementary information</li> </ul>
		5	<ul style="list-style-type: none"> <li>Draft Services Agreement</li> </ul>
<b>Folder 2:</b> PRICE and B-BBEE/ specific goals proposal	<ul style="list-style-type: none"> <li>RFP reference</li> <li>Description</li> <li>Bidder name</li> </ul>	1	<ul style="list-style-type: none"> <li>B-BBEE certificate or sworn affidavit</li> <li>SBD 6.1 Preference point claim form</li> </ul>
		2	<ul style="list-style-type: none"> <li>SBD 6.1 Preference point claim form</li> </ul>
		3	<ul style="list-style-type: none"> <li>A complete set of three (3) most recent years annual financial statements as detailed in this RFP</li> </ul>

## 7 EVALUATION OF PROPOSALS

### 7.1 Process after the closing date

- 7.1.1 After the closing date and time SARS, will evaluate the proposals with reference to SARS' evaluation criteria. SARS reserves the right to employ subject matter experts to assist in performing such evaluations.

### 7.2 Prequalification evaluation process (Gate 0)

- 7.2.1 SARS has defined minimum administrative prequalification criteria that must be met by a bidder. The table below contains the administrative prequalification documents that are required as part of a bidder's proposal, which must be completed and signed by the duly authorised representative of the prospective bidder(s).
- 7.2.2 Where a bidder's proposal fails to comply fully with any of the prequalification criteria, SARS may at its discretion allow the bidder an opportunity to submit and/or supplement the information and/or documentation provided within a grace period of **seven (7) working days** or such alternative period as SARS may determine to achieve full compliance with these criteria before disqualifying the bidder.
- 7.2.3 **SARS will disqualify a bidder who does not achieve full compliance of the prequalification Standard Bidding Documents (SBD) after the grace period provided by SARS.**

**Table 4: Prequalification criteria**

	Prequalification documents to be submitted	Instructions	Non-submission will result in disqualification?
1.	SBD 1: Invitation to bid form	Bidder to complete and sign the supplied pro forma document.	YES
2.	SBD 4: Bidder's Disclosure	Bidder to complete and sign the	YES

	Prequalification documents to be submitted	Instructions	Non-submission will result in disqualification?
		supplied pro forma document.	
3.	SBD 6.1: Preference points claim form	Bidder to complete and sign the supplied pro forma document, to claim the points for B-BBEE / specific goals.	NO Non-submission will lead to a zero score on B-BBEE / specific goals.
4.	Proof of registration on the Central Supplier Database (CSD)	Bidder to submit the proof of registration on CSD.	NO However, a bidder must be registered on CSD in order to be considered for award.
5.	Draft Services Agreement and/or General Conditions of Contract (GCC)	Bidder to sign the supplied GCC.	YES / NO The recommended bidder(s) will be required to sign the applicable Service Agreement on award.
6.	A complete set of three (3) most recent years annual financial statements	Submit complete sets of three (3) most recent years annual financial statements in accordance with the requirements of the Financial Risk Analysis paragraph as detailed in this RFP.	YES / NO

### 7.3 Mandatory evaluation process (Gate 1)

7.3.1 Only Bidders that have met the prequalification criteria in Gate 0 will be evaluated in Gate 1 for mandatory evaluation. The table below contains the mandatory evaluation criteria.

7.3.2 **If a bidder does not meet any of the mandatory evaluation criteria, the bidder will be disqualified, and the bidder's proposal will not be evaluated further.**

**Table 5: Mandatory evaluation criteria**

	Mandatory evaluation criteria	Bidder to submit as proof
1.	The bidding company must be registered with the Financial Sector Conduct Authority (FSCA)	Please submit a valid certificate of registration with the Financial Sector Conduct Authority (FSCA)
2.	The bidding company must be registered with the Council for Medical Schemes (CMS)	Please submit a valid certificate of registration with the Council for Medical Schemes (CMS)

	Mandatory evaluation criteria	Bidder to submit as proof
3.	Proof of Professional Indemnity Insurance	The company must provide proof of Professional Indemnity Insurance

#### 7.4 Technical evaluation process (Gate 2)

- 7.4.1 Only bidders that have met the prequalification and mandatory evaluation requirements will be evaluated for technical capability and functionality, strictly according to the technical evaluation criteria below. A bidder is required to provide a technical solution for the required goods and services that meet SARS' requirements, and that is financially competitive and offers value for money.
- 7.4.2 The technical evaluation will be scored out of a total of 100 points, and bidders are required to score a minimum threshold of 70 out of 100 points to proceed to the next stage of evaluation, namely B-BBEE/specific goals evaluation.
- 7.4.3 **If a bidder does not meet the technical evaluation minimum threshold, the bidder will be disqualified, and the bidder's proposal will not be evaluated further.**

**Table 6: Technical evaluation criteria: please see attached Annexure D for the full Technical Evaluation Criteria**

#### 7.5 Price and B-BBEE/specific goals evaluation (Gate 3)

- 7.5.1 In line with the requirements of the Preferential Procurement Policy Framework Act, 2000, and its Regulations and SARS Preferential Procurement Policy, only bidders that have met or exceeded the minimum threshold for functionality in the technical evaluation, will be evaluated further.
- 7.5.2 SARS will apply the applicable preference point system in accordance with published preference point system. Should actual pricing proposals submitted by the bidders differ from the estimated costs prescribing the system to be used, the lowest acceptable tender will be used to determine the applicable preference point system.
- 7.5.3 **Price evaluation (Gate 3, Stage 1)**
- 7.5.3.1 There are no cost implications for SARS and its employees for this bid. The compensation of the successful Bidder shall be as per the provisions of the Medical Aid Scheme Act No. 131 of 1998
- 7.5.3.2 Therefore, there will be no pricing evaluation for this tender.
- 7.5.4 **B-BBEE/specific goals evaluation (Gate 3, Stage 2)**
- 7.5.4.1 Points for specific goals can only be awarded to a bidder who submits a valid B-BBEE certificate or affidavit' Share Certificate of the company or CIPC registration documents or letter from an attorney or registered accountant in their letterhead for the verification of ownership points claimed.
- 7.5.4.2 Bidders who do not claim preference points may be scored zero for specific goals.
- 7.5.4.3 Failure of a bidder to submit a B-BBEE certificate from a verification agency accredited by the South African Accreditation System (SANAS), a CIPC B-BBEE Certificate for Exempted



Micro Enterprise (EME), or a sworn affidavit confirming annual turnover and level of black ownership in the case of an Exempted Micro Enterprise (EME) and Qualifying Small Enterprise (QSE) together with the proposal, will be considered in a manner that preference points for Specific goals are not claimed.

- 7.5.4.4 The B-BBEE certificate or affidavit should be submitted in the name of the bidding entity. If the proposal is submitted by an incorporated joint venture, the incorporated joint venture must submit their B-BBEE status level verification certificate or affidavit.
- 7.5.4.5 If the proposal is submitted by an unincorporated joint venture arrangement, the unincorporated joint venture must submit a consolidated B-BBEE certificate or affidavit as if they were a group structure, and that such consolidated B-BBEE certificate or affidavit is prepared for every separate proposal.
- 7.5.4.6 SARS reserves the right to request bidders to submit proof of any information, to substantiate claims made about their Specific goals

**Table 9: B-BBEE/specific goals evaluation points allocation**

B-BBEE/specific goals evaluation criteria	Points
Bidders to submit: a) A duly completed SBD 6.1 Preference point claim form, and b) A valid B-BBEE certificate or sworn affidavit, and	20

- 7.5.4.7 The following table indicates the specific B-BBEE/specific goals documents that must be submitted for this RFP.

**Table 10: B-BBEE/specific goals documents checklist**

No	The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Evidence Required
1	An Entity that is an Empowering Supplier / Qualifying Small Enterprise (QSE)	2	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted).
2	An entity with at least 51% Black Ownership	5	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted).

No	The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Evidence Required
3	The entity has at least 30% Black Women Ownership	5	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted)
4	The entity has at least 51% Black Youth representation	4	B-BBEE Certificate / Sworn-Affidavit B-BBEE Certificate In case of JV, a consolidated scorecard will be accepted).
5	The entity that is 51% Black owned by Persons with Disabilities.	4	Certified copy of ID Documents of the Owners and Doctor's note confirming the disability and/or Employment Equity Act 1(EEA1) form.

**Please Note:**

- The tender will be awarded to the bidder with the highest points specific goals.
- If two or more bidders receive the same points for specific goals, the contract will be awarded to the bidder with the highest functionality score.
- If two or more bidders score equally in all criteria, the award will be determined by a drawing of lots.

**7.6 Financial risk analysis**

7.6.1 SARS may conduct a financial risk analysis on the bidders and SARS has the right not to make an award to a bidder(s) if its risk analysis indicates a high risk.

7.6.2 The bidders are required to submit complete sets of annual financial statements, for the three (3) most recent financial periods in the name of the bidding entity. The annual financial statements must either be audited or independently reviewed in accordance with the public interest score (PIS) in compliance with the Companies Act, Act 71 of 2008, and the bidders are required to submit the public interest score (PIS) in compliance with the Companies Act, Act 71 of 2008. The annual financial statements must contain:

7.6.2.1 A statement of profit and loss and other comprehensive income;

- 7.6.2.2 A statement of financial position;
- 7.6.2.3 A statement of cash flows;
- 7.6.2.4 A statement of changes in equity / net assets; and
- 7.6.2.5 Accompanying notes.
- 7.6.3 If the bidder cannot provide the preceding year's audited / independently reviewed financial statements as part of its bid submission, the bidder should submit draft annual financial statements or its latest management accounts, together with the three (3) most recent years audited / independently reviewed annual financial statements.
- 7.6.4 Bidders who have been trading for less than three (3) financial periods must provide:
  - 7.6.4.1 A letter detailing the fact, signed by a duly authorised representative of the entity;
  - 7.6.4.2 The annual financial statements that the entity can provide, considering the period that it has been trading; and
  - 7.6.4.3 Any other information or documentation which would provide more clarity on the financial history of a bidder.
- 7.6.5 SARS reserves the right to request further information regarding the annual financial statements of a bidder at a later stage to demonstrate the potential bidder's financial capability. These will include, but are not limited to:
  - 7.6.5.1 Holding company's / Parent company's accounts;
  - 7.6.5.2 Management accounts;
  - 7.6.5.3 Signed letter from a recognised financial institution confirming capital availability and bank statements; and/or
  - 7.6.5.4 Credit rating reports (confirming capital availability or access to capital).
- 7.6.6 In the event of a subsidiary being the bidding entity and it submits the holding company's financial statements for financial analysis purposes, the holding company must furnish a Performance Guarantee that is signed by a Financial Service Provider (Guarantor) of the holding company, stating that the Guarantor will undertake to cover any or all risks associated with a bidder, in the event the bidder is awarded the RFP.
- 7.6.7 If the proposal is submitted by an incorporated joint venture, the incorporated joint venture is required to submit annual financial statements of the joint venture. If the proposal is submitted by an unincorporated joint venture / consortium arrangement, the unincorporated joint venture / consortium is required to submit annual financial statements of each of the parties to the arrangement.
- 7.6.8 SARS reserves the right to request a financial guarantee from the recommended bidder(s) prior to award, based on the financial risk evaluation outcome.
- 7.7 **Recommended bidders' due diligence and risk assessment prior to award**
  - 7.7.1 SARS has a legal and moral obligation to ensure that a supplier's financial position does not place public money or services at unacceptable risks and will therefore perform due diligence and risk assessment of recommended bidder(s) prior to award.
  - 7.7.2 As part of due diligence and risk assessment, the bidder must ensure that the bidder is complying to all regulatory prescripts, including industry regulations specific to the commodity/services procuring,

that are applicable to this tender, as well as ethical business practices. SARS has the right to request evidence of this compliance from the bidder, and third parties, for purposes of the due diligence exercise and for audit or contracting arrangements.

- 7.7.3 In the event that a due diligence exercise reveals that a recommended bidder does not comply with SARS' risk appetite or compliance requirements then SARS has the right not to make an award to the recommended bidder.
- 7.7.4 The recommended bidder(s) will be required to consent in the agreement to continuous and in-depth due diligence to ensure ethical business practices throughout the term of the tender.

### **Proposed Services Agreement**

- 7.7.5 Any award made to a bidder under this RFP is conditional, amongst other provisions, upon SARS and such bidder concluding a written agreement within twenty-one (21) working days of the bidder receiving the written agreement. The timeous finalisation of such an agreement will be an absolute pre-condition to the recommended bidder(s) being awarded the tender and providing the goods or services to SARS.
- 7.7.6 If the recommended bidder(s) fails to sign the proposed Services Agreement within the time frame stipulated, SARS reserves the right to:
  - 7.7.6.1 cancel the award to the recommended bidder;
  - 7.7.6.2 enter into negotiations with the second ranked bidder(s) and conclude the proposed Services Agreement with such second ranked bidder(s); or
  - 7.7.6.3 take any other action SARS deems reasonable and appropriate.
- 7.7.7 Bidders are requested to-
  - 7.7.7.1 Comment on the terms and conditions set out in the draft Services Agreement and where necessary, propose required changes to such terms and conditions.
  - 7.7.7.2 Each comment and/or amendment must be explained.
  - 7.7.7.3 All changes and/or amendments to the draft Services Agreement must be in an easily identifiable colour font and tracked for ease of reference.
- 7.7.8 Upon award, SARS and the successful bidder will conclude the Services Agreement which regulates the specific terms and conditions applicable to the goods and services being procured by SARS. In this regard:
  - 7.7.8.1 SARS will enter into negotiations with the bidder with a view to concluding the Services Agreement.
  - 7.7.8.2 SARS will be entitled to cease negotiating with a bidder if SARS, in its sole discretion, is of the opinion that: (i) the bidder has made misrepresentations in its proposal; (ii) the bidder is attempting to withdraw from positions or commitments made in its proposal; (iii) the bidder is not negotiating in good faith; or (iv) an agreement may not be expeditiously concluded with the bidder for any other reason.
  - 7.7.8.3 SARS reserves the right to vary the terms and conditions of the proposed Services Agreement during the course of negotiations with a bidder at SARS' sole discretion.
  - 7.7.8.4 SARS reserves the right to accept or reject any or all amendments or additions proposed by the successful bidder if such amendments or additions are unacceptable to SARS or pose a risk to the organisation.

- 7.7.9 A bidder should note that SARS relies upon the bidder's proposal as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder. It follows therefore that any misrepresentations in a proposal may result in legal action or other processes by SARS against the bidder, notwithstanding the conclusion of an agreement between SARS and the bidder for the provision of the goods and services in question. In the event of a conflict between the bidder's proposal and the Services Agreement concluded between the parties, the Services Agreement will prevail.

## 7.8 Performance Standards

- 7.8.1 The successful bidder will be required to comply with the Service Level Annexure attached to the Services Agreement as **Annexure G**. By bidding, a bidder agrees that it will be subject to the Service Levels contained therein, if successful, as the Service Levels are not subject to negotiation.

## 7.9 Liability

- 7.9.1 The successful bidder shall be liable to SARS, where SARS has suffered any direct damages and/or losses as a result of the successful bidder's failure to observe its obligations in terms of the Services Agreement.
- 7.9.2 The successful bidder shall further be liable to SARS for all indirect and consequential or special damages and/or losses suffered by SARS as a result of gross negligence, wilful misconduct or breach by the successful bidder or its Key Personnel of confidentiality provisions in the Services Agreement, breach of Applicable Laws, infringement of third party intellectual property rights or a criminal act committed by the successful bidder, its Key Personnel or any employee of the successful bidder.

## 8 TRUSTS, JOINT VENTURES, SUBCONTRACTING AND OTHER ARRANGEMENTS

### 8.1 Proof of existence of a trust, joint venture, consortium and subcontracting arrangements

- 8.1.1 Where, for the purposes of this RFP, a bidder submits its proposal as a trust, such bidder must submit concrete proof of the existence of a trust. SARS will accept a registered trust deed as acceptable proof of the existence of a trust. The trust deed must include amongst others:

- 8.1.1.1 Details of the trustees of the trust; and
- 8.1.1.2 Details of the beneficiaries of the trust. In instances where the beneficiary is a trust, the trust deed of that specific trust is required.

- 8.1.2 Where, for the purposes of this RFP, a bidder submits its proposal as a joint venture or consortium (incorporated or unincorporated), the bidder must submit the joint venture / consortium agreement, which sets forth the following details:

- 8.1.2.1 identification of each party to the agreement in full;
- 8.1.2.2 the percentage ownership of the joint venture / consortium of each party to the agreement (if applicable);
- 8.1.2.3 the precise functions and responsibilities which each party will fulfil in terms of the agreement. This should include details of the delimitations of scope within the goods and services to be assigned to such a party(ies);
- 8.1.2.4 the anticipated percentage of the revenue that the party(ies) would receive (anticipated

revenue that the party(ies) would receive as a percentage of the total revenue the bidder would anticipate receiving over the term of the agreement with SARS), if the bidder is successful; and

- 8.1.2.5 clearly set out the roles and responsibilities of the Lead Partner and the remainder joint venture / consortium party(ies). The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party(ies) in respect of matters pertaining to the joint venture.
- 8.1.2.6 If a bidder is submitting a proposal in the form of an unincorporated joint venture / consortium, the SBD 4 Bidder's disclosure form should be completed by each party participating in the joint venture / consortium agreement, and proof of CSD registration should be submitted for all parties participating in the joint venture / consortium for this RFP.
- 8.1.2.7 Joint venture members should be advised that each member will be held jointly and severally liable for the performance of the joint venture.
- 8.1.3 Where, for the purposes of this RFP, a bidder has or intends to subcontract areas of scope of the goods and services, the bidder must submit the subcontracting agreement, and must note the following:
  - 8.1.3.1 the bidder must indicate the name of the subcontractor(s), the percentage of the contract that will be subcontracted, the B-BBEE status level of the subcontractor(s) and whether the subcontractor(s) is an EME or QSE;
  - 8.1.3.2 a bidder awarded a contract, may only enter into a subcontracting arrangement with the approval of SARS;
  - 8.1.3.3 the agreement will be concluded between the main contractor(s) and SARS, therefore, the main contractor(s) and not its/their subcontractor(s) will be held liable for performance in terms of its contractual obligations;
  - 8.1.3.4 the successful bidder must, at all times, be solely and entirely accountable to SARS for the performance of its contractual obligations in terms of the agreement; and
  - 8.1.3.5 Without diminishing the bidder's accountability in any way for the delivery of the services, including the performance standards, SARS may require: access to and transparency in the subcontracting agreements; the full details of the functions which the subcontractor will fulfil in terms of the agreement including details of the delimitations of scope within the services to be assigned to such a subcontractor; monitoring and reporting of subcontractor's participation and performance to SARS; direct participation of subcontractor(s) in the account and project planning activities; and subcontractors' representation in governance structures and committees. SARS will, at all times, demand fair dealing in the relationship between a bidder and its subcontractor(s).

## 9 COMPLAINTS AND ALLEGATIONS

- 9.1.1 Should a Bidder have rational reasons to believe that the tender process is unfair or irregular, including the fact that the technical specifications are not open and/or are written for a particular bidder, brand or product; the bidder is urged to notify the Procurement Department within ten (10) days after publication of the bid and provide details of its complaint for SARS' consideration.
- 9.1.2 Any suspicious activity, including requests, approaches or calls asking for upfront payment to secure an award of a bid or in lieu of claims that the outcome of a tender can be influenced towards a particular bidder, bidders are requested to immediately inform the *SARS Fraud / Anti-Corruption* Hotline at 0800-002870 or email at [anti-corruption@SARS.gov.za](mailto:anti-corruption@SARS.gov.za) for further investigation.

- 9.1.3 The “SARS hotline” further provides an anonymous reporting channel for any unethical behaviour that a bidder wants to report.

## 10 GENERAL CONDITIONS OF BIDDING

- 10.1 **By bidding, a bidder, is deemed to have accepted all terms and conditions of this RFP; and is further deemed to have accepted that if successful, any award made will be made subject to the terms and conditions of this RFP.**

### 10.2 Reservation of rights

- 10.2.1 In addition to any rights which SARS has reserved to itself in this document or any other document in the RFP pack, SARS reserves the right in its sole discretion to:

- 10.2.1.1 make no award, or to accept part of a proposal rather than the whole;
- 10.2.1.2 withdraw, or cancel this RFP;
- 10.2.1.3 amend, vary, or supplement any of the information, terms or requirements contained in this RFP, any information or requirements delivered pursuant to this RFP, or the structure of the RFP process;
- 10.2.1.4 schedule additional briefing sessions / site inspections, and to conduct site visits, site inspections, product evaluations, local content evaluations, and/or perform audits including due diligence exercises on any bidder whenever SARS deems it prudent to do so;
- 10.2.1.5 no longer consider a bidder's proposal where adverse information about the bidder or its proposal submission has come to the attention of SARS, provided that such bidder is informed accordingly and afforded an opportunity to object;
- 10.2.1.6 subject to applicable legislation and conditions of tender, award a proposal based on which bidder is offering the best value for money, even if such proposal has not scored the highest points during the evaluation;
- 10.2.1.7 conduct a risk assessment of a bidder's capability to deliver the goods and perform the services in accordance with the specified service levels and/or achieve SARS' objectives;
- 10.2.1.8 request clarification or verification in respect of any information contained in or omitted from a bidder's proposal, which SARS may do either in writing or at a meeting convened with the bidder for that purpose;
- 10.2.1.9 conduct a due diligence on any bidder or its subcontractor, which may include interviewing customer references or performing other activities to verify information and capabilities submitted, claimed, or otherwise, (including visiting a bidder's, subcontractors, or customer reference premises, sites and/or facilities to verify certain stated facts or assumptions). The bidder will be obliged to grant SARS with all such access, assistance and/or information as SARS may reasonably request. The bidder must respond within the timeframes set by SARS, failing which SARS reserves the right not to consider the bidder's proposal any further; and/or
- 10.2.1.10 request presentations from such short-listed bidders. All costs relating to the preparation of such presentations will be borne by the bidders.

- 10.2.2 SARS will disqualify any bidder, report to the National Treasury and take the necessary steps to restrict a bidder from doing business with the State, who:

- 10.2.2.1 engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this RFP;
- 10.2.2.2 seeks any assistance, other than assistance officially provided by a government entity, from any employee, advisor or other representative of a government entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a government entity;
- 10.2.2.3 makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of SARS' officers, directors, employees, advisors or other representatives;
- 10.2.2.4 makes or offers any gift, gratuity, anything of any value or other inducement, to any government entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a government entity;
- 10.2.2.5 accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a government entity;
- 10.2.2.6 pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, which is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a government entity;
- 10.2.2.7 has been found guilty in a court of law or administrative or regulatory authority having appropriate jurisdiction on charges of unethical or improper conduct, regardless of whether or not a prison term or penalty was imposed;
- 10.2.2.8 is listed on the National Treasury's Register for Tender Defaulters or the National Treasury's Database of Restricted Suppliers; or
- 10.2.2.9 whose tender contains a misrepresentation which is materially incorrect or misleading.

**10.2.3 Bidders' own conditions**

- 10.2.3.1 Bidders may not come up with their own terms and conditions, counter conditions, modify or vary any of the terms, conditions or requirements herein. SARS may disqualify any bidder who fails to comply with this clause.

**10.3 Conflict of interest**

- 10.3.1 If at any time a bidder identifies an actual or potential conflict of interest, the bidder must immediately notify SARS in writing. SARS reserves the right to exclude the proposal submitted by such bidder from further consideration, unless the bidder is able to resolve the conflict to SARS' satisfaction. If it comes to SARS' knowledge that there was indeed a conflict of interest or a potential conflict of interest, same will be grounds for the immediate disqualification of the bidder.

**10.4 Confidentiality**

- 10.4.1 Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, information contained in a bidder's proposal(s) may not be disclosed by any bidder, other than to a person officially involved with SARS' examination and evaluation of a proposal.
- 10.4.2 Throughout this RFP process and thereafter, the bidders must secure SARS' written approval prior to the release of any information that pertains to (i) the potential work or activities to which this RFP



relates; or (ii) the process which follows this RFP. Failure to adhere to this requirement may result in disqualification from the RFP process and such legal action as SARS may deem suitable.

## **10.5 Fronting**

- 10.5.1 SARS supports the spirit of broad-based black economic empowerment and recognises that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background SARS condemns any form of fronting.
- 10.5.2 SARS, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries / investigations to determine the accuracy of the representations made in the bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry be established during such enquiry / investigation, the onus will be on the bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the bidder / contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies SARS may have against the bidder / contractor concerned.

## **10.6 Insurance**

- 10.6.1 The successful bidder will be required, on or before the commencement date of the agreement and for the duration of the agreement, to have and maintain in force adequate insurance cover consistent with acceptable and prudent business practices and acceptable to SARS, which must include, without limitation, professional indemnity cover against all actions, suits, claims or other expenses arising in connection with damages or Losses for which it is liable in terms of the Services Agreement.

## **10.7 Indemnity**

- 10.7.1 If a bidder breaches any condition of this RFP and, as a result of that breach, SARS incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the RFP process and/or enforcement or defence of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds SARS harmless from any and all such costs which SARS may incur and for any damages or losses SARS may suffer.
- 10.7.2 A successful bidder shall indemnify, hold harmless and agree to defend SARS and its officers, employees, agents, successors-in-title, and assigns, against all claims or Losses arising from, or in connection with, any of the following-
  - 10.7.2.1 Third party claims attributable to any breach of the provisions of the Services Agreement by the successful bidder;
  - 10.7.2.2 Third party claims attributable to theft, fraud or other unlawful activity or any negligent, wilful or fraudulent conduct by the successful bidder or the Key Personnel and claims attributable to errors and/or omissions;
  - 10.7.2.3 Third party claims arising from or related to the death or bodily injury of any agent, employee, customer, business invitee, or business visitor or other person on SARS' premises caused by the delictual conduct of the successful bidder or the Key Personnel; and
  - 10.7.2.4 Claims arising from damage to property owned or leased by SARS or belonging to a third party caused by the acts or omissions of the successful bidder's or the Key Personnel.

## **10.8 Intellectual property**

- 10.8.1 SARS retains ownership of all intellectual property rights in the documents that form part of this RFP.
- 10.8.2 Bidders will retain the intellectual property rights in their proposals but grant SARS the right to reproduce any copyrighted works for the purposes of the tender process.
- 10.8.3 Subject to any specific provisions in any service level agreement, master services agreement, work orders or change orders or any other agreement concluded between SARS and a bidder in terms of this RFP, all intellectual property rights created, generated, coded or designed in terms of this bid to meet SARS' business requirements and needs will be, and remain the perpetual exclusive property of SARS. Successful bidders who so create, generate, code or design any intellectual property for SARS in terms of this RFP, undertake to provide SARS with full access to such intellectual property including the provision of security keys and access codes both during and after the bidders appointment as a service provider or vendor.
- 10.8.4 In the event that any bidder utilises any third party intellectual property, in terms of a license, to submit a bid, or that such third party intellectual property will be utilised to fulfil SARS' business requirements for the bid, bidders firstly warrant that they have the rights to do so, and secondly, agree to fully indemnify SARS against in any claims whatsoever arising from the application of third party intellectual property in the SARS environment and on the basis of SARS' indemnity rights in the Indemnity clause above.

## **10.9 Limitation of liability**

- 10.9.1 A bidder participates in this RFP process entirely at its own risk and cost. SARS will not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the bidder's participation in this RFP process.

## **10.10 Preparation costs**

- 10.10.1 A bidder will bear all its costs in preparing, submitting, delivering, and presenting any response or proposal to this RFP and all other costs incurred by it throughout the RFP process. No statement in this RFP will be construed as placing SARS, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidders in the preparation of their response to this RFP.

## **10.11 Precedence**

- 10.11.1 The terms and conditions of this document will prevail over any information provided during any briefing session or communication, whether oral or written, unless such information is official written communication, as set out per the Communication paragraph in this document, and that such information expressly states that it amends this document.

## **10.12 Responsibility for bidder's personnel and subcontractors**

- 10.12.1 A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives of a bidder), its subcontractors (if any), and personnel of its subcontractors comply with all the terms and conditions of this RFP.
- 10.12.2 If SARS allows a bidder to make use of subcontractors, such subcontractors will at all times remain the responsibility of the bidder and SARS will not under any circumstances be liable for any losses

or damages incurred by such subcontractors.

- 10.12.3 The proposal shall however be awarded to the bidder as a primary contractor who shall be responsible for the management of the awarded proposal. No separate contract shall be entered into between SARS and/or its client and any such subcontractors.
- 10.12.4 If a bidder includes evidence of experience of individuals that are not currently employed by the said bidder, then the bidder is required include in their submission a letter or agreement from the respective individual whose evidence of experience is included in the proposal, that the individual is aware and is in agreement that their evidence of experience may be included for tendering purposes, and that the said individual confirms to commit and will make him/herself available for the contract period should the contract be awarded.
- 10.12.5 If a bidder includes experience of an entity other than the bidder itself, then the bidder must include in their submission a letter or agreement from the respective entity that the entity is aware and agrees that their experience may be included for tendering purposes. Copies of the signed agreements between the relevant parties must be attached to the proposal responses.

#### **10.13 Prohibition of participation in resultant tender**

- 10.13.1 Any bidder, whether participating in a trust, joint venture, consortium and/or subcontracting arrangement, who participates in preparatory work on the basis of which another tender will flow, may not participate in the resultant tender because of the advantage of having been privy to the underlying preparatory work.

#### **10.14 RFP not an offer**

- 10.14.1 This RFP does not constitute an offer to do business with SARS, but merely serves as an invitation to bidders to facilitate a requirements-based decision process. Nothing in this RFP or any other communication made between SARS (including its officers, directors, employees, advisers and representatives) is a representation that SARS will offer, award or enter into an agreement with the bidder.

#### **10.15 SARS' oath / affirmation of secrecy**

- 10.15.1 SARS has a Policy in terms of which the successful bidder; key personnel or any other personnel as may be determined by SARS will be required, upon award, to individually take a mandatory oath/ declaration/ affirmation of secrecy. The award will therefore be made subject to the condition that the successful bidder along with the personnel referred to above comply with the afore mentioned Policy.

#### **10.16 Screening and vetting of a bidder**

- 10.16.1 Acceptance of a bidder's proposal is subject to the condition that both the successful bidder and its personnel providing the goods and services, must be screened and cleared by the appropriate authorities to the grade of clearance in line with SARS' applicable policies.
- 10.16.2 Obtaining the necessary clearance is the responsibility of the successful bidder concerned. If the successful bidder appoints a subcontractor, the same provisions and measures will apply to the subcontractor.
- 10.16.3 The bidders shall supply and maintain a list of personnel involved on the project indicating their clearance status.

**10.17 Tax compliance**

- 10.17.1 It is a requirement that any supplier conducting business with SARS is tax compliant at the date of award of a contract / bid and remains tax compliant throughout the duration of their contracts with SARS.
- 10.17.2 No contract / bid may be awarded to a supplier who is not tax compliant. SARS reserves the right to withdraw an award made, or cancel a contract concluded with a supplier / successful bidder in the event that it is established that such supplier / bidder was in fact not tax compliant at the time of the award. SARS further reserves the right to cancel a contract with a supplier / successful bidder in the event that such supplier/bidder does not remain tax compliant for the full term of its contract.
- 10.17.3 Where the recommended supplier / bidder is not tax compliant, it must be notified in writing of their non-compliant status and be granted a minimum of seven (7) working days to rectify their tax compliance status with SARS. Thereafter the supplier / bidder is responsible to provide SARS with proof of its tax compliance status which must be verified through CSD and / or Tax Compliance System.
- 10.17.4 In line with SARS's strategic objectives, the directors / owners of the bidding entity who are not tax compliant may be referred to the SARS tax compliance unit for further investigation in order to achieve full tax compliance.

**10.18 Tender defaulters and restricted suppliers**

- 10.18.1 No bid will be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appears on the National Treasury's Register for Tender Defaulters or the National Treasury's Database of Restricted Suppliers.

**10.19 Local production and content**

- 10.19.1 SARS supports and promotes local production and local content, environmentally friendly products, and sustainable sourcing.
- 10.19.2 To enable this objective to be adequately assessed and as part of contract management, bidders shall advise SARS of its local and regional strategy and its initiatives to involve, support and use local/regional entities and workforce.
- 10.19.3 The appointed supplier shall provide and use, for the performance of this contract, local subcontractors or locally acquired materials, equipment and facilities, to the extent available and within reasonable costs, to produce the quality and quantity of work and materials required by this contract.

**10.20 Validity of information**

- 10.20.1 SARS has made reasonable efforts to ensure the accuracy of the information contained in this RFP. However, neither SARS, nor its employees, officers, advisers or agents will be liable (directly or otherwise) to a bidder or any third party for any inaccuracy or omission of any information in the RFP or in respect of any additional information SARS may provide to a bidder as part of the RFP process.
- 10.20.2 A bidder is deemed to have examined this RFP and any other information supplied by SARS to the bidder and to have satisfied itself as to the correctness and sufficiency of such information before submitting any of its responses.

10.21 **Governing law**

10.21.1 This RFP and any resultant agreement shall be governed by the laws of the Republic of South Africa.

11 **CHECKLIST OF RETURNABLES**

Table 11: Checklist of returnable documents

	Checklist of returnable documents	Comply	Do not comply
1.	A hardcopy and an electronic copy RFP proposal submission has been submitted for this RFP.		
2.	The pricing information is included as a separate file (File 2) and is not included in the technical file (File 1).		
3.	The tender proposal has been organised as per the format required for this tender (paragraph 6).		
4.	SBD 1: Invitation to bid form has been completed and signed.		
5.	SBD 4: Bidder's Disclosure has been completed and signed.		
6.	SARS' oath / affirmation of secrecy		
7.	SBD 6.1: Preference points claim form has been completed, points for B-BBEE / specific goals claimed, and signed.		
8.	Supplier Risk Questionnaire		
9.	Proof of registration on the Central Supplier Database (CSD) has been submitted.		
10.	Draft Services Agreement / General Conditions of Contract (GCC) has been completed and signed.		
11.	A complete set of three (3) most recent annual financial statements has been included.		
12.	All the mandatory evaluation requirements have been submitted with this bid.		
13.	All the technical evaluation requirements have been submitted with this bid.		
14.	All the pricing evaluation requirements have been submitted with this bid and the pricing template / Bill of Quantities has been completed in full and signed.		
15.	All the B-BBEE/specific goals evaluation and specific goal requirements have been submitted with this bid.		