

SARS RFP 31/2025

BUSINESS REQUIREMENTS SPECIFICATION

APPOINTMENT OF A SERVICE PROVIDER FOR THE ACQUISITION OF EDISCOVERY TOOL

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1. GLOSSARY TABLE

TERM	DESCRIPTION
Bidder/Tenderer/Supplier	A person or company responding to this RFP.
eDiscovery Tool	Refers to the software that will be used by SARS to conduct investigations and data analysis of electronic data acquired during the course of a criminal & civil investigation/audit into multiple taxpayers for multiple tax periods or as part of the litigation/disputes filed by taxpayer(s).
Keyword	single and multiple to allow for refined) searches allowing for tagging and visual review of documents returned
Material deviation	<p>A deviation which, in SARS' opinion, would</p> <ul style="list-style-type: none"> a) Detrimentally affect the scope, quality, or performance of the services identified in the RFP. b) Change SARS or the Bidder's risks and responsibilities under the RFP: or <p>Affect the competitive position of other Bidders presenting responsive tenders, if it was to be rectified.</p>
OECD	Organisation for Economic Cooperation and Development.
Responsive tender	A response that conforms to all the terms, conditions, and specifications of the tender documents without material deviation or qualification.
SARS	South African Revenue Service.
Service Provider	A third-party organisation external to SARS, which is engaged by SARS to procure, implement, training staff and support the e-Discovery solution.
Tax Administration Act	Tax Administration Act, No 28 of 2011

2. MANDATORY AND DIRECTORY REQUIREMENTS

Bidders are advised to read the business requirements as set out in this document with care. Where SARS has specified a mandatory requirement, (i.e. where the business requirement, by the context; present verbs such as 'must'; 'will'; 'shall' etc.; or explicit instruction indicates that it is mandatory) the Bidder set out and price its solution accordingly. If a proposal fails to meet or does not address a mandatory requirement, the proposal may, at SARS's discretion, be disqualified at any stage of the evaluation process as being non-responsive.

Directory requirements are requirements that SARS does not regard as mandatory.

3. BACKGROUND

3.1. REGULATORY AND OPERATIONAL CONTEXT

South Africa and SARS are required by international organisations and treaties such as the Organisation for Economic Co-operation and Development ("OECD"), Foreign Account Tax Compliance Act ("FATCA"), Financial Action Task Force ("FATF") to actively combat fraud and money laundering. This puts a burden on SARS to expand and enhance its current capabilities in the illicit financial environment.

SARS is required to share and receive information with the Financial Intelligence Centre ("FIC") and other law enforcement agencies related to fraud and money laundering. The ability to provide accurate information timeously is crucial.

The Syndicated Tax & Customs Crime Division ("STCC") deals with various financial civil forensic and criminal investigations of serious tax offences in terms of the Tax Administration Act, No 28 of 2011 ("TAA") and the Customs and Excise Act, No 91 of 1964 ("*Customs & Excise Act*").

STCC therefore execute its work in support of SARS Strategic Objective 3 which is to "*Detect taxpayers and traders who do not comply and make non-compliance hard and costly*".

As with the Fourth Industrial Revolution, all financial data is kept electronically, and the amount of data collected from digital devices (both communication and processing) has dramatically increased.

Per a recent article from the Tax Faculty, the tax profession is at a critical crossroads "*As tax laws become increasingly complex, compliance burdens grow, and client expectations rise, firms are also grappling with a shrinking workforce and rising workloads. Tax*

professionals are under immense pressure to deliver faster, more accurate outcomes—often with fewer resources”. The proposed solutions include artificial intelligence automation, cloud-based software and real-time financial analytics. It is noted that accounting firms outdated systems are outpaced by the demands of the current tax environment.

While working on cases of tax or customs and excise evasion, economic crimes and illicit money flows, the non-disclosure or destruction of taxpayer/client documents is a common problem faced by SARS. Faced with limited or no relevant information pertaining to actual tax evasion or fraud, additional data and information may be sourced from third parties or can be obtained by way of the use of enforcement tools available such as tax inquiries, s47 Interviews; and/or search and seizures.

As business, both legal and illicit departments increasingly produce more digital information (including SARS system and open-source data). SARS faces a huge influx of information on complex cases and a mechanism is required for the digital media to be analysed and considered, once secured and processed by the Digital Forensic Investigation Unit (“DFI”) within STCC.

Having the ability to sort through the significant volume of digital information, identify connections, follow e-mail trails, flag relevant documents and thereby build a holistic view of schemes utilising an eDiscovery platform will assist STCC to create watertight cases that can stand up to the scrutiny of the evermore litigious entities.

3.2. OPERATIONAL CHALLENGES AND THE NEED FOR AN EDISCOVERY SOLUTION

Managing the vast volumes and varying types of information in conducting both civil forensic and criminal investigations, validating the credibility of the assessments raised and charges laid, as well as the need to defend assessments in the Tax Appeal Court become more complex and complicated.

Leveraging on the concept of utilizing big data, requires the availability of a comprehensive and proven eDiscovery platform that facilitates not only the processing, analysis and indexing of evidence gathered but will also ensure improved operational efficiency, enhanced taxpayer compliance, and streamlined investigative processes.

Currently the distribution of the information and data among investigators in the project team is problematic as the process is facilitated in ways that do not always support collaborative efforts such as:

- Shared folders on SARS servers – These form document and data repositories with no processing, tracking or analysis capabilities.
- Interrogating evidentiary results received from the DFI take place on a stand-alone desktop computer as SARS issued hardware simply can’t cope with the size and processing required.
- Data distribution takes place via encrypted external hard drives.

There has been limited exposure to digital forensic software in the form of portable cases made available to the investigators in Magnet AXIOM review tools and Oxygen Forensics. The portable cases have not fully integrated all data sources that were imaged by DFI into a single solution where all devices imaged could be viewed holistically.

4. SCOPE OF WORK

Based on SARS' strategy, there is a requirement for the processing and analysis of digital media that originates from the DFI using an eDiscovery tool. The tool must be able to integrate with leading tools in use in the DFI and SARS environment including but not limited to those noted above. The solution should ensure a seamless integration of current work environment, processes and tools. The eDiscovery tool must be highly compatible with existing DFI tools being used.

Training of STCC investigators and Legal staff in the use of the eDiscovery tool is critical to the success of a civil forensic and criminal investigation.

The eDiscovery tool should enable intelligent use of data in understanding links between various connected role-players from multiple data sources. The following performance attributes should be an integral part of the solution (more detailed technical specifications are set out under point 6):

a. **Centralised Processing**

Centralised processing should allow multiple processing/indexing to run concurrently on multiple devices at high speed, which will release workstations for the investigators/auditors and Legal to perform analysis and investigations and not be held back by the processing stage that is performed by DFI.

b. **Real-time interactive investigation**

The solution should allow for at least 50 concurrent users on a web-based interaction by DFI and the investigators/auditors and Legal, which will enhance efficiency regarding investigation turnaround times. The remote login process must be permissible, thus enabling work to be carried out from various working sites.

c. **Leverage SARS investigations related to Big Data**

Past, present and future data will be mined to build a more intelligent picture in understanding a taxpayer and taxpayer behaviour. Currently STCC and DFI have high volumes of data relating to current investigations and key focus areas, which can be used to enhance current and future investigations. The solution will enable in-depth mining and analysis of data, cross reference information and search results. Estimated quantity of data will be 100 to 300 Terabytes of data within a financial year.

d. Case and Information management

The solution must allow for effective management of cases and usage of evidence collected. The system must allow for different user categories and separation of information access by classification. Information managed in a secure environment and be subject to a limited time-based access, therefore eliminating sensitive information left on investigators computers, thus limiting the risk of possible data leaks.

e. Artificial Intelligence

Information overload is the biggest hurdle to overcome when searching evidence. Predictive coding functionality is required to efficiently identify the most relevant data. Artificial intelligence in digital forensics includes the elimination of manual review processes that include neural network-based machine learning algorithms that automatically detect previously unknown images and video clips related to key categories.

f. Data presentation and visualisation

The system must enable interactive and integrated geographic mapping, chart and link analysis tools to make sense of large data from diverse sources, structured and unstructured data sets

5. GENERAL REQUIREMENTS FOR THE SERVICES

a. The tool will significantly improve the capacity of SARS in:

- Revenue collection.
- Increase tax compliance and tax base broadening.

b. Solution Design Overview

Managing the vast volumes and varying types of information in conducting both civil forensic and criminal investigations, validating the credibility of the assessments raised and charges laid, as well as the need to defend assessments in the Tax Appeal Court become more complex and complicated.

c. Scope of Solution Design:

Leveraging on the concept of utilizing big data, requires the availability of a comprehensive and proven eDiscovery platform that facilitates not only the processing, analysis and indexing of evidence gathered but will also ensure improved operational efficiency, enhanced taxpayer compliance, and streamlined investigative processes.

6. TECHNICAL SPECIFICATIONS AND REQUIREMENTS

This section provides a detailed description of the services required from the service provider. It is expected that the service provider will use this detail as a guide when preparing their responses and ensure that all required features and functionality are elaborated upon in such responses. The service provider proposal must maintain the structure and should be grouped under the following main headings so evaluators can trace requirements back to proposed functionality:

6.1. TECHNICAL SPECIFICATION – SOLUTION COMPONENTS

The following table presents detailed requirements for service providers related to the packed solution. These represent the minimum set of requirements, details of which will be further discussed and elaborated upon during contracting and solution designing phase following appointment of a successful service provider.	
6.1	The solution should be managed and handled by only one vendor, working from beginning to completion, without the direct involvement of any other third party.
6.2	The solution must be compatible with leading digital forensic suites and current licenced software packages. The tool must be able to integrate with SARS existing tools
6.3	The solution should be an end-to-end solution
6.4	The tool must be able to be hosted On-Prem, running Windows Environment, and using MS SQL as a DB. For On-Prem should be able to be hosed on Cloud.
6.5	The proposed solution must be able to work with large volumes of data (estimated 100 to 300 Terabytes of data per annum)
6.6	The following data formats to be accommodated include but are not limited to Microsoft (Word, Excel, Outlook and PowerPoint); Electronic communications (phone calls, contacts, WhatsApp and SMS); Adobe/pdf
6.7	The solution must be able to identify data connections in terms of type of data, keywords, key individuals/entities in visual format including timeline data representation
6.7.1	Keyword (single and multiple to allow for refined) searches allowing for tagging and visual review of documents returned
6.7.2	Keyword results to be grouped by data type (e.g. e-mails or attachments or documents only) with a visual reading pane that shows the source document and any related or attached documents
6.8	The solution must be able to export tagged documents to an investigation file that can be made available to external counsel and legal teams working on the civil investigation/audit/criminal investigation
6.9	The solution must provide:
6.9.1	Audit trail of the work done in the software solution
6.9.2	Metadata review to show when a document was created, modified, deleted, etc and by which person

6.10	Allow for multiple users to work on the same uploaded data simultaneously and view results from other users searches in real time with multiple devices (laptop or desktop)
6.11	Include artificial intelligence automation, cloud-based software and real-time financial analytics
6.12	The solution must undertake the processing, analysis and indexing of evidence gathered.
6.13	The solution must be able to adequately ensure the preservation of authenticity, integrity and credibility of the data obtained through investigations and the execution of warrants.
6.14	The tool must provide controls to guard against contamination of data that could compromise the integrity of the evidence.
6.15	The tool must ensure the continuation of securing the data on a new single platform.
6.16	The tool must provide the option to take on data fields from SARS databases/data source systems such as IBR and Documentum.

6.2. DEMONSTRATION OF THE PRODUCT FEATURES

REQUIREMENTS	
The service provider will be responsible for providing a demonstration of the capabilities of the solution.	
1.	Leveraging of data search functionality (keyword, advanced and iterative search)
2.	Search indexes (Boolean search, fixed phrase, multiple search and language functionality)
3.	Data search result, tagging and data presentation (timelines, same users, trends, etc)
4.	Report functionality with flexible export options and visual representations of the data
5.	Audit trail

NB: If the demonstration does not meet the above criteria, the tender conditions will disqualify the bidder from further consideration.

The service provider must be accredited and provide evidence of sufficient experience and implementation track record, offering technical support.

6.3. TRAINING AND SERVICE SUPPORT AND MAINTENANCE

REQUIREMENTS

The service provider will be responsible for providing the necessary training to operate the solution.

1. The service provider should be available for to provide training on how to operate the solution.
2. Where there are any changes to the solution, the service provider should provide training to equip the users on those changes.

6.4. NUMBER OF USERS

REQUIREMENTS

The solution should be able to allow several users to access the system at the same time i.e. concurrently.

1. The solution must allow **for all users** to access the eDiscovery tool **concurrently** (being 50 (fifty) users).

There may be a requirement for the upward scaling of the number of users of the eDiscovery tool based on the usability of the tool during the course of the contract duration.

7. COMPLIANCE WITH INDUSTRY INFORMATION SECURITY STANDARDS

This section provides a detailed description of the compliance requirements with the industry security standards as detailed below:

REQUIREMENTS

The following table presents the compliance requirements with the industry security standards noted to relate to the eDiscovery solution

The below industry standards include, but are not limited to the following:

1. ISO27050-1/2019 – guidelines for managing eDiscovery (at organisational level)
2. ISO/IEC 27001/2013 – Information Security Management Systems
3. ISO/IEC 27037/2012 – guidelines on handling of digital evidence
4. ISO/IEC 27040/2024 – guidelines for storage security
5. ISO42001/2023 – guidelines for Artificial Intelligence Management Systems
6. SOC 2 (Service Organization Controls)
7. FIPS 140-2 (Encryption)
8. NIST Cybersecurity Framework
9. POPIA (Protection of Personal Information Act)
10. GDPR (General Data Protection Regulation)

11. Any equivalent certification proving compliance with security and sensitive information protection standards
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8. PRODUCT AVAILABILITY

Product availability

The eDiscovery tool must be made available to SARS and copy thereof stored on the SARS Digital Media Library.