

REQUEST FOR PROPOSALS FOR THE ACQUISITION OF THE AIRLINE NETWORK PLANNING AND PASSENGER FORECAST TOOL AT AIRPORTS COMPANY SOUTH AFRICA

Airport : **Corporate**

Tender Number: : **RFP 48042**

Issue Date : **09 November 2021**

Closing Date : **08 December 2021 at 16:00pm**

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www.airports.co.za

SECTION 1: INSTRUCTIONS TO BIDDERS

1.1. The documents must be signed and completed by a person who has been given authority to act on behalf of the bidder. The bottom of each page of the bid documents must be signed or stamped with the bidder's stamp as proof that the bidder has read the tender documents. Bid documents must be submitted on or before 08 December 2021 at 16:00 pm using the following method:

1.1.1. Email submissions:

The bid documents must be sent to the following email address below:

Matebogo.Mkhize@airports.co.za

1.2 Proposals must be in an electronic copy of the bid documents. The original copy will be the legal and binding copy, in the event of discrepancies between any of the submitted documents; the original copy will take precedence.

1.3 Alternative Bids

As a general rule, ACSA only accepts bids which have been prepared in response to the tender invitation. However, for this tender alternative bids will be accepted provided the alternative bid is accompanied by the original bid response which materially complies with the specifications of this tender invitation. The alternative bid will only be considered where the bidder has submitted together with its alternative bid, an offer which materially complies with the requirements of this tender. Alternative bids will also be evaluated using the pre-determined evaluation criteria stipulated in this tender document.

1.4 Late Bids

Bids which are submitted after the closing date and time will not be accepted.

1.5 Clarification and Communication

Name:	Matebogo Mkhize
Designation:	Buyer
Tel:	011 723 2643
Email:	Matebogo.Mkhize@airports.co.za

Request for clarity or information on the tender may only be requested until 23 November 2021 at 16:00 pm. Any responses to queries or for clarity sought by a bidder will be posted as an Addendum on the tender advert, 48 hours after the query period has lapsed on this enquiry- Request for Proposal 48042.

Bidders may not contact any ACSA employee on this tender other than those listed above. Contact will only be allowed between the successful bidder and ACSA Business Unit representatives after the approval of a recommendation to award this tender. Contact will also only be permissible in the case of pre-existing commercial relations which do not pertain to the subject of this tender.

1.6 Compulsory Briefing Session:

There is no briefing session for this enquiry.

1.7 Bid Responses

Bid responses must be strictly prepared and returned in accordance with this tender document. Bidders may be disqualified where they have not materially complied with any of ACSA's requirements in terms of this tender document. Changes to the bidder's submission will not be allowed after the closing date of the tender. All bid responses will be regarded as offers unless the bidder indicates otherwise. No bidder or any of its consortium/joint venture members may have an interest in any of the other bidder/joint venture/consortium participating in this bid.

1.8 Disclaimers

It must be noted that ACSA may:

- a) Award the whole or a part of this tender;
- b) Split the award of this tender;
- c) Negotiate with all or some of the shortlisted bidders;
- d) Award the tender to a bidder other than the highest scoring bidder where objective criteria allow; and/or
- e) Cancel this tender.

1.9 Validity Period

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ACSA requires a validity period of a hundred and twenty (120) business/working days for this tender. During the validity period the prices which have been quoted by the bidder must remain firm and valid. It is only in exceptional circumstances where ACSA would accommodate a proposal to change the price.

1.10 Confidentiality of Information

ACSA will not disclose any information disclosed to ACSA through this tender process to a third party or any other bidder without any written approval from the bidder whose information is sought. Furthermore, ACSA will not disclose the names of bidders until the tender process has been finalised.

Bidders may not disclose any information given to the bidders as part of this tender process to any third party without the written approval from ACSA. In the event that the bidder requires to consult with third parties on the tender, such third parties must complete confidentiality agreements, which should also be returned to ACSA with the bid.

1.11 Hot – Line

ACSA subscribes to fair and just administrative processes. ACSA therefore urges its clients, suppliers and the general public to report any fraud or corruption to:

Airports Company South Africa TIP-OFFS ANONYMOUS

Free Call: 0800 00 80 80

Free Fax: 0800 00 77 88

Email: acsa@tip-offs.com

SECTION 2: BACKGROUND, PURPOSE AND SCOPE OF WORK

2.1 Scope Background and Purpose

Business Development through its Traffic Development function is tasked with growing Airports Company South Africa's (ACSA) route network, and there by growing the company's footprint and enhancing the South Africa's connectivity to global markets. The backbone of comprehensive route simulations/forecasts are robust airline Network Planning and Passenger Forecast tools.

These tools range from simplistic, spreadsheet-driven models (where passenger demand change linearly with one or two factors such as number of stops or aircraft type) to complex software suites (where passenger demand is a complex function of multiple factors with cross elasticity effects). The latter is increasingly being adopted by airlines worldwide, both smaller regional carriers to larger network airlines.

To support ACSA's Traffic Development unit in developing business cases for new route opportunities, a **complex airline Network Planning and Passenger Forecast** tool that use an industry accepted methodology such as Discrete Choice Modelling (DCM), Logistic Regression (LOGIT), Quality Service Index, (QSi) or Like Markets is required.

Overall, the Network Planning and Passenger Forecast tool will support traffic/route development initiatives. The tool will aid the traffic development function to provide robust proposals for new route opportunities and thereby enable the unit to achieve its organizational targets of improving connectivity to the regions we serve and contribute to increasing traffic through the airports we operate/serve.

2.2 Scope of works

Airports Company South Africa hereby invites suitable bidders to submit proposals for the Airline Network and Schedule Design. Required, is the complex Airline Network Planning and Passenger Forecast tool that uses an industry accepted methodology such as Discrete Choice modelling (DCM), Logistic Regression (LOGIT), Quality Service Index (QSi) or Like Markets (where passenger demand is a complex function of multiple factors with cross elasticity effects), that offers the functionality that allows a user to:

Design and Modify Airline Schedules for Simulation.

- Short to Long Term Network Planning.
- Find New Route Opportunities.

• Market Analysis – Which allows a user to run:

- Airline route passenger and market share forecasts.
- Analysis of the best new market opportunities.
- Evaluating the impact of schedule changes.
- Reduction Simulation (Impact of eliminating loss making routes)

• Competitive Analysis – Which allows a user to:

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- Assess the impact of competitors' schedule changes.
- Predict competitors route level revenue.

• **Tactical Partnerships – Which allows the user to:**

- Simulate codeshare scenarios.
- Analyze and estimate codeshare traffic and revenue by partner
- Additional Functionality

• **Model parameters may include but not limited to:**

- Traffic and Fare stimulation.
- Share Gaps.
- Equipment cost.
- Minimum Hub/Airport Connecting Times.
- Circuitry.
- The model may consist of a cost application.
- All data must be downloadable into excel.

It is further noted that Airports Company South Africa (ACSA) owns and operates nine airports, therefore pricing proposals should highlight the cost of subscription per airport and should allow for certain priority airports from the nine within ACSA's network to be selected as part of the subscription,

Pricing offer should be per number of users, at a minimum of 2 users.

SECTION 3: PREFERENCE POINTS AND PRICE

3.1 Preference Points Claims

In terms of the PPPFA and its regulations only a maximum of 20 points may be awarded for preference.

The 80/20 Preference Point System for bids with a Rand value of more than R30,000-00 but not exceeding R50,000,000-00 (all applicable taxes included)

The tender will therefore be evaluated using 80/20 preference points system: This means that on the 80/20 system the B-BBEE status level of contributor will earn the bidder points out of 20.

- 3.2.1 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA), an affidavit in the case of Qualifying Small Enterprises and an Emerging Micro Enterprises or an Auditor/Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 3.2.2 ACSA 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 ACSA.

3.2 Definitions

- 3.2.1 **“All Applicable Taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 3.2.2 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act;
- 3.2.3 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black

Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

- 3.2.4 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 3.2.5 **“Comparative Price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 3.2.6 **“Consortium or Joint Venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 3.2.7 **“EME”** means any enterprise with an annual total revenue of R5 million or less in terms of the B-BBEE Codes of Good Practice of 2007 and an entity with a turnover of less than R 10 million in terms of the amended B-BBEE Codes;
- 3.2.8 **“Firm Price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 3.2.9 **“Functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 3.2.10 **“Non-Firm Prices”** means all prices other than “firm” prices;
- 3.2.11 **“Person”** includes a juristic person;
- 3.2.12 **“Rand Value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 3.2.13 **“Total Revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the Government Gazette on 9 February 2007;
- 3.2.14 **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and

3.2.15 “**Trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3.3 Adjudication Using A Point System

- 3.3.1 The bidder obtaining the highest number of total points will be awarded the contract, unless objective criteria exist justifying an award to another bidder or ACSA exercises one or more of its disclaimers.
- 3.3.2 Preference points will be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.
- 3.3.3 Points scored will be rounded off to the nearest 2 decimal places.

3.4 Award of Business where Bidders have Scored Equal Points Overall

- 3.4.1 In the event that two or more bids have scored equal total points, the successful bid will be the one scoring the highest number of preference points for B-BBEE.
- 3.4.2 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid will be the one scoring the highest score for functionality.
- 3.4.3 Should two or more bids be equal in all respects, the award will be decided by the drawing of lots.

3.5 Points Awarded for Price

- 3.5.1 The 80/20 Preference Point Systems

A maximum of 80 points is allocated for price on the following basis:

80/20

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

3.6 Points Awarded for B-BBEE Status Level of Contribution

3.6.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of Points (90/10 system)	Number of Points (80/20 system)
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

Bidders who qualify as EMEs in terms of the B-BBEE Act must submit an affidavit stating its annual turnover, certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.

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- 1 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS. QSEs have an additional option of submitting a sworn affidavit as its B-BBEE certificate in terms of the amendments to the B-BBEE Codes of Good Practice in 2013.
- 2 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 3 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 4 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder 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 bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 6 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 EME that has the capability and ability to execute the sub-contract.

Bid Declaration

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

B-BBEE Status Level of Contribution Claimed in Terms of Paragraphs 3.2.1 and 3.7.1:

B-BBEE Status Level of Contribution: _____ = _____ (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 4.8.1 must be in accordance with the table reflected in paragraph 4.7.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency)

accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

SECTION 4: EVALUATION CRITERIA

4.1 Evaluation Criteria

ACSA will use a pre-determined evaluation criterion when considering received bids. The evaluation criteria will consider the commitment made for local production and content/ Supplier Development/ functionality/technical/Price and B-BBEE. During the evaluation of received bids ACSA will make an assessment whether all the bids comply with set minimum requirements and whether all returnable documents/information have been submitted. Bidders which fail to meet minimum requirements, thresholds or have not submitted required mandatory documents will be disqualified from the tender process.

The requirements of any given stage must be complied with prior to progression to the next stage. ACSA reserves the right to disqualify bidders without requesting any outstanding document/information.

- 4.1.1 Bidders which fail to meet minimum requirements, thresholds or have not submitted required mandatory documents will be disqualified from the tender process.
- 4.1.2 The requirements of any given stage must be complied with prior to progression to the next stage. ACSA reserves the right to disqualify bidders without requesting any outstanding document/information.

4.2 A staged approach will be used to evaluate bids and the approach will be as follows:

Stage 1	Stage 2	Stage 3
Check if all the documents have been received	Evaluate on functionality or the technical aspect of the bid	Evaluate price and Preference (B-BBEE)

4.3 Mandatory Requirements

A list of mandatory returnable documents must be consulted to understand which documents are required at the closing date and time. Further, to the mandatory returnable documents/information ACSA will only consider bidders which:

ACSA will only consider proposal where the organisation has supported a minimum of 5 clients that will be supported by submitting reference letters.

4.4 Functionality

The functionality evaluation will be conducted by the end-user/operations/the Bid Evaluation Committee which comprises of various skilled and experienced members from diverse professional disciplines. The evaluation process will be based on prequalification/threshold criteria. The criteria will be as follows:

Criteria	Minimum Threshold	Weight
1. Tool methodology	40	60
Bidders to submit a proposed tool methodology that should be inclusive of either- <ul style="list-style-type: none"> • DCM methodology • LOGIT methodology • QSi methodology • LIKE Markets methodology And should have the below capabilities:		
Route Simulation	10	
Route Passenger forecasting	10	
Network and Schedule Design	10	
Market Analysis	10	
Competitor Analysis	10	
Tactical partnerships	10	
2. Data functionality	10	20
The tool should enable the user to:		
Download facility	10	
MS Suite integration	10	
3. References	10	20
Bidder must provide reference letters from clients where similar scope of work was rendered		
5-10 References	10	
10 and more References	20	
4. TOTAL	60	100

4.5 Threshold

The functional evaluation will be based on a threshold, where bidders which fail to achieve a minimum of 60 Points on the functional stage will not be considered further in the evaluation. The thresholds on each element of the evaluation are as follows:

a)	Tool Methodology	40 Points
b)	Data Functionality	10 Points
c)	References	10 Points

4.6 Price and B-BBEE

Financial proposals from respondents should outline any other software/tools required to implement the Airline Network Planning and Passenger Forecast tool with the associated cost to be factored into the overall price proposal. The selected respondent shall be responsible for the provision of 2 user licenses; installation (if required); ongoing training; analysis and maintenance support where required.

Since Airports Company South Africa (ACSA) owns and operates nine airports, the financial/price proposal from respondents should highlight the **cost of subscription per airport** and should allow for certain priority airports from the nine within ACSA's network to be selected as part of the subscription. The selection of the total number of airports to form part of the subscription will be based on the available budget.

This is the final stage of the evaluation process and will be based on the PPPFA preference point system of 80 / 20 Price will amount to 80 points, whilst preference will be 20 points. The award of business will be made to a bidder which has scored the highest overall points for this stage of the evaluation, unless objective criteria exists, justifying an award to another bidder or ACSA splits the award or cancels the tender, *etcetera*.

SECTION 5: RETURNABLE DOCUMENTS

5.1 Mandatory Returnable documents

ACSA will disqualify from the tender process any bidder that has failed to submit mandatory returnable documents and information on the closing date and time. Bidders should therefore ensure that all the mandatory returnable documents and information have been submitted. In order to assist bidders, ACSA has also included a column next to the required mandatory document and information to enable bidders to keep track of whether they have submitted or not. The mandatory documents and information are as follows:

MANDATORY RETURNABLE DOCUMENTS AND INFORMATION	SUBMITTED [Yes or No]
Reference Letters from clients	
Technical Proposal	
Financial Proposal	

5.2 Other Returnable Documents and information

These types of documents and information are required but are not mandatory or are only mandatory at specific stages of the process. ACSA may request bidders to submit these documents or information after the closing date and time or might already have them on the system. Where a document or information is only mandatory at a specific stage in the process, ACSA may only disqualify a bidder for non-submission at that stage and after reasonable efforts were made to request the document from the bidder. The documents are as follows:

NON-MANDATORY RETURNABLE DOCUMENTS AND INFORMATION	SUBMITTED [Yes or No]
Tax PIN	
Names and identity numbers of Directors	
Certificate of Incorporation	

5.3 Validity of submitted information.

Bidders must ensure that any document or information which has been submitted in pursuance to this tender remains valid for the duration of the contract period. The duty is on the bidder to provide updated information to ACSA immediately after such information has changed.

SECTION 6: DECLARATION FORM

6.1 Making a Declaration

Any legal person or persons having a relationship with persons employed by ACSA, including a blood relationship, may submit a bid in terms of this tender document. In view of possible allegations of unfairness, should the resulting bid, or part thereof, be awarded to persons connected with or related to ACSA employees, it is required that the bidder or his/her authorised representative declare his/her position in relation to ACSA employees or any member of the evaluation or adjudication committee which will consider bids. Furthermore, ACSA requires all bidders to declare that they have not acted in any manner inconsistent with the law, policy or fairness.

6.2 All bidders must complete a declaration of interest form below:

Full name of the bidder or representative of the bidding entity

Identity Number

Position held in the bidding entity

Registration number of the bidding entity

Tax Reference number of the bidding entity

VAT Registration number of the bidding entity

I/We certify that there is a / no relationship between the bidding entity or any of its shareholders / directors / owner / member / partner with any ACSA employee or official.

Where a relationship exists, please provide details of the ACSA employee or official and the extent of the relationship below

6.3 Full Names of Directors / Trustees / Members / Shareholders of the bidding entity

Full Name	Identity Number	Personal Income Tax Reference Number

6.4 I/We declare that we have not acted in any manner which promotes unfairness, contravenes any law or is against public morals. We further certify that we will in full compliance of this tender terms and conditions as well as ACSA policies in the event that we are successful in this tender.

Declaration:

I/We the undersigned _____ (Name) herby certify that the information furnished in this tender document is true and correct. We further certify that we understand that where it is found that we have made a false declaration or statement in this tender, ACSA may disqualify our bid or terminate a contract we may have with ACSA where we are successful in this tender.

Signature

Date

Position

Name of bidder

SECTION 7: DECLARATION OF FORBIDDEN PRACTICES

I/We hereby declare that we have not/been found guilty of any illegal activities relating to corruption, fraud, B-BBEE fronting, anti-competitive practices and/or blacklisted by an organ of State Owned Company, etc. and/or any other forbidden practices.

I/We declare the following:

	Description	Penalty	Organ of State / State Owned Company

Furthermore, I/We declare that to the best of my/our knowledge there is /are no further practices to be declared or which are in the process of being finalised. The following are alleged practices which have not yet been finalised.

	Description	Organ of State / State Owned Company
a)		
b)		

This declaration was signed on _____ of _____ 202_____

Name: _____
 Designation: _____
 Signature: _____