



**SUMMARY OF TENDER**

1. Assignment:	Alexkor RMC JV requires a suitable service provider to supply a diamond sale Preview facility, Rough Diamond Valuation Services, Preparation of diamond parcels of the PSJV's diamonds for a period of 24 Months.
2. Name of the responsible unit:	Finance Unit/SCM
3. Address for submitting bid proposals and other correspondence:	tenders@alexkor.co.za
4. Telephone number:	(027) 831 8394/8379
5. Procurement enquiries: Technical Enquiries	cambellp@alexkor.co.za franklinc@alexkor.co.za
6. Name of the responsible unit	Sales and Marketing
7. Closing Date & Time for submission:	<b>12 April 2024 at 11h00 am</b>
8. Bid description:	Provision of Services for Diamond Preparation, Valuation, Sale Preview Facility.
9. Bid number:	<b>ALEX RFP 09/2024</b>
10. Briefing session	Compulsory Microsoft Teams Online briefing will take place on Thursday, 04 April 2024 at 11:00 am.  Meeting ID: 358 831 865 797 Passcode: TNU7Dp

## 1. BACKGROUND

### 1.1. Alexkor RMC PSJV

Alexkor SOC Limited Company, with Registration Number 1992/006368/30, was established in terms of the Alexkor Limited Act, No. 116 of 1992, as amended by the Alexkor Amendment Act, No. 29 of 2001. The Company is listed as a Schedule 2 public entity, wholly owned by the Government through the Minister of Public Enterprises as the Shareholder representative. The group comprises Alexkor SOC Limited, Rehabilitation trust and The Pooling Sharing Joint Venture, which is an unincorporated Joint Venture between Alexkor SOC Limited and Richtersveld Mining Community ("RMC") Pty Ltd formed by the DoS (Deed of Settlement). The PSJV's operations are based in Alexander Bay and Port Nolloth, both in the Northern Cape Province.

The core business of the PSJV is the mining of diamonds on land, on beaches and in the sea along the north-west coast of South Africa. These activities are complemented by geology, exploration, ore reserve planning, and environmental management.

### 1.2. Project Description

Alexkor RMC PSJV is committed to contributing to socio-economic transformation in South Africa and will therefore be applying a preference system for BBBEE compliant in line with the Preferential Procurement Policy Framework Act, (Act No. 5) of 2000, the Broad-Based Black Economic Empowerment Amendment Act, (Act No. 46) of 2013 and Preferential Procurement Regulations 2017.

## 2. GENERAL GUIDELINES

All enquiries should be in writing and must be directed to: [franklinc@alexkor.co.za](mailto:franklinc@alexkor.co.za) and [cambellp@alexkor.co.za](mailto:cambellp@alexkor.co.za) for attention of Mr. Franklin Cloete and Mr. Cambell Plaatjies. The enquiries will be consolidated and Alexkor RMC PSJV will issue one written response and such response will be emailed to all the bidders. E-mail submissions needs to be done to [tenders@alexkor.co.za](mailto:tenders@alexkor.co.za) by 12 April 2024 at 11:00 am.

### 2.1 Terms of Reference (ToR)

2.1.1. The purpose of this bid is to appoint a suitable service provider to provide a diamond sale Preview facility, Rough Diamond Valuation Services, Preparation of diamond parcels and Online Bidding Tender Services of the PSJV's diamonds for a period of 24 Months.

## **2.2 Submission of Proposal**

2.2.1. The bid should be submitted via email to the tenders@alexkor.co.za

2.2.2 The closing date for Submission of bids is **12 April 2024 at 11h00 am.**

**2.2.3 Alexkor RMC JV will not consider late bids for tender evaluation.**

2.2.4 Bidders should adhere to the following;

2.2.4.1 No costs have been prescribed for the Bidding Document.

2.2.4.2 All proposals must be priced in ZAR, inclusive of VAT.

2.2.4.3 If the bid does not include all the required information, the bid will be considered invalid.

2.2.4.4 The price must remain valid for a period of thirty (30) days from the date of submission.

## **2.4 Infrastructure**

It is expected that bidders will be able to provide standard preview facilities and systems needed for effective and efficient delivery of the service without any upfront payment by Alexkor RMC JV.

## **2.5 Costs to be borne by Service Provider**

All expenses incurred by the bidders in any way associated with the development, preparation and submission of responses and providing any additional information required by Alexkor RMC PSJV, will be borne entirely and exclusively by the service provider.

## **2.6 No Legal Relationship**

No binding legal relationship will exist between any of the bidders and Alexkor RMC PSJV until the execution of a signed Service Level Agreement (SLA). The Terms of Reference (ToR) document will form part of any such contract or arrangement.

## **2.7 Evaluation of the proposals**

Each bidder acknowledges and accepts that Alexkor RMC PSJV may, at its absolute discretion, apply selection criteria specified in this document for the evaluation of proposals for short listing/selecting the eligible bidder(s).

### **3 INSTRUCTIONS FOR PROPOSALS**

#### **3.1 Format of your Proposal**

The proposal should be presented in two sections i.e. Technical Proposal and Financial Proposal.

##### **3.1.1 Financial Proposal format**

Bidders must structure their financial proposal as per the format indicated on **4.2 below**.

##### **3.1.2 Technical Approach**

The bidders should adhere to the Terms of Reference.

### **4. SCOPE OF SERVICES/WORKS/GOODS.**

The scope of services described below are requested to provide the company with the ability to choose the most suitable combination of services. These services fall into three categories – Previewing, Preparations Valuation. Total number of carats per sale cycle varies from 2,000 to 6,000 carats, with estimated 6 diamond sales per annum.

#### **4.1 Specification details:**

##### **4.1.1. Previewing:**

- Preview facility for period of 5 days (with an option to extend) with each diamond sales cycle.
- Several Viewing rooms – please list number.
- The privacy of the viewing from other potential buyers (Please Describe).
- Transparency of the Viewing Operation to the Facility management.
- The security of the Facility – Please indicate measures both internally and externally.
- Booking arrangements for potential viewers.

##### **4.1.2. Preparations:**

###### **4.1.2.1 Option A**

- Deep Boiling when the need arises after inspection of the diamond parcel
- Assortment of diamonds – Indicate the process
- Preparation of the 10% parcel for the State Diamond Trader (SDT)

###### **4.1.2.3 Option B**

- Prepare Acidizing and Deep Boiling of the full diamond parcel.
- Assortment of diamonds – Indicate the process.
- Preparation of the 10% parcel for the State Diamond Trader (SDT).

#### **4.1.3. Valuation:**

- Valuation of land and marine rough diamonds.
- Prepare detail price book for Alexkor RMC JV diamonds
- Valuation of the 10% parcel selected for the State Diamond Trader (SDT)
- Transparency of valuation process to the client (please describe)
- The valuation process itself – include number of valuers
- Prepare valuation report on full 90% parcel to be used at the close of DEEC Tender.
- Engage with SDT and GDV (Government Diamond Valuers) on the 10% selection of parcel.

#### **Requirements:**

- Fully equipped tender house with sufficient rooms for preview of diamonds.
- Safe and secure Tender House facility in Johannesburg.
- Armed security personnel.
- 24-hour camera surveillance including monitoring and response services. (to be provided separately)
- Valid tender house licence for dealing with rough diamonds.
- Insurance cover for the diamond parcel.
- Valid BEE Certificate
- Valid Tax Clearance Certificate.
- More than 10 years' experience in dealing with diamond sales/diamond tenders.
- More than 10 years' valuation experience of land and marine alluvial rough diamonds.
- Preference will be given for the involvement of more than one (1) valuator in the valuation process.
- Extensive knowledge of the current diamond market both locally and internationally.
- Experience in offshore diamond valuations and diamond tenders.
- Confidentiality with client information.

## 4.2. Financial proposal

The financial proposals should be based on the three categories of services below and each of these should be a different line item. The proposal should be based on the following respective services:

1. **Previewing** - Please specify the basis of the charges such as the cost per diamond buyer per previewing or a fixed fee per previewing day.
2. **Preparations** - Please specify the basis of the charges such as the volume of diamonds/ carats or fixed fee. Please quote separate on the Option A and Option B.
3. **Valuation** – Please specify the basis of the charges such as the amount of carats/diamonds or fee per valuation.

The financial proposals should summaries the costs as follows:

The cost per Tender and the total cost as indicated below.

<b>Total Fee Per Previewing Day</b>	<b>RXXXXXXXXXXXXX</b>
<b>Total Preparations Fee</b>	<b>RXXXXXXXXXXXXX</b>
<b>Total Fee Per Valuation Performed</b>	<b>RXXXXXXXXXXXXX</b>
<b>Total Bid Amount Vat inclusive.</b>	
<b>Note: The total bid amount is fixed for entire period.</b>	

## 5. STANDARD REQUIREMENTS OF THE BID

### 5.1 Disclosures

5.1.1 The bidder must disclose:

If they are or have been the subject of any proceedings relating to bankruptcy/insolvency.

- If they have been convicted of, or are the subject of any proceedings, relating to:
  - A criminal offence or other offence, involving the activities of a criminal nature in its organization or found by any regulator or professional body to have committed professional misconduct.
  - Corruption, including the offer or receipt of any incentive of any kind in relation to obtaining any contract with any contracting authority.
  - Failure to pay taxes or meet any other statutory obligations in any jurisdiction.
- Any other information that is relevant.

- 5.1.2. If a bidder or related company or any individual discloses details of any previous misconduct or complaint, Alexkor RMC PSJV will seek an explanation and background details. At the sole discretion of Alexkor RMC PSJV, an assessment as to whether the bidder will be allowed to continue to the next phase of the evaluation phase will be made.
- 5.1.3 Disclosure extends to any company in the same group of the bidder, including but not limited to parent, subsidiary and related parties, companies with common shareholders (whether director or indirect) and parties with whom the bidder is associated in respect of this tender.

## **5.2 Disclaimer**

Alexkor RMC PSJV reserves the right to not appoint a service provider and to:

- Award the contract or any part thereof to one or more service providers;
- Reject all the bids;
- Decline to consider any bids that do not conform to any aspect of the bidding requirements;
- Request further information from any bidder after the closing date for clarity purposes;
- Cancel this bid or any part thereof at any time; and
- Should any of the above occur, it will be communicated in writing to all the bidders.

## **5.3 Confidentiality**

- Bids submitted will not be disclosed to any other bidders
- All information pertaining to Alexkor RMC PSJV obtained by the bidder as a result of participation in this RFP is confidential.

## **5.4 Disqualification**

Any form of canvassing/lobbying/influence regarding the short listing will result in disqualification.

## **6. EVALUATION CRITERIA**

Bids will be evaluated in three (3) stages

### **Stage 1-Administrative Compliance.**

This entails initial screening of bid responses received at close of the bid. During this phase, bid responses are registered to ascertain the number of bid responses received before the closing date and time and to verify if the bidders submitted all the mandatory requirements.

The following mandatory/compulsory documents must be submitted for the first stage of evaluation:

- Valid Tax Clearance Certificate and SARS pin.
- Valid BBBEE Certificate.
- Valid Tender House License.
- All the SBD (standard bid document) forms must be fully signed.
- Copy of the Company registration certificate.
- Company profile.
- Joint Venture/Consortium agreement signed **(each TCC and combined BBBEE certificate)**

### Stage 2-Technical/Functionality Assessment

This evaluation will be based on the responses using the functional assessment that is previous experience and technical approach.

The bidder must score at least 50 points or more out of 75 points on technical/functionality to qualify for the next phase,

Technical Criteria	Maximum points per Criterion
<ul style="list-style-type: none"> <li>• Number of years of experience with the diamond sales and diamond tender's facilitation. <b>(15 points)</b></li> </ul>	10 - 15 years=10 points 15 - 20 years and more=15 points
<ul style="list-style-type: none"> <li>• Number of local diamond tenders facilitation for customers <b>(15 points)</b></li> </ul>	1-2 tender(s) =5 points 2-3 tenders =10 points 4 and more tenders=15 points
<ul style="list-style-type: none"> <li>• Assortment proposal on the Alexkor diamonds <b>(10 points)</b></li> </ul>	General assortment = 5 points Detailed extensive assortment =10 points
<ul style="list-style-type: none"> <li>• Experience of diamond valuator with alluvial rough diamonds <b>(15 points)</b></li> </ul>	10 years = 5 points 10 -15 years = 10 points More than 15 years = 15 points
<ul style="list-style-type: none"> <li>• Number of valuator involve in diamond valuations <b>(10 points)</b></li> </ul>	1 = 2 points 2 = 5 points

	More than 3 = 10 points
<b>Contactable Positive references</b> <b>Note:</b> References where similar services were supplied should be presented in the form of a letter on an official letterhead. <b>(10 points)</b>	1 reference = 2 points 2 reference = 5 points 3 and more reference 10 points
<b>Total = 75 points</b>	

**NOTE: A negative reference from a reputable source may be sufficient basis to disqualify a bidder.**

### Stage 3- Evaluation in terms of PPPFA Regulation, 2017 (80/20)

This bid will be evaluated and adjudicated according to the 80/20 preference points system. The 80 points will be awarded for price and 20 points will be awarded on the BBBEE status level.

Breakdown of points

80/20 Preferential point component	Points
Pricing	80
BBBEE Level Contributor	20
<b>Total</b>	<b>100</b>

$$Ps = 80 * \left( 1 - \frac{(Pt - Pmin)}{Pmin} \right)$$

- \* Ps = Points scored for price of tender under consideration.
- \* Pt = Price of tender under consideration and;
- \* Pmin = Price of lowest acceptable tender

BBBEE Status Level of Contributor	Number of points (20 points)
1	20
2	18

3	16
4	12
5	8
6	6
7	4
8	2
<b>Non-compliant contributor</b>	0

Points will be awarded to a bidder for the BEE level of contributor in accordance with the table below.

**7. PRICES**

- Provide a “Pricing Grid or “Transaction Fee Schedule;
- The total bid amount should be transferred to the standard bidding form/document (SBD1).

**8. PAYMENT TERMS**

Alexkor RMC PSJV undertakes to pay valid invoices in full within thirty (30) days from statement date for services rendered or goods delivered.

**9. REQUIREMENTS PRIOR TO CONTRACT AWARD**

The following requirements must be met prior to a contract award being made to the preferred bidder. Should a preferred bidder not respond positively to Alexkor RMC PSJV’s written request within 7 working days of delivery of such request (if this has not been submitted with the tender), that tenderer will be disqualified and the next ranking bidder will be considered.

**10. VALIDITY**

A proposal shall remain valid for fourteen (14) days after the closing date of the submission for proposals.

**11. SIGNATORIES**

All responses to this tender should be signed off by the signatories of the bidder.

**12. SPECIAL TERMS AND CONDITIONS**

- Alexkor RMC PSJV reserves the right to accept or reject any submission in full or in part, and to suspend this process and reject all proposals or part thereof, at any time prior to the awarding of the bidder.
- This bid will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the PFMA.
- Alexkor RMC PSJV is the sole adjudicator of the bid and the decisions in this regard will be final.  
Bidders are welcome to be present at the opening of bids.
- The Annexures are part of the bid documentation and must be signed by the bidder and attach to the bid document.

**END OF THE SPECIFICATON**

**APPROVED BY:**



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**MR. F Cloete**  
**Sales and Marketing Manager**  
**DATE: 19 March 2024**