



TRANS-CALEDON TUNNEL AUTHORITY

For more information on TCTA, please visit our web site www.tcta.co.za

REQUEST FOR INFORMATION

RFI NO: 080/2023/EWSS/ANALYTICS/RFI

**REQUEST FOR INFORMATION ON A SOFTWARE SOLUTION TO ENABLE TCTA TO DO
CREDIT ANALYSIS OF OFF-TAKERS AND PERFORM EXPECTED CREDIT LOSS
ASSESSMENTS**

Bid Number	080/2023/EWSS/ANALYTICS/RFI
Briefing Session:	N/A
RFI Issue Date	09 March 2023
Clarification Deadline:	30 March 2023 @11h00
Closing Time & Date	13 April 2023 @ 11h00
RFI Submission Email Address	Information must be sent to: tenders03@tcta.co.za
Enquiries:	Name: The Receiver Officer Email Address: Kindly send all clarification questions or enquiries to the receiving officers at tenders03@tcta.co.za .

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1. PURPOSE OF ISSUING THE REQUEST FOR INFORMATION

The purpose of issuing this RFI is to source information on available services and software solutions for credit analysis solution designed to analyse large public and private organisations.

This RFI is not a request for proposal, request for quotation, offer or an invitation for bid, nor does its issuance restrict the TCTA from requesting competitive bid.

This is an RFI only, and all information received will be used for planning and market research purposes only.

This issuance of this RFI is the initial step in the process to request information from prospective companies on available credit assessment solutions. The submitted responses will assist TCTA to craft more fitting requirements and details technical requirements which will form part of the Request for Bid to be issued subsequent to the RFI stage. Responding entities to this RFI may further be requested to conduct a demonstration of the solution forming the basis of the response to TCTA representatives.

The scope, and other inferences thereof, in this document shall be used as a guide to understand the technical and functionality capability of your Software Solution.

2. BACKGROUND

TCTA is a South African public sector entity that implements bulk raw water infrastructure development on behalf of the Department of Water and Sanitation. It was established by Notice No. 2631 published in Government Gazette No. 10545 dated 12 December 1986 (as amended by Notice No. 277 published in Government Gazette No. 21017 dated 24 March 2000) (The Notice of Establishment), promulgated in terms of Chapter 10 of the National Water Act, 1998 and is listed in Schedule 2 of the Public Finance Management Act, 1999, (PFMA).

TCTA is reviewing its operations to align them to best-practice standards. In support of this aim, TCTA is wanting to procure a software solution that will assist them in the following:

- To structure affordable new projects with robust funding models for water users, that will be able to quantify the risk that users may not pay tariffs in full over the project life;
- To predict the ability of water users to continue to pay for bulk water under existing water user agreements and predict the amount that DWS can expect to recover from the users over the project life.
- To predict any credit losses for TCTA, or changes to the financial status of any of its counterparties.

- To advise DWS on which water users have a high probability of being able to afford capital tariffs for existing or new water user agreements.
- To be able to do internal ratings of the project finance structures for new projects during their development and prior to the conventional external credit rating process.
- TCTA will have five (05) end-users and one (01) IT administrator.

3. KEY INFORMATION TO BE SUPPLIED

The information required by TCTA must include, but not be limited to the following key information:

- 4.1 Company profile;
- 4.2 Current and past projects and clients including the extent of current and previous use of the credit assessment software solution within the public sector;
- 4.3 Technical requirements of the software solution:
 - 4.3.1 Whether the solution is cloud-based;
 - 4.3.2 Solution architecture information including:
 - 4.3.2.1 Architecture diagram of the solution.
 - 4.3.2.2 Details of the solution components and supporting technologies that enable the solution to function.
 - 4.3.2.3 How the solution is secured.
 - 4.3.2.4 Where the solution will be hosted.
 - 4.3.2.5 How backup and disaster recovery will be enabled.
 - 4.3.2.6 Approach and methodology to avoid project failure.
- 4.4 Description of the credit assessment software solution and whether it is capable of the following:
 - 4.4.1 Able to assess different types of users and off-takers, for example municipalities, water boards, mining companies, other industrial companies, and different types of counterparties such as banks;
 - 4.4.2 Able to access existing available credit ratings of entities such as municipalities and Water Boards;
 - 4.4.3 Able to read information from files such as PDFs that contain the annual financial statements (AFS) of TCTA's existing and prospective off-takers and counterparties and to automatically populate the software solution with this data;
 - 4.4.4 Able to capture qualitative data to enhance the quantitative data from the AFS.

- 4.4.5 Able to assess the probability of TCTA's counterparties defaulting and provide relevant information for disclosure in the annual financial statements in terms of accounting standards and calculate expected credit losses;
 - 4.4.6 Allow the comparison of TCTA's counterparties against industry and size peer groups;
 - 4.4.7 Allow user to perform stress testing to calculate expected losses under various economic, regulatory, or organization-specific scenarios including macroeconomic, event-driven, and institution-specific scenarios.
 - 4.4.8 Able to assess project finance credit risk for projects.
- 4.5 Training approach:
 - 4.5.1 Whether the bidder will be able to provide to TCTA staff training in the use of the software solution and on the processes and decisions that will be taken by the TCTA analyst.
 - 4.5.2 Whether training manuals will be provided to recipients of the training.
- 4.6 Post-implementation support;
 - 4.6.1 Whether the bidder will be able to provide to TCTA a manual to support TCTA in the use of the software solution;
 - 4.6.2 Whether the bidder will be able to provide to TCTA in-person support for the use of the software solution during normal business hours;
 - 4.6.3 Whether the in-person support will be telephonic, remote, or on-site.
 - 4.6.4 Whether a monthly incident report on support will be able to be provided.
 - 4.6.5 Whether the bidder will be able to provide to TCTA the ability to update the assessments on a regular annual or other basis.
- 4.7 Software Assurance;
 - 4.7.1 Whether maintenance and software assurance will be provided as per when required and/or release of a new version of the software during the contract period.
- 4.8 Assumptions on implementation and other relevant information (i.e. what is assumed to be in place for the solution to be implemented and operational);

4.9 Budget quotation.

- 4.9.1 Preferred fee structure and whether it is licenced-based;
- 4.9.2 Software cost, activation / implementation, training, support, software assurance and other;
- 4.9.3 Quoted amount is to include all costs and disbursements (including but not limited to travel and other expenses).

4. SUBMISSION REQUIREMENTS

The following documentation must be submitted. The documentation submitted must be numbered in accordance with the numbering set out in this RFI.

Table 2: Returnable Documents

Section No.	Content
Section 1	<ul style="list-style-type: none">• Company profile• Portfolio of current and past projects• Portfolio of current and past clients
Section 2	<ul style="list-style-type: none">• Technical requirements and solution architecture information
Section 3	<ul style="list-style-type: none">• Description of the credit assessment software solution
Section 4	<ul style="list-style-type: none">• Accreditation information of company
Section 5	<ul style="list-style-type: none">• Accreditation information of personnel (technical expert, certification, and/or qualifications)
Section 6	<ul style="list-style-type: none">• Training approach
Section 7	<ul style="list-style-type: none">• Post-implementation support:• Format and timing of support• Software assurance
Section 8	<ul style="list-style-type: none">• Budget Quotation all-inclusive costs.

5. SUBMISSION OF RESPONSE

- Responses must be submitted complete and in writing.
- Respondents shall bear their own costs, disbursements and expenses associated with the preparation and submission of the RFI, including submission of any additional information requested by TCTA.

- TCTA shall not under any circumstances be liable nor assume liability to any respondent for costs, disbursements and/or expenses incurred by respondents regardless of the outcome of the RFI process.
- All requests for information in all sections of this document must be answered as concisely as possible while providing all information necessary to understand the services and solutions for the credit assessment tool proposed.
- Any deviations from requirements, or requirements that cannot be satisfied by the respondent, must be clearly identified.
- Any information of a confidential or proprietary nature contained in the response should be clearly marked 'PROPRIETARY' or 'CONFIDENTIAL'. Reasonable precautions will be taken to safeguard any part of the response identified by a respondent as being confidential or proprietary. All responses, once delivered, become the property of TCTA.

APPENDIX 1: ACKNOWLEDGEMENT OF THE RFI

Acknowledgement

We..... (name of Respondent), through our duly authorised representative, acknowledge that we have read, understand and accept the contents of the RFI document in its entirety, and our submission constitutes a response thereto.

Name of Authorised Representative

Signature

Date