

REQUEST FOR QUOTATION (RFQ)

REQUEST FOR QUOTATION FOR AN EXPORT COSTING PROGRAM FOR TRADE & INVESTMENT KWAZULU-NATAL

RFQ No.	RFQ/202425/10
RFQ ISSUE DATE	06 FEBRUARY 2025
BRIEFING SESSION	N/A
RFQ DESCRIPTION	EXPORT COSTING PROGRAM FOR TRADE & INVESTMENT KWAZULU-NATAL
CLOSING DATE & TIME	13 FEBRUARY 2025 @ 12h00
LOCATION FOR SUBMISSIONS	quotations@tikzn.co.za

Bidders must submit responses via e-mail at: quotations@tikzn.co.za before or on the stipulated date and time. For any queries or questions, please use the above-mentioned email address.

Trade & Investment KwaZulu-Natal requests your quotation on the goods listed above. Please furnish us with all the information as requested and return your quotation on or before the date and time stipulated above. **Late and incomplete submissions will invalidate the quote submitted.**

SUPPLIER NAME: _____

POSTAL ADDRESS: _____

MAAA NUMBER (CSD NO) _____

TELEPHONE NO: _____

FAX NO: _____

E MAIL ADDRESS: _____

CONTACT PERSON: _____

CELL NO: _____

SIGNATURE OF BIDDER: _____

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DETAILED SPECIFICATION

REQUEST FOR QUOTATION FOR A CAPACITY BUILDING PROGRAM FOR EXPORT COSTING FOR TRADE & INVESTMENT KWAZULU-NATAL

1. INTRODUCTION

- 1.1. Trade & Investment KwaZulu-Natal is a South African trade and inward investment promotion agency, established as a Schedule 3C public entity, to promote the province of KwaZulu-Natal as an investment destination and to facilitate trade by assisting local companies to access international markets. In terms of the Public Finance Management Act, Act No.1 of 1999, as amended (PFMA), Trade & Investment KwaZulu-Natal must fully comply with all the requirements of the PFMA and all other relevant and applicable legislation.
- 1.2. Trade & Investment KwaZulu-Natal is governed by the KwaZulu-Natal Trade and Investment Agency Act, 2010 (Act No. 05 of 2010). In terms of Chapter 2 section 4 (1) of the KwaZulu-Natal Trade and Investment Act, the main functions of the entity are to:
- Identify, develop, market, and promote investment opportunities in the province to international and domestic investors;
 - Develop the export capacity of the province;
 - Develop the export market of the province;
 - Foster trade and investment within the province;
 - Develop a provincial investment and export plan for the development, promotion, and marketing of inward investments and exports from the province; and
 - Keep and maintain a database of investment opportunities within the province in such a manner as to benefit all sectors of the economy.

2. BACKGROUND

Trade and Investment KwaZulu-Natal (TIKZN) is seeking the services of experienced Consultants to facilitate a capacity-building program to enhance the knowledge and skills of participants in export costing. TIKZN intends to equip KZN-based exporters with the knowledge and skills to correctly and accurately cost their export documentation, to successfully gain access to various foreign export markets. The key elements of export costing involve all the costs associated with producing and delivering goods from the point of manufacture to the customer in a foreign market. Proper export costing is essential to ensure competitive pricing and profitability. Each element in a costing spreadsheet must be calculated to ensure that export pricing covers all costs while remaining competitive. A structured approach to export costing helps exporters avoid losses and improve profitability.

3. PURPOSE

The purpose of export costing training is to ensure that exporters are in a better position to execute their export costing necessary to access foreign export markets. The compilation and sending of accurate proforma and commercial invoices remain critical aspects of being competitive in the export market. Being able to accurately compile costings for the export market ensures competitiveness in local and international markets. This initiative focuses on equipping businesses with an initial theoretical framework and subsequent practical examples to address various issues related to export costing for exporters.

This training is to equip participants with the knowledge and skills necessary to accurately calculate the total cost of exporting goods and set competitive, profitable prices for international markets. This type of training ensures that businesses can make informed financial decisions, enhance profitability, and remain competitive in the global marketplace.

Specific purposes include:

Understanding Cost Components:

Participants learn to identify and analyze all cost elements involved in exporting, including production, logistics, documentation, insurance, and regulatory compliance.

Accurate Pricing Strategy Development:

Training helps participants develop pricing models that balance competitiveness with profitability, ensuring prices reflect the true cost of export while considering market dynamics.

Improving Profit Margins:

By understanding hidden and variable costs, businesses can avoid underpricing or losses and maximize profit margins.

Risk Management:

Participants gain insights into managing cost-related risks, such as currency fluctuations, shipping delays, and regulatory changes, that impact export profitability.

Enhanced Decision-Making:

It empowers decision-makers with data-driven tools to evaluate export opportunities, pricing strategies, and potential markets effectively.

In summary, export costing training provides the foundational knowledge required to achieve sustainable export growth, manage financial risks, and maximize return on investment in international trade.

4. METHODOLOGY

- 4.1 All bidders are required to submit a comprehensive/detailed proposal including the following components:
- Company profile, including history, group structure, operations, logistics, and related companies and services;
 - How is your company structured to provide the necessary skills for this Project and why is this beneficial to TIKZN;
 - Facilitators should have a proven track record of involvement in similar projects. The proposal should provide a detailed curriculum vitae (CVs) of facilitators.
 - The proposal, including brief profiles of team members and their experience and qualifications.
 - Provide 3 written client reference letters on the client's letterhead related to Project management, which your Company provided, accompanied by contact details.
 - A detailed TIKZN-specific proposal showing activities and timeframes.
 - A detailed budget breakdown with full costings of each activity.
 - The Service Provider's proposal must also outline the methodology they intend to adopt to meet the objectives and deliverables specified above. This methodology should outline and indicate how all these deliverables will be carried out in the form of a Work Plan.

4.2 Participants/Stakeholders

The following are key stakeholders of the workshop:

- a. KwaZulu Natal Based companies;
- b. The Export & Development Unit at TIKZN
- c. **(5)** locally based **(KZN)** companies will be recruited by TIKZN

5. SCOPE OF WORK

NB: TIKZN will be providing the venue and catering services.

ITEM NO.	SCOPE OF WORK	DELIVERABLES
1.	Export Costing	<ul style="list-style-type: none">• Develop and deliver comprehensive training materials.• Understanding of Fixed and Variable Costs• Understanding of Incoterms and their application• Conduct interactive training sessions with real-world examples, sample proforma and commercial invoices, and case studies.• Provide practical tools and templates for export costing.
2.	Elements to be covered	<ul style="list-style-type: none">• Product Cost (Factory or Ex-Works Cost)• Packing and Packaging Costs• Transportation and Freight Costs• Documentation and Customs Clearance Costs• Export documentation fees (e.g., bills of lading, certificates of origin)• Customs duties and export clearance fees• Insurance Costs• Marine or cargo insurance (covering transportation risks)• Banking and Financial Charges• Currency exchange fees• Duties and Taxes (if applicable)• Value-Added Tax (VAT) on local inputs (depending on country)• Inspection fees (e.g., health, safety, or standards inspections)• Sales and Marketing Costs• Commissions for agents or distributors• Warehousing fees• Demurrage or detention charges (delays in shipping or customs)• Profit Margin

6. DURATION

6.1 The program will run over two (2) weeks, with four (4) half-day training sessions scheduled as follows:

- **Session One:** The calculation of an Ex Works-Cost, with the inclusion of the cost of goods, direct materials and labor, selling, general & administrative expenses, export marketing costs, and profit margin,
- **Session Two:** Incoterms: How to quote in line with the enquiry received from the inquiring company,
- **Session Three:** The calculation of additional exporting costs, such as foreign commissions, special packaging & labeling costs, terminal & unloading charges, consular documentation charges, freight forwarder charges, marine insurance, and of course the total freight costs as per the Incoterm negotiated.
- **Session Four:** Practical training in the compilation of sample proforma and commercial invoices, as well as other examples of export costing models.

6.2 Reporting

- Submit a completion report summarizing outcomes, feedback, and recommendations.
- Issue certificates of participation to attendees.

7. EVALUATION PROCESS

7.1 Phase 1: SCM Administrative requirements

- The service provider must submit proof of registration on CSD (Central Supplier Database)/SARS PIN.
- The service provider must submit their company profile
- SBD 4 form must be completed, and signed by the authorised company representative.
- SBD1 form must be completed, and signed by the authorised company representative.
- POPIA consent form must be completed, and signed by the authorised company representative.
- The bidder must submit SBD 6.1 preference points claim form.

Failure to provide the above information may lead to bidder's proposal not being considered further.

7.2 Phase 2: Functionality Criteria

- Only bid proposals that meet administrative requirements will be further evaluated on functionality criteria,
- The Bidder must score a minimum of **70%** during Phase 2 (functionality / technical) of the evaluation to qualify for Phase 3 of the evaluation where only points for Price and Specific Goals Scoring will be considered.
- N.B: Service providers that fail to score a minimum of 70/100 points (equivalent to seventy percent (70)) on functionality will not be considered and evaluated further on phase 3- price.
- The service providers will be evaluated on functionality in accordance with the below functionality criteria and values:

Functional Criteria	Total
1. Key Personnel (30/100): Demonstrated ability of the Individual/Team to render the service and the expertise of key staff members. This must be supported with a submission of the facilitator's CV and qualification, detailing the number of years in the related field.	30
Rating score values for demonstrated ability are allocated as follows: 1-2 years' experience of the team = 10; 3-5 years' experience = 15; 5-10 years = 20; more than 10 years = 30	
2. Number of Completed Similar Projects in the Government and Private Sector. Equivalent Points must be supported by references on the company letterheads and signed by the respective company representative, and must not be more than 5 years old (30/100): This must be supported by the submission of a list of all projects successfully completed, as well as letters of completion and references from current/previous clients. The bidder must attach duly signed relevant references letters to qualify for the indicated points. 0 -reference letter provided = 0 1 Reference letters = 10 2 Reference letters = 20 3-Above reference letters = 30	30
3. Adequacy of the proposed workplan and methodology in responding to the terms of reference. The quality and reasonableness of the project work plan will be assessed / evaluated and therefore a detailed work program outlining the various workflow items/tasks required for this project must be submitted. (40/100) No program = 0; Poor program (insufficient information provided) = 10 Adequate program (work items shown) = 20 Good program (all necessary work items shown) = 30 Excellent program (all necessary work items shown, including links between tasks and risks as well as additional information) = 40.	40
Total	100

7.3 Phase 3: Price and Specific Goals Scoring

Pricing Considerations:

- Bidders' price quotations must be inclusive of all applicable taxes **(including VAT)**.
- Bidders total price weighs 80 points.

Specific Goals

- The bidder must submit SBD 6.1 preference points claim form.
- B-BBEE Certificate / Affidavit.
- Bidders' specific goals weigh 20 points.

Specific Goals Criteria	Points
1. Promotion of enterprises located in KZN province for work to be done or services to be rendered: 8 points Copy of a utility bill for property rates and services/ valid lease agreement/ original proof of residence signed by a Ward Councillor 2. Women Ownership 51% or more = 4 points ID Copies of Directors/CSD Report/BBBEE Certificate/Affidavit 3. Race ownership: 100% Black owned Black or Indian or Colored = 8 points ID Copies of Directors/CSD Report/BBBEE Certificate/Affidavit	20
Total Points	20

RFQ responses will be evaluated on the 80/20 Price & specific goals. Completed SBD 6.1. Preference Points Claim Form in terms of The Preferential Procurement Regulations 2022 must be completed and be submitted together with a copy of Sworn Affidavit or BBBEE Certificate to claim specific goals points. Failing to submit both will result in your company scoring zero (0) points for specific goals.

NB: Tax matters for the recommended bidder will be verified on the Central Supplier Database (CSD) or SARS Efilling prior to awarding. If the bidders' tax matters are non-compliant in terms of clauses 4.2 & 4.3 will be exercised from National Treasury Instruction No. 09 of 2017/2018 (Tax Compliance Status Verification).

8. COMMUNICATION

All enquiries relating to this RFQ should be sent via email: quotations@tikzn.co.za

9. CONDITIONS TO BE OBSERVED WHEN RESPONDING TO RFQ

No RFQ shall be deemed to have been accepted unless and until a formal contract/letter of award/order form is prepared and executed. Quotation shall remain open for acceptance by Trade & Investment KwaZulu-Natal for a period of 90 days from the closing date of the RFQ Enquiry.

10. COST OF BIDDING

The service provider shall bear all costs and expenses associated with the preparation and submission of its RFQ, and Trade & Investment KwaZulu-Natal shall under no circumstances be responsible or liable for any such costs, regardless of, without limitation, the conduct or outcome of the bidding, evaluation, and selection process.

END OF RFQ DOCUMENT

Annexed to this document for completion and return with the document:

- Quotation on a company letterhead.
- Completed and signed Declaration of Interest (SBD 4).
- Completed and signed Invitation to bid (SBD1 -Part A & B)
- Completed and signed POPIA consent form.
- Completed and signed preference points claim form (SBD6.1).
- Copy of CSD Report or MAAA Number (National Treasury).
- Information requested as per the administrative requirements.