



REQUEST FOR QUOTATIONS (RFQ)

**You are hereby invited to submit Quotation for the requirements of
SALGA**

RFQ number:	RFP/SALGA 2025
RFQ Issue Date	01 OCTOBER 2025
COMPULSORY BRIEFING SESSION:	
Briefing Session Date and Time: <i>(if applicable)</i>	
RFQ Closing date:	15 OCTOBER 2025 @11:00 AM
RFQ Description:	Request for proposals for the Appointment of a Service Provider to provide technical assistance for Regional Economic Cluster Development Programme in various regions.

SPECIFICATIONS: Attached**Please note:**

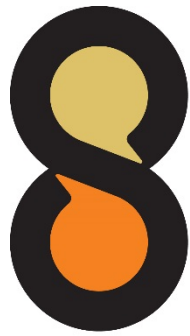
1. Quotation should be valid for at least 30 days.
- Is the offer strictly according to specifications? Yes/No 2.
- If not to specification, state deviation(s)
3. Please indicate your delivery period:
4. All the Standard Bidding Documents (SBD) forms must be completed in full and returned with the quotation.
5. Please indicate a valid Central Supplier Database (CSD) registration number on your quotation. Tax status will be verified on CSD.
6. All prices must be VAT inclusive, if no indication is given, prices will be evaluated as inclusive.
7. No quotations received after closing time and date will be accepted without prior arrangement with the sender of this request.
8. It is the responsibility of the vendor to verify the receipt of any quotations forwarded to this office.
9. If you are unable to quote, please respond to the sender and state the reason/s for not quoting.
10. This quotation is subject to the general conditions of contract, as well as any special conditions stated in the specifications.
11. Requests relating to procurement of goods for designated sectors, the quotations shall be evaluated in relation with the minimum thresholds for local production and content prescribed per sector:
12. For bids of above R2 000 to R50 million, SALGA evaluates these in terms of the 80/20 adjudication criteria where:
 - a) Price: 80 b) BBBEE Level of contribution: 20 TOTAL: 100
13. For bids of above R50 million, SALGA evaluates these in terms of the 90/10 adjudication criteria where:
 - a) Price: 90 b) BBBEE Level of contribution: 10 TOTAL: 100

NAME OF SERVICE PROVIDER: TOTAL**PRICE (INCL VAT):**

I hereby accept the above-mentioned conditions.

This RFQ is subject to the general conditions of the RFQ, National Treasury's general conditions of contract (GCC) and, if applicable, any other special conditions of contract (SCC).

NAME OF BIDDER (COMPANY NAME) SIGNATURE: CAPACITY:**DATE:**



SOUTH AFRICAN LOCAL
GOVERNMENT ASSOCIATION

SALGA

Inspiring service delivery

Request for proposals for the Appointment of a Service Provider to provide technical assistance for Regional Economic Cluster Development Programme in various regions.

RFP NO. SALGA//2025

Closing date and time: 15th October 2025 at 11:00

RFP Validity Period: 90 days

ADDRESS:

Menlyn Corporate Park

c/o Garsfontein and Corobay Avenue

Waterkloof Glen

TEL: (012) 369 8000

EMAIL: scm@salga.org.za

WEBSITE: www.salga.org.za

1. INTRODUCTION

The South African Local Government Association (SALGA) is a public entity established by the Organised Local Government Act (Act 52 of 1997) to assist in the comprehensive transformation of local government in South Africa. SALGA is managed within the framework of the Public Finance Management Act (Act 1 of 1999) and is listed as a schedule 3A public entity. Its main objectives are to:

- Represent, promote and protect the interests of local government;
- Transform local government to enable it to fulfil its developmental role;
- Enhance the role and status of its members as provincial representatives and consultative bodies of local government;
- Enhance the role and status of municipalities;
- Be recognised by national and provincial governments to be the representative and consultative body in respect of all matters concerning local government and to make representations to both provincial and national governments in respect of any matter concerning local government;
- Ensure the full participation of women in organised local government;
- Be the National Employers' Association representing all municipal members and, by agreement, associate members

2. SALGA MANDATE

Developmental Local Government is an essential component of the machinery of government. In accordance with its constitutional mandate, SALGA is obliged to transform the local government sector to one that has the required capacity to make a meaningful contribution to poverty alleviation, economic development and all socio-economic opportunities that the state has geared itself to provide for its people. SALGA also serves as the representative voice of all 257 municipalities in the country. For the past 29 years, since its establishment, SALGA has endeavoured to bring focus to its mandate of supporting local government transformation in a complex environment, characterised by a highly diverse and diffuse membership-base of municipalities. In terms of its amended Constitution, SALGA is a unitary body that consists of a national association and nine provincial offices. Its mandate rests on six primary pillars:

Representation, Advocacy and Lobbying refers to representing the interests of members in legislatures and other policy making and oversight structures. It also refers to engaging with various stakeholders, public debates etc. in the interest of Local Government.

Employer Body refers to being an effective employer representative for members. Employer representation is carried out through collective bargaining (in terms of the Labour Relations Act) in various structures including but not limited to those established in the South African Local Government Bargaining Council.

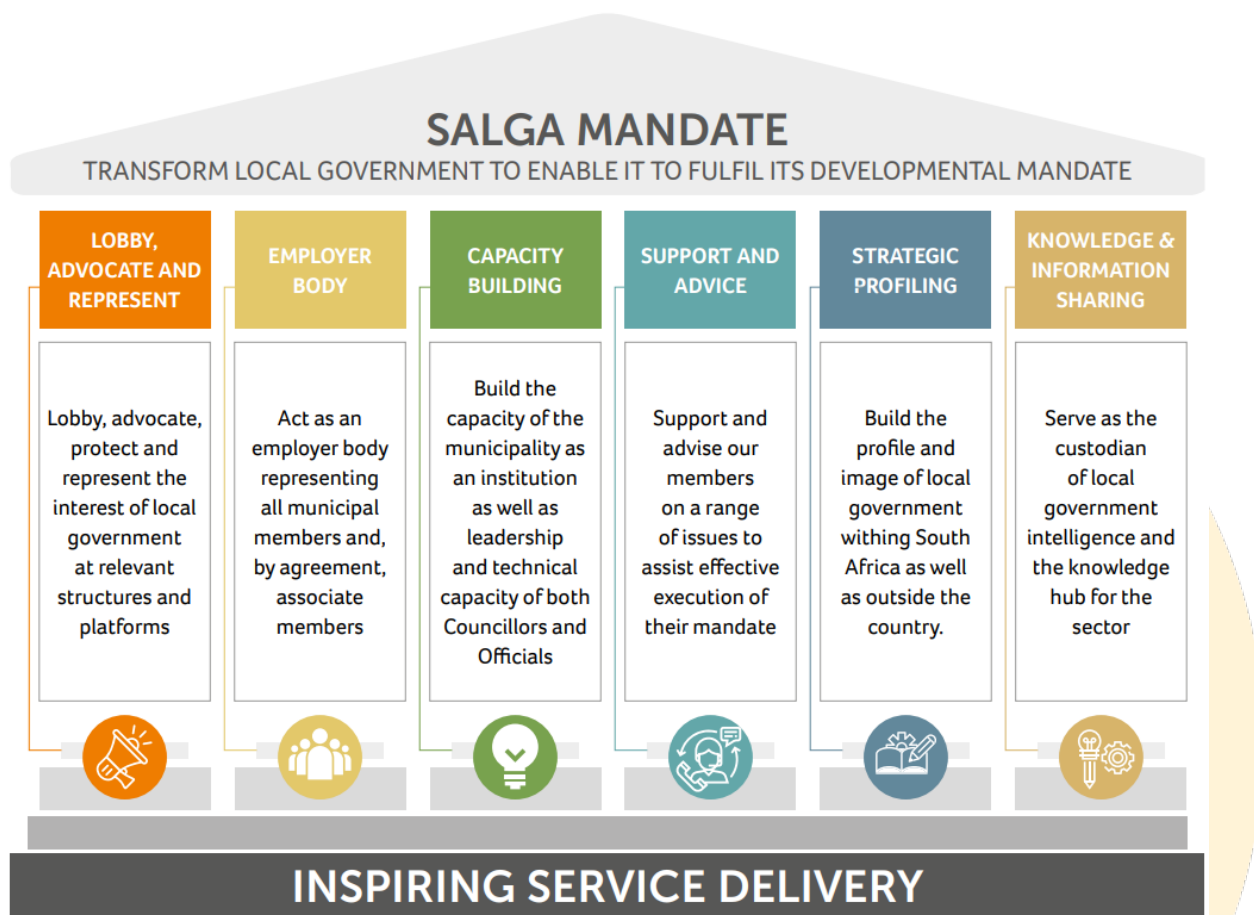
Capacity Building refers to facilitating capacity building initiatives through among others; representing member interests in the Local Government Sector Education Authority (LGSETA). SALGA strives to facilitate a coherent, well-co-ordinated capacity building programme for municipal councillors and officials.

Support and Advice refers to the provision of tools and services that enable municipalities to understand and interpret trends, policies and legislation affecting Local Government and to implement the said policies and plans

Strategic Profiling of Local Government refers to enhancing the profile and image of local government as an important and credible agent for the delivery of services. Profiling focuses within South Africa, the African continent and the rest of the world.

Knowledge and Information Sharing refers to building and sharing a comprehensive hub of Local Government knowledge and intelligence that will enable informed delivery of other SALGA mandates. The knowledge hub is also a useful reference point for all who seek Local Government information.

The mandate of SALGA can therefore be illustrated as follows:



3. PURPOSE OF THIS REQUEST

The purpose of this document is to call for proposals from suitable service providers to assist the South African Local Government Association (SALGA) with technical assistance related to regional economic cluster development in various sub-national regions. This initiative forms part of SALGA's regional economic development programme led by its economic development and investments portfolio.

4. OBJECTIVE

The primary objective of this project is to provide complimentary technical assistance to SALGA for development of the cluster development initiative within its growing regional economic development programme. SALGA has provided technical assistance and capacity development interventions to its member municipalities over the past few decades, also with regards to the developmental mandate of municipalities to facilitate socio-economic development.

Cluster development is a key tool in regional and local economic development (RLED) and has proved to be a catalytic policy instrument and programmatic methodology for facilitating public-private partnership building in support of SMME development, localisation of industry value chains and ultimately sustainable job creation in many regions of South Africa.

This project therefore aims to reinforce and grow SALGA's contribution to emphasizing the role of cluster development within the wider socio-economic development facilitation support ecosystem, and to place emphasis on the need for sub-national regions, and local governments within these regions, to build capability in growing regional economic cluster initiatives targeted at high-growth catalytic economic sectors that will create sustainable jobs.

BACKGROUND AND CONTEXT

SALGA has set out to support municipalities meet their Constitutional mandate as enjoined by section 152(c) of the Constitution which, amongst other directives, calls on municipalities to promote social and economic development. SALGA, as the single voice of local government and the guardian of the sector, is concomitantly required by section 3(c) of the Municipal Systems Act (32 of 2000) to “find solutions for problems relating to local government...”

Economic Cluster Development

Cluster development has been recognized globally as one of the key instruments for driving SMME development, for strengthening local economic growth engines and for uplifting disadvantaged areas. Over 3000 formal cluster initiatives have been mapped globally both in developed and lesser developed regions with South Africa.

An **industry cluster** is a geographic concentration of interconnected companies, suppliers, and institutions in a particular field. These entities, while often competitors, also cooperate and benefit from their close proximity. They share a skilled labour pool, a specialized infrastructure, and knowledge, which increases productivity and innovation.

A **regional economic cluster initiative** is a deliberate strategy by governments, businesses, and other organizations to foster, support, and enhance an existing or emerging industry cluster. These initiatives aim to boost the region's overall competitiveness and economic growth by creating a supportive environment for the cluster to thrive.

Key Components of Industry Clusters

Industry clusters aren't just a collection of similar businesses. Their strength comes from the **network of relationships** between the different components. These typically include:

- **Firms in the Core Industry:** The primary businesses that define the cluster. For example, in Silicon Valley, these are the tech companies like Google and Apple.
- **Specialized Suppliers and Service Providers:** Companies that provide specific materials, components, or services to the core industry. In the wine cluster of Napa Valley, this includes bottle manufacturers, cork suppliers, and marketing firms specializing in wine.
- **Related Industries:** Companies in different but complementary fields that support or are supported by the core industry.
- **Supporting Institutions:** Non-profit organizations and government bodies that provide research, education, and technical support. This includes universities, vocational schools, trade associations, and government agencies.

Regional Economic Cluster Initiatives

These initiatives are about actively nurturing a cluster to maximize its potential. They can be a low-cost, yet effective, way to stimulate innovation and job creation. They typically focus on:

- **Convening Stakeholders:** Bringing together companies, academic institutions, and government representatives to identify common challenges and opportunities.
- **Investing in Shared Resources:** Providing funding for infrastructure, research facilities, or specialized training programs that benefit the entire cluster.
- **Facilitating Collaboration:** Creating formal and informal networks that encourage knowledge sharing and partnerships, even among competitors.
- **Targeting Interventions:** Customizing policies and programs to address the specific needs of a particular cluster, rather than using a one-size-fits-all approach. For example, a biotechnology cluster might need help with research funding, while a manufacturing cluster might require assistance with workforce training.

A well-known theory of industry clusters was pioneered by Michael Porter of Harvard Business School. He argues that clusters increase productivity, drive innovation, and stimulate new business creation.

Examples of Successful Clusters (International)

- **Silicon Valley, USA:** A prime example of a technology cluster, home to major IT companies, venture capitalists, and top universities like Stanford.¹⁶
- **Napa Valley, USA:** An agricultural cluster centered on the wine industry, including vineyards, wineries, distributors, and a strong tourism sector.
- **Cambridge, UK:** Known for its biotechnology and technology industries, with numerous spin-off companies from the University of Cambridge.¹⁷

The practice of cluster-based economic development aims to capture the economic advantages that accrue for firms when they cluster together in place, what academics call agglomeration. Agglomeration helps firms be more productive through three mechanisms: sharing tailored facilities, infrastructure, and suppliers; matching workers productively through deep labour markets; and learning through dense, knowledge-rich environments that facilitate knowledge exchange and innovation. Regions grow based on their ability to provide environments where firms want to cluster (Brookings Institute, 2018).

In South Africa, “Provinces such as the Eastern Cape, KZN and the Western Cape have variously used cluster methodologies to drive sectorally focused initiatives, with some of the more well-known being the Durban Automotive Cluster; the Eastern Cape Maritime Cluster, Green Cape; The Cape Clothing and Textile Cluster; the South African Craft and Design Initiative, BPeSA and many others. This has also been supported at National Level, with the DTIC running a number of programmes to support Clustering over the years, with the Cluster Development Incentive running between 2015 and 2020.” (EDSE, 2022).

The below images further contextualises the importance of this initiative. Two regions have already been earmarked within which the service provider will be expected to provide support, alongside SALGA staff, as well as two catalytic sectors.

The regions are a.) the **Cape Atlantic region** which include multiple districts, and b.) the **Eastern Seaboard region**.

The sectors, although the work to be undertaken is not limited to these only, that emphasis needs to be placed on are a.) **Green hydrogen** and b.) **Railway sector** development. The service provider will be expected to work with existing cluster development and support initiatives as provided by the National Department of Small Business Development (DSBD) and the Department of Trade, Industry and Competition (DTIC).

Where do Clusters fit in from a Policy Perspective?



Analysing a country's main clusters are an important tool for understanding an economy and its strengths. Helps to give shape to what are the region's competitive advantages.



Very challenging to build new clusters from scratch – but about strengthening, re-enforcing and deepening clusters (or nascent clusters) to occupy different positions in GVC's.



The role of cluster development in terms of building trust – and particularly having an “embedded” – (Dani Rodrik) not “collusive” relationship between government and industry.



Fundamental for the different spheres of government to understand their respective roles in supporting a cluster development agenda.



Associate Cluster Development Support Partners - Regions



WEST COAST REGION (ATLANTIC SEABOARD INCLUSIVE OF WESTERN CAPE & NORTHERN CAPE)

- West Coast District Municipality (Meeting 28 Nov 2024)
- Local Municipalities
- WCG DEDAT & JDMA process
- West Coast Business Development Initiative
- Saldanha Bay SEZ & Namakwa SEZ & Boegoebaai
- Blue Cape
- Educational & Academic partners (skills development & applied research)
- DTIC/DSBD

*Cluster development experts

\Intermediary facilitators.(SALGA?EDP);

EASTERN SEABOARD REGION

- MISA/Infrastructure SA & ECSECC (new SPV for ES RSDF Implementation). SALGA representation x 2 on PIC confirmed at 28 Nov 2024 meeting.
- District (4) & Local Municipalities (17)
- DTIC/DSBD
- UK FCDO
 - Urban Resilience Programme – Coffee Bay etc.
- Educational & Academic partners (skills development & applied research)

*Cluster development experts

\Intermediary facilitators.(SALGA?EDP);

GREEN HYDROGEN

- Department of Science & Innovation
 - Green Hydrogen SA & GIZ and eco-system partners
 - SEZs
 - Private investors
 - Educational & Academic partners (skills development & applied research)
- *Cluster development experts
 \Intermediary.facilitators.\$ALGA™ Partners);



RAILWAY

- Transnet & Prasa
 - Private operators & investors
 - WCG & NCPG
 - DoT
 - FCDO
 - Urban Resilience Programme
 - Department of Business & Trade – Midlands Cluster
 - Transport for London <https://tfl.gov.uk/>
 - Educational & Academic partners (skills development & applied research)
- *Cluster development experts
 \Intermediary.facilitators.\$ALGA™ Partners);



References

- Porter, M. E. (1998). "Clusters and the New Economics of Competition." *Harvard Business Review*, 76(6), 77-90.
- Wolman, H., & Hincapie, D. (2014). "Clusters and Cluster-Based Development Policy." *Economic Development Quarterly*, 28(2), 173-189.
- DSBD & EDSE. 2022. Policy Dialogue Concept Note: The Provincial Cluster Roadshow August – October 2022.
- Brookings Institute. 2008. Clusters and competitiveness: A new federal role for stimulating regional economies. Available at: <https://www.brookings.edu/wp-content/uploads/2016/06/Clusters-Report.pdf>

5.1 Role of municipalities in Regional Economic Development

The Constitution of South Africa (1996) gives local government a mandate for regional economic development, specifically in sections 152(1)(c) and 153(a) which require municipalities to promote social and economic development. This constitutional framework is supported by legislation such as the Local Government: Municipal Systems Act (2000), which gives municipalities the authority to provide services and implement integrated development plans to achieve economic growth. Additionally, the Spatial Planning and Land Use Management Act (SPLUMA) (2013) reinforces this mandate by establishing a uniform system for planning and land use that promotes economic inclusion and sustainable development.

6. EXCERPTS FROM KEY LEGISLATION RELATING TO LOCAL GOVERNMENT POWERS AND FUNCTIONS IN RELATION TO REGIONAL ECONOMIC DEVELOPMENT

6.1 The Constitution

6.1.1 Objects of Local Government

Section 152 (1) of the Constitution spells out the objects of local government, which are:

- (a) to provide democratic and accountable government for local communities;
- (b) to ensure the provision of services to communities in a sustainable manner;
- (c) to promote social and economic development;**
- (d) to promote a safe and healthy environment; and
- (e) to encourage the involvement of communities and community organisations in the matters of local government.

6.1.2 Powers and functions of municipalities

In terms of section 156 (1) of the Constitution, a municipality has executive authority in respect of, and has the right to administer:

- (a) The Local Government matters listed in Part B of Schedule 4 and Part B of Schedule 5 of the Constitution; and
- (b) Any other matter assigned to it by national or provincial legislation

Furthermore, section 156 (2) of the Constitution states that:

“A municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer.”

6.1.3 Schedule of powers and functions of municipalities (not exhaustive)

6.2 White Paper on Local Government (1998) & 2024 Discussion Paper on Review of the Local Government White Paper

The paper serves as a blueprint for the sector and its developmental agenda, and it states that: “Local Government is NOT directly responsible for creating jobs. Rather, it is responsible for taking active steps to ensure that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities”.

6.3 Municipal Systems Act (32 of 2000)

Section (3): For the purpose of effective co-operative government, organized local government must seek to—

(c) find solutions for problems relating to local government generally

7. SCOPE OF WORK

The successful service provider is expected to undertake the following key tasks:

- 1. Identify and conduct a high-level assessment of existing regional economic cluster initiatives and their relative performance based on cluster performance benchmarking best practice in the following regions:**
 - Cape Atlantic Region (West Coast District and Namakwa District)
 - Eastern Seaboard Region (KZN & EC regions within the promulgated Eastern Seaboard RSDF).
- 2. Advisory input on creation of new cluster initiatives (or identification of existing initiatives that could contribute towards a formal cluster initiative) in two catalytic sectors:**
 - a.) Green Hydrogen in the Cape Atlantic Seaboard and;
 - b.) Railway sector development in both regions. The emphasis of this deliverable should be on investigating localisation and partnership building opportunities.

3. Provide input and consolidate training content for a cluster development learning component to be added to the existing SALGA LED Masterclass series curriculum.
4. Provide a high-level position, within the context of recent local government reform processes, on the evolving and future role of local government and other government spheres in enabling regional economic cluster development initiatives.
5. Provide a cluster development roadmap for a minimum (2) industry cluster initiatives identified during the first deliverables undertaken during the project.
6. Assist the SALGA team with convening a minimum of two (2) community of practice dialogues (virtual or hybrid) focused on regional economic cluster development in the targeted regions.

8. OUTPUT, SKILLS AND TIMEFRAMES

The period of contract is **six (6) months**, commencing from the date of appointment. The successful service provider should ensure completion of the work within the stipulated timeframe.

8.1 Deliverables

- An inception report outlining the detailed methodology, work plan, and timelines for the project.
- Interim progress reports to update the Project Steering Committee (PSC) on the status of the project, key findings, and emerging issues.
- Comprehensive report detailing the findings of the project, including data analysis, key insights, and recommendations pertaining to the two regions and sectors.
- Draft content for the regional economic cluster development module to be added as a class/session to the SALGA LED Masterclass series.
- Presentation of the results and outcomes of the project to SALGA, stakeholders, and municipalities.
- Assist with convening of minimum two (2) community of practice dialogues on regional economic cluster development.
- Any additional data, documentation, or insights relevant to understanding supporting the objectives of the economic cluster development initiative.

8.2 Skills required and service provider competencies

In order to successfully complete the task at hand, a combination of techniques, research approaches and skills will be required. The project may require literature review and desktop research skills. In summary the team would need a combination of skills related to:

- Local Government
- Multi-faceted research experience
- Development economics and specialist industry cluster development experience

9. CONTENT OF PROPOSAL

The proposal should, at a minimum, include:

- 9.1** all relevant perceived strengths and weaknesses of the firm bidding for the service, e.g. similar previous experience, in-house skills, etc; providing information which will assist SALGA to assess its capabilities, competitive advantages, etc.;
- 9.2** Summary of the service provider's mission statement, the vision statement, values and long term strategies and objectives as comprehensively as possible;
- 9.3** List of references of previous and current appointments relevant to the required services; examples of such services capabilities and experience and more specifically the number and size of organisations where service rendered in specific sectors in government or similar clients and areas of expertise.
- 9.4** An organogram or list of partners, managers, specialists, together with the *curriculum vitae* of the staff who will be available for the duration of the work; any staff changes regarding staff allocated to SALGA must be done in consultation with the Project Manager representing the organisation. The successful service provider should provide experienced specialists relevant to the required services.
- 9.5** A breakdown of the tariff, VAT inclusive, per category as required for services rendered. Expenditure incurred without the prior approval of SALGA will not be reimbursed. An analysis of costs must be given to cover the full amount, and where possible, costs should be linked with specific tasks to be undertaken. All other incidental costs should be included in the budget breakdown.
- 9.6** In so far as is possible, a comprehensive budget, showing the service of activities proposed, with charge-out rates and budgeted hours per

activity, detailing all assumptions made in arriving at a proposed budget, including all cost factors such as traveling.

9.7 The remuneration framework of consultants shall take the following into consideration:

- a) The “Guidelines on Fees for Audits done on behalf of the Auditor-General of South Africa (AGSA)” as issued by the South African Institute of Chartered Accountants (SAICA);
- b) The “Guide on Hourly Fee Rates for Consultants” as issued by the department of Public Service and Administration (DPSA); and/or
- c) Remuneration guidelines issued by professional service organisation or regulatory bodies, as may be relevant.

9.8 In so far as is possible, provide an overview of the methodology to be applied.

10. DESCRIPTION AND EXTENT OF WORK (PROJECT MANAGEMENT)

10.1 Performing of assignments

Assignments are to be performed in accordance with the industry/profession standards as well as the terms of reference. All reports will be reviewed by the relevant Project Manager representing the organisation.

All working papers and reports and documents will become the property of SALGA.

The successful service provider shall work with the Directorate of SALGA on the planning of various phases of the service activities, and must be prepared to regularly report the progress to the relevant Project Manager.

10.2 Timing of assignments

The performance of this assignment shall be in accordance with the approved plan by the Project Committee. The final responsibility of approving the scope and extent of the work resides with the relevant Project Manager.

10.3 Quality assurance reviews of the work

The service provider shall ensure that all work conforms to all standards set out by SALGA.

10.4 Monitoring progress of assignments

On a mutually agreed basis, the service provider shall meet with the Project Manager to report progress of the work, and at the Project Committee meetings.

10.5 Payments

SALGA undertakes to pay out within a reasonable time period all valid claims for work done to its satisfaction upon presentation of a substantiated claim. No payment will be made on outstanding information not submitted by the service provider.

The parties shall, upon appointment of the service provider, sign a service level agreement to govern their business relationship.

Acceptance of any proposal does not mean that work on an uninterrupted basis is guaranteed for the duration of the contract.

11. INSTRUCTION TO SERVICE PROVIDERS

11.1 General Instructions

This document constitutes a Request for Proposal (RFP), which specifies SALGA's requirements for a service provider **to provide technical assistance for Regional Economic Cluster Development Programme in various regions.**

The information contained herein provides a format to facilitate service provider's responses to this RFP. It is important that the format be followed closely to help maintain the decision making timetable. Responses must be presented in the same order as the requirements appear, section by section, and numbered accordingly, with acknowledgement of all clauses. All pricing information should be fully disclosed with all charges clearly defined, i.e. a per unit fee based on activity. Please feel free to address any other potential services not specifically mentioned in this RFP that may be of benefit to the National Executive Committee (NEC) of SALGA which is the organisation's accounting authority.

11.2 Objectives

SALGA's objective in the call for proposals is to select a service provider suitable for the undertaking of the task: **to provide technical assistance for Regional Economic Cluster Development Programme in various regions.**

11.3 Terms of Contract

The term of the contract shall be regulated by the Service Level Agreement (SLA) to be concluded with the winning service provider. It is anticipated that the term of the contract shall be for the duration of the assignment and shall expire upon fulfilment of the scope of work. The contract may be extended by mutual agreement. Thirty (30) days written notice must be given if either party wishes to terminate the agreement prior to the contract's expiry date.

11.4 Questions during Proposal Process

Any enquiries regarding this RFP should be directed to **Xolisa Itani**, SCM at xitani@salga.org.za , located at the SALGA National Office – 012 369 8000. Questions will only be taken up to four days prior the closing date.

Service providers finding apparent discrepancies or omissions in the RFP should notify SCM at xitani@salga.org.za at once. Service providers may during the bidding period, be advised by Addenda, of any additions, clarifications, deletions or alterations to these specifications. All such changes should be covered by the service provider's proposal. Information used in the preparation of a proposal from other than this RFP and any written addenda (considered as the proposal documents) will not be considered as valid or official.

No further addenda will be issued by SALGA after 11:00am, four business days prior to RFP closing without providing an extension of time.

11.5 Submission of Proposal

Proposals will be received via email: Xitani@salga.org.za
Service providers remain solely responsible for the method of conveyance of their proposal to above mentioned email address. **Fax transmissions or any other electronic submissions will not be accepted.**

SALGA will not be responsible for any costs incurred by the service providers associated with the preparation of responses to the RFP.

Proposals received past the time stated above will not be considered and will be returned to the service provider unopened.

All proposals will remain in force and will be irrevocable for **Ninety (90)** after the proposal closing.

Proposals shall be stipulated sums without escalator clauses or other qualifications.

11.6 Contract Award

SALGA reserves the right to accept any proposal submitted, or reject all proposals.

Any proposal submitted, that is not in complete compliance with the requirements of the proposal documents may be accepted or disqualified, at the option of SALGA.

It is anticipated that the successful service provider will be notified by email

Please outline in your proposal the assistance your institution is prepared to provide in order to meet the estimated contract duration period for the full implementation of the scope of work.

11.7 Termination of Contract

SALGA reserves the right to terminate the agreement with 30 days written notice to the winning service provider subject to the following:

- 11.7.1 the winning service provider fails to perform in accordance with the specified service requirements as set out in the TOR;
- 11.7.2 the winning service provider otherwise violates the provisions of the TOR to a substantial degree.

11.8 Liability

SALGA will not be held liable for any actions of the winning service provider and/or its employees.

11.8.1 Important Dates

15 October 2025 - Proposal submissions due 11H00AM

12.CONDITIONS OF PROPOSALS (FAILURE TO MEET ANY OF THE REQUIREMENTS BELOW MAY RENDER YOUR RFP PROPOSAL NON-RESPONSIVE)

- 12.1. The requirement for content of the project proposal section below outlines the information that must be included in RFP offers. **Failure to provide all or part of the information may result in your bid being excluded from the evaluation process.**
- 12.2. A contract will be signed with the appointed Service Provider.
- 12.3. The Service Provider will be required to sign confidentiality and indemnity agreements with SALGA.
- 12.4. SALGA may at its own discretion vary an instruction to include more work.
- 12.5. Failure to comply with any condition of this request for a proposal will invalidate respective tender proposal
- 12.6. In the event that any conflict of interest is discovered during the assignment, SALGA reserves the right to summarily cancel the agreement and demand that all the information, documents and property of SALGA be returned forthwith.
- 12.7 SALGA reserves the right to request new or additional information regarding each service provider and any individual or other persons associated with its project proposal.
- 12.8 Service providers shall not make available or disclose details pertaining to their project proposal with anyone not specifically involved, unless authorized to do so by SALGA.
- 12.9 Service providers shall not issue any press release, social media or other public announcement pertaining to the details of their project without the prior written approval of SALGA.
- 12.10 Service providers are required to declare any conflict of interest they may have in the transaction for which the Proposal is submitted or any potential conflict of interest. SALGA reserves the right not to consider further any bid where such a conflict of interest exists or where such potential conflict of interest may arise.
- 12.11. The quotations and proposals should be valid and open for acceptance by SALGA for a period of ninety (90) days from the date of submission.
- 12.12. Service providers are advised that submission of a project proposal gives rise to no contractual obligations on the part of SALGA.
- 12.13. Disputes that may arise between SALGA and a service provider must be settled by means of mutual consultation, mediation (with or without legal representation) or, when unsuccessful, in a South African court of law.
- 12.14. In addition to adherence to the specific terms and conditions of proposals, provided in this document, the service provider shall be bound by the provisions of the General Conditions of Contract attached hereto, an originally signed copy of which must be submitted together with all other proposal documentation.
- 12.15. All returnable bid documents must be completed in full and submitted together with the service provider's proposal.

12.16. SALGA will not be liable for costs incurred during the site visits or any other cost related to the submission of the proposal.

12.17. Completion of the Standard Bidding Documents stated herein below is **mandatory**, failure to do so **may** render your RFP offer invalid.

12.18. Standard Bidding Forms

12.18.1. Preference Points Claim form

Form SBD 6.1 - Service providers must complete this document in full, special attention must be given to section 8 and 9. **DO NOT RETYPE THESE FORMS.** They must be completed on the original and signed, all in black ink.

12.18.2. Declaration of Interest

Form SBD 4 - Service providers must complete this document in full. **DO NOT RETYPE THESE FORMS.** They must be completed on the original and signed, all in black ink.

13. EVALUATION

For the purpose of comparison and to ensure a meaningful evaluation, service providers must submit detailed information in substantiation of compliance with the evaluation criteria mentioned below. The service provider/s will be evaluated in three phases as stated below:

Phase 1	Pre- Compliance check on Mandatory requirements
Phase 2	Technical Functionality
Phase 3	Price and BBBEE Status Level Contribution

PHASE 1: MANDATORY REQUIREMENTS FOR THE SERVICE PROVIDER

a. The prospective service provider must be registered on Central Supplier Database (CSD) before submitting Proposals.

NB: Failure to adhere to the Mandatory requirements above will automatically disqualify your Proposal/s and will not proceed to Phase 2

PHASE 2: TECHNICAL FUNCTIONALITY

For functionality, the following criteria will be applicable and the maximum value of points breakdown for each criterion using these scale level descriptors:

SCALE LEVEL DESCRIPTIONS	RATING
No relevant response or information given to enable evaluation	0
Very poor response based on expected standard	1
Poor response based on expected standard	2
Average response based on expected standard	3
Good response based on expected standard	4
Excellent response based on expected standard	5

Points breakdown:

Criteria for functionality (standard)	Breakdown of points	Weight	Evidence
Functionality area:	1. Approach & methodology		
Approach, methodology and work plan: - Clarity, quality and logic of the proposal - Appropriateness towards achieving the objectives of the study - Provides cutting edge ideas/innovation in the context of the task at hand Demonstrates feasibility of the proposal	0 points = No submission of proposal 1 = lacks clarity, incoherent proposal 2 = Approach and methodology not appropriate 3 = adequate proposal, covers content and method that meets the minimum requirements 4 = Proposal exceeds minimum requirements 5= Exceptional proposal that encompasses an innovative approach and methodology	20	- A methodology that is relevant, tailored, and applicable to address the project's specific needs and objectives. - A methodology is comprehensive, detailed, and covers all necessary aspects of the project, including data collection, analysis, and reporting - A methodology that demonstrates innovative thinking, creative problem-solving, and proposes unique approaches or tools to achieve project objectives.
Functionality area:	2. Proven track record		
Proven track record in either of the following: - having undertaken work in specified area(s) of expertise and/or - having undertaken research related to economic cluster	0 = No relevant example of proven track record in the service provider's identified area of expertise 1 = Submitted letters that are irrelevant to economic cluster development projects 2 = Submitted two 2) relevant	40	- Verifiable reference letter from an entity, incorporating the following: <i>name of the entity</i> <i>contact name</i> <i>contact details:</i> <i>email address,</i> <i>telephone no. or</i>

Criteria for functionality (standard)	Breakdown of points	Weight	Evidence
development projects  Service providers are required to submit a reference letter detailing relevant proven track record in economic cluster development work as outlined above.	reference letters that are relevant to economic cluster development projects 3 = Submitted three (3) relevant reference letters of proven track record related to economic cluster development projects 4 = Submitted four (4) relevant reference letters of proven track record in economic cluster development projects 5 = Submitted five (5) or more relevant reference letters of proven track record in economic cluster development projects		<i>cellphone no.</i> • Extensive experience in successfully completing similar projects with positive outcomes and client satisfaction. • Strong, positive references and testimonials from reputable clients, highlighting successful project outcomes and performance.
Functionality area:	3. Technical skills and experience		
Technical skills and experience refers to the technical knowledge and competence of the team and the project leader.  Service providers are required to meet the following requirements (standard): o Possess relevant experience of at least 10 years.	0 = No relevant experience, no relevant qualification, no relevant team CVs, no relevant company profile. Less than 1 year 1 = Proposal below the minimum requirements in three or four aspects 1- 5 years 2 = Proposal below the minimum requirements (standard) in one or two aspects. 5 – 9 years 3 = All minimum requirements met per the standard. 10 years 4 = Proposal exceeds minimum requirements (standards) e.g., 11 -15 years 5 = Proposal substantially exceeds minimum requirements (standards) e.g., service provider experience in area of expertise for economic cluster development exceeds ten (10) years, and proof of registration with relevant professional bodies 16- above	40	• Company profile detailing experience and key competencies • Curriculum Vitae (CVs) or profiles of key personnel involved with the project. • Well-rounded technical team with diverse expertise, including specialists in key technical areas required for the project. • Membership to professional bodies (certificate of member in good standing).

Criteria for functionality (standard)	Breakdown of points	Weight	Evidence
TOTAL POINTS		100	
Minimum Threshold		70	

NB: Service Providers who score 70 (average) points and above will be considered in phase 2 of the evaluation.

PHASE 3: PRICE AND BBBEE STATUS LEVEL CONTRIBUTION

The 80/20 points system will be used when evaluating this Request for Proposal.

The remaining 20 points will be allocated in terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender:

The maximum points for this RFP are allocated as follows:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	10
2	9
3	7
4	6
5	4
6	3
7	2
8	1
Specific Goals	
SMME's	4
100% Black Women Owned	3
100% Youth	3
Total Points	20

Phase 3 of evaluation will include the sum of the two criterions below:

CRITERIA	WEIGHT
Price	80
B-BBEE status level of contribution	10
Specific Goals	10
TOTAL	100

Service providers must submit proof of their B-BBEE status level of contributor. A service provider failing to submit proof of B-BBEE status level of contribution or is a non-compliant contributor to B-BBEE may not be disqualified but may only score points out of 80 for price, and score 0 points out of 20 for B-BBEE

14. GENERAL CONDITIONS

The following should be noted by interested parties:

- Intellectual property and ownership of all materials and products developed in the execution of the contract will be vested in SALGA.
- Materials and products may not be made available to any unauthorized person or institution or sold for profit without prior written consent from SALGA.
- On completion or termination of the agreement, all materials and products must be handed over to SALGA.
- No information concerning the RFP or award of the RFP may be made available by the service provider to other parties without prior consultation and written approval from SALGA.
- SALGA may at its own discretion vary this instruction to include more scope / work or to exclude work/service areas. In the case of the latter, the service provider shall not be entitled to claim for any work not required and may engage SALGA on the pricing of the additional work/ service proposed.
- All copyright and intellectual property rights that may result as a consequence of the work to be performed shall reside with SALGA and the service provider shall be required to sign an agreement of confidentiality.
- SALGA may dictate the framework in which documents (policies, plans, report etc.) shall be submitted; however the service provider should be able to submit a proposal on the lay-out of his/her choice for consideration by SALGA.
- SALGAs (general conditions of bid, contract and order) shall be applicable to this RFP.
- The service provider shall be required to conclude and sign a Service Level Agreement (SLA) after the appointment.
- SALGA reserves the right not to award the RFP to any service provider at its own discretion.

REVIEWED BY SUB-BID COMMITTEES

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

- 2.2 Do you, or any person connected with the bidder, have a relationship

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

I, _____ the _____ undersigned,
 (name)..... in
 submitting the accompanying bid, do hereby make the following
 statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

² Joint venture or Consortium 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.

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....	
Signature	Date
.....	
Position	Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	10
2	9
3	7

4	6
5	4
6	3
7	2
8	1
Specific Goals	
SMME's	4
100% Black Women owned	3
100 % Youth	3
Total Points	20

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20

or

90/10

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) \text{ or } Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20

or

90/10

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
SMME's	4	
100% Black Women owned	3	
100 % Youth	3	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....