



TERMS OF REFERENCE

NT006-2024

**APPOINTMENT OF A STRUCTURED (DEBT) PRODUCT DEVELOPMENT ADVISORY
SERVICE PROVIDER TO PROVIDE SOLUTION ARCHITECTURE, STRUCTURE
DESIGN AND A DEVELOPMENT PLAN TO SUPPORT THE NATIONAL TREASURY
RETAIL BONDS PROGRAMME FOR A PERIOD OF SIX (6) MONTHS**

CLOSING DATE: 13 JUNE 2025 AT 11:00 AM

VALIDITY PERIOD: 90 DAYS

1 INTRODUCTION

The Asset and Liability Management (ALM) division, within National Treasury (NT), is responsible for managing government's annual funding programme in a manner that ensures prudent cash management and an optimal portfolio of debt and other fiscal obligations.

The NT launched a no cost, safe, secure, and risk-free RSA retail bond investment in May 2004. Government's primary objectives for issuing the RSA Retail Bond was to:

- Diversify the financial instruments on offer to the market by the government.
- Target a different source of funding for the government; and
- Create an awareness and providing private individuals with the opportunity to invest in Government issued securities.

For more information on the RSA Retail Bonds, please visit <https://secure.rsaretailbonds.gov.za/>

2 PURPOSE

To appoint a structured (debt) product or product development advisory service provider to provide solution architecture, including expert knowledge and experience in the financial services sector to provide a structure design, development plan and a proposed solution architecture to support the National Treasury Retail Bonds programme. The programme includes but not limited to doing benchmarks with sovereign states, improving system processes and modelling, implementing new distribution channels, dealing with capacity and compliance issues, and proposing and implementing a new outsourcing strategy.

3 BACKGROUND INFORMATION

Despite initial success, growth in the retail bond market has stalled over the years, influenced by a reliance on traditional distribution channels and limited digital integration. As retail bond operations in other countries have demonstrated, the most appropriate distribution model can enhance accessibility, inclusivity, and customer engagement, adapting to emerging technology and evolving consumer preferences.

The NT is committed to modernizing its RSA Retail Bonds products, services and processes in alignment with emerging technologies. This modernization effort focuses on enhancing trading of RSA Retail Bonds products and services online and ensuring accessibility as possible for the public to invest their money, while earning secured and market related returns on their investments. Considering these trends, National Treasury seeks expert guidance to evaluate and make recommendations on the structure design and a proposed solution architecture for an appropriate operating model for the Retail Bonds Directorate.

Currently the Retail Bonds Directorate structure consist of a Front and Back Office. The Front office is responsible for product development, contact centre services, social media and the marketing and promotions of RSA Retail Bonds where the Back office is responsible for the administering and payments thereof.

The register and administration are on the Back Office System which is a multi-tiered solution that is used by the division for automation of the following processes:

- Creating and maintaining investor profiles in debt instruments for the following instruments: Retails Bonds, Domestic Bonds and Foreign Loans
- Managing transaction for the various instruments
- Managing the processing of payments
- Managing Government Employees Housing Scheme (GEHS) investments
- Interfacing with third party stakeholders
- Automating Cash Management processes
- Generating Correspondence and managing documents.

The back-office system has integration interfaces that provides functionalities for retail bonds investor registration and login processes which are rendered in an in-house built retail bonds website. Furthermore, the system also integrates with external stakeholder such as:

- South African Reserve Bank – Effecting Payments via SWIFT network and online Internet Banking System (iBank)
- Commercial Banks (Absa, FNB, Nedbank, Standard Bank) via SWIFT to receive bank statements.
- Bulk Point of Sale – used by Post Office
- Retail Online – through webservice that allow online purchasing of Retail Bonds Products.
- Home Affairs – to validate individual and bulk ID's.

The introduction of new products, distribution channels and functionalities are delayed by the lack of human resources and flexibility of the NBOS. The administering and compliance management of the investor profiles, processing of transactions like withdrawals and restarts, among others, and the payments is administratively orientated and requires more human resources that is currently available.

There is a need to introduce a new marketplace for the RSA Retail Bonds products which will enable accessibility of the products. An electronic marketplace being a digital platform that facilitates the buying and selling of goods and services over the internet offering a seamless user experience which integrates with existing National Treasury systems.

4 SCOPE OF WORK

4.1 Expertise Required

The scope of work to be performed by the service provider can be summarised into the following main tasks:

4.1.1 Assess Existing Models, Business Processes and Systems

Review and assess existing operating model for retail bond issuance and identify gaps and challenges in the current South African setup.

4.1.2 Evaluate Current Models Globally

Direct-to-Investor: Examine models that rely on a direct government-to-investor interface, as is the South African current setup.

Bank-Led Models: Analyse the impact of leveraging existing banking networks for retail bond distribution, such as those implemented in the Philippines and Mexico.

Exchange-Led Models: Investigate models leveraging securities exchanges for broader market

participation, as seen in Brazil and Nigeria.

Mobile Money and Digital Wallet Models: Assess models using mobile payment and digital wallet systems, notably Kenya's M-Akiba and Thailand's digital initiatives.

4.1.3 Assess the feasibility of a Hybrid Model

Evaluate the feasibility and scalability of a hybrid distribution model that combines traditional methods with digital and mobile channels.

Identify the necessary technology and infrastructure investments to implement this model in South Africa.

Identify any legislative or regulatory requirements that might need to be adhere to, and additional reporting to regulators that may be required.

4.1.4 Recommend or Develop a New Operational Model

Propose a future-oriented operating model for the retail bonds distribution, administration, and marketing based on industry best practice operating models.

4.1.5 Explore Digital and Innovative Channels

Incorporate digital innovations, including mobile money and online platforms, to expand accessibility to broader demographics, including underserved populations.

4.1.6 Provide Marketing Strategy Insights

Develop targeted strategies to promote retail bonds among different market segments (e.g., younger investors, high-net-worth individuals and the unbanked).

4.1.7 *Develop a Targeted Marketing Approach*

Define a mix of traditional and digital marketing strategies tailored for different demographic segments, such as senior citizens, tech-savvy younger investors, and the unbanked.

Propose financial incentives (e.g., tax exemptions, teaser rates, lotteries) to encourage uptake.

4.1.8 *Prepare an Implementation Plan*

Provide a phased approach to implement the recommended model, including timelines, key milestones, and potential additional costs (e.g. costs related to technology investments and maintenance) and risks.

Outline a stakeholder engagement strategy, considering partnerships with financial institutions, mobile network operators, and regulatory bodies.

Propose a risk mitigation strategy for risks that might materialise during implementation.

4.2 Project Deliverables

The success of the assignment will be measured by the delivery and sign-off of agreed upon deliverables by both parties which will be in line with the scope of work specified in the above sections.

4.3 Project Management and Contracting Authority

The service provider will be managed by the Chief Directorate: Liability Management within the ALM division. The service provider will provide the required human resources and a project manager to provide solution architecture, structure design and a development plan.

4.4 Facilities for the project

The human resources will be stationed at 40 Church Square, where the assignment will be carried out, however, local travel might be required from time to time to other National Treasury data centres or sites. The service provider will be required to provide own workstations or laptops which will need to meet National Treasury ICT Standards.

4.5 Points to take note of

- All consultants will need to be vetted for security purposes.
- Parking facilities will not be provided by the National Treasury.

5. EXPERIENCE REQUIRED

- Relevant knowledge and experience in debt structuring and capital markets advisory.
- Proven track record of advising on debt transactions and capital markets.
- Proven track record of delivering ecommerce projects in a digital banking, fintech, digital payments and mobile wallets or agency banking and management.
- Recent project experience on debt transactions and capital markets in the public and private sector.
- Good knowledge of broader legislative and tax frameworks.

- Good communication and writing skills with a working knowledge (written and spoken) of English as a requirement and team ethic.
- Good understanding of the Public Finance Management Act of South Africa.

6. SUBMISSION REQUIREMENTS

For technical evaluation purposes, the following information will be required:

- The team must consist of 4- 5 people including the team leader. Provide proposed team structure indicating the project lead and outlining the roles and responsibilities of each project team member.
- Curriculum Vitae (CVs) (*as per attached Annexure 1*) of project lead indicating relevant qualifications with experience.
- The project leader must have a minimum 5 years demonstrable experience in debt advisory (key team members, including project lead, must provide CVs).
- The project leader and team members must have at least a NQF 7 tertiary qualification in economics, finance, mathematics, engineering, actuarial science or commercial law.
- Minimum of 5 years company experience in debt structuring assignments, delivering ecommerce projects in a digital banking, fintech, digital payments and mobile wallets or agency banking, blockchain and management. Provide a list of successful transactions including name of countries and roles of team members in the assessment as well as evidence to demonstrate knowledge of South Africa's SOE sector, including years of experience.
- Minimum of 5 years company experience in debt transactions and capital markets advisory transactions. Provide a list of successful transactions including name of countries and roles of team members in the assessment as well as evidence to demonstrate knowledge of South Africa's SOE sector, including years of experience
- A project plan with a well-articulated methodology, timeframe, and demonstrated capacity to execute. The project plan must demonstrate how the experienced resources will carry out the work required within the 6-month stipulated timeframe.

7. EVALUATION

7.1: MANDATORY REQUIREMENTS

An administrative evaluation will be carried out on all the bids received and if the under mentioned documentation is not signed and/or attached such a bid will be eliminated from any further evaluation.

- a) In the case of a Joint Venture, Consortium, Trust, or Partnership a Valid Tax Clearance Certificate and/or SARS issued pin code for both companies must be submitted (which will be verified)
- b) In the case of Joint Ventures and consortium, proposals must contain teaming Agreements.
- c) Proof of company registration on Central Suppliers Database (CSD).

- d) In the case of a Joint Venture, Consortium, Trust, or Partnership a Consolidated or for both companies Central Supplier Database Registration (CSD) is required.
- e) Service providers **must submit a CV** in a prescribed template as in **ANNEXURE A below**. The evaluation criteria is described under table 1 below. **CV's must be signed by the owner of the cv not signed on behalf of the proposed resource**
- f) CVs that do not meet the minimum academic qualifications will not be assessed further and thereby being disqualified
- g) Information must be submitted according to the submission template provided. Submissions that do not conform to these templates may not be considered.
- h) Fee/cost (SBD 3.3) structure to be submitted in a separate envelop (**NB: This information must only be marked financial proposal, failure to submit may lead to your bid being disqualified**).
- i) The bidder must have Financial Sector Conduct Authority (FSCA) accreditation. Please provide your Financial Service Providers (FSPs) number

FAILURE TO ADHERE TO ANY OF THE CONDITIONS OF THE BID MAY LEAD TO DISQUALIFICATION

7.2: FUNCTIONALITY

A bidder that scores less than 65 points out of 100 as per categories in respect of functionality will be regarded as submitting a non-responsive proposal and will be disqualified.

EVALUATION CRITERIA		WEIGHT	SCORING CRITERIA
1.1	Project lead and team's highest qualification as per the submission template.	20	5= Masters degree (NQF 9) or higher 4=Honours degree or Post Graduate Diploma (NQF 8) 3 = Bachelors' Degree/ Advance Diploma (NQF 7) 2 = National Diploma/(NQF6) 1= Matric or less
1.2	Team lead: years of experience in debt advisory as indicated on submission template	20	5= 10 years or more 4= 7 to 9 years 3= 4 to 6 years 2= 1 to 3 years 1= less than 1 year
1.3	Team lead: specific relevant professional experience debt advisory (Include debt capital market instruments, restructuring of debt, advisory role as indicated on submission template	20	Projects listed must be relevant to debt advisory; those that are not, will not be counted. 5= 15 or more projects as a technical lead or major participant 4= 10 to 14 projects as a technical lead or major participant

NT006-2025: TERMS OF REFERENCE FOR THE APPOINTMENT OF A STRUCTURED (DEBT) PRODUCT DEVELOPMENT ADVISORY SERVICE PROVIDER TO PROVIDE SOLUTION ARCHITECTURE, STRUCTURE DESIGN AND A DEVELOPMENT PLAN TO SUPPORT THE NATIONAL TREASURY RETAIL BONDS PROGRAMME FOR A PERIOD OF SIX (6) MONTHS

			<p>3= at least 4-9 projects as a technical lead or major participant</p> <p>2= 1-3 project as a technical lead or major participant</p> <p>1= no relevant work experience</p>
1.4	Company experience: specific relevant company experience in ecommerce projects as indicated on submission template	20	<p>Projects listed must be relevant to ecommerce; those that are not, will not be counted.</p> <p>5= 15 or more projects as a technical lead or major participant</p> <p>4= 10 to 14 projects as a technical lead or major participant</p> <p>3= at least 4-9 projects as a technical lead or major participant</p> <p>2= 1-3 project as a technical lead or major participant</p> <p>1= no relevant work experience</p>
1.5	<p>Project Methodology and Approach</p> <p>Project Plan with well-articulated methodology, timeframe, and demonstrated capacity of project team to execute.</p>	20	<p>5 = Innovative project plan that demonstrates deep understanding of the market, integrates cutting edge technologies, delivery methods with well-articulated methodology, timeframe and demonstrated capacity of project team to execute</p> <p>4 = Substantial project plan with well-articulated methodology, timeframe and demonstrated capacity of project team to execute</p> <p>3 = Project Plan with well-articulated methodology, timeframe, and demonstrated capacity of project team to execute</p> <p>2 = Project plan without well-articulated methodology, timeframe and demonstrated capacity to execute</p> <p>1 = no project plan articulated</p>
	Maximum Technical Score	100	
	Threshold	65	

Each panel member will rate each individual criterion on the score sheet using the following scale:

Value	Description
5 - Excellent	Meets and exceeds the functionality requirements

4 - Very Good	Above average compliance to the requirements
3 - Good	Satisfactory and should be adequate for stated element
2 - Average	Compliance to the requirements
1 - Poor	Unacceptable, does not meet set criteria

8.1 STAGE 3: Preference Point System

In terms of Preferential Procurement Regulations, 2022, Regulation 4(1) the applicable Preference Point System for this tender is **80/20, Price (80), and Specific Goals (20)**. In terms of Regulation 4(2-4) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. The bidder must provide the relevant proof/ required documents for each preference point system indicated.

8.2 Specific Goals

For the purposes of this tender, the tenderer will be allocated points based on the goals stated and should be supported by proof/ documentation stated in Table 3 below.

Specific goals for the tender and points to be claimed are indicated in the table below:

Table 3: Specific goals allocation table

#	Specific goals	Score	Required proof/documents to be submitted for evaluation purposes
1.	<p>The company owned by people who are Youth.</p> <ul style="list-style-type: none"> 100% company owned by youth (blacks) = 5 points 75% - 99% company owned by youth = 3 points 60% - 74% company owned by youth = 2 points 51%- 59% company owned by youth = 1 point 0 - 50% company owned by youth = 0 point 	5 points	<p>Proof of claim as declared on SBD 6.1 (one or more of the following will be used verifying the tenderer's status:</p> <ul style="list-style-type: none"> Company Registration Certification / document (CIPC) Company Shareholders certificate Certified identification documentation of company director/s CSD report/ CSD registration number (MAAA number) B-BBEE Certificate of the tendering company. Consolidated B-BBEE certificated if the tendering company is a Consortium, Joint Venture, or Trust (Issued by verification agency accredited by the South African Accreditation System). Agreement for a Consortium, Joint Venture, or Trust.
2.	<p>The company owned by Historically Disadvantaged Individuals (HDI) (Black).</p> <ul style="list-style-type: none"> 100% company owned by people who are Black (HDI) = 10 points 75% - 99% company owned by people who are Black (HDI) = 8 points 60% - 74% company owned by people who are Black (HDI) = 6 points 51%- 59% company owned by people who are Black (HDI) = 3 point 	10 points	

#	Specific goals	Score	Required proof/documents to be submitted for evaluation purposes
	<ul style="list-style-type: none"> 0 - 50% company owned by people who are Black (HDI) = 0 point 		
3.	<p>The company owned by HDI (Women).</p> <ul style="list-style-type: none"> 100% company owned by people who are women (HDI) = 5 points 75% - 99% company owned by people who are women (HDI) = 3 points 60% - 74% company owned by HDI = 2 point 51%- 59% company owned by HDI = 1 point 0 - 50% company owned by people who are women (HDI) = 0 point 	5 points	

***NB: Points will be allocated based on % ownership of the Company (Please attach proof/required documents).**

Failure to submit the required proof will lead to a zero (0) status level for non-compliant service providers. The points scored by a bidder in respect of the points indicated above will be added to the points scored for price. Only a bidder who has completed and signed the declaration part of the preference claim form will be considered. National Treasury may, before a bid is adjudicated or at any time, require a bidder to substantiate claims made regarding the required proof. A trust, consortium, or joint venture will qualify for points as a legal entity, provided that the entity submits the required proof.

9. TERMS AND CONDITIONS

9.1 Successful bidder(s) must be able to commence work as soon as the service level agreement has been signed.

9.2 National Treasury reserves the right to screen and vet shortlisted service providers before appointment.

9.3 National Treasury reserves the right to terminate the contract in the event that there is clear evidence of deviations from the agreed specifications.

9.4 National Treasury reserves the right to appoint more than one service provider.

9.5 National Treasury reserves the right to communicate with the service providers pertaining information submitted on the closing date and time.

9.6 The details of the processes, timeframes and deliverables will again be outlined in a service level agreement that will be signed with the successful bidder.

9.7 When deadlines are set, it will be expected of service providers to deliver the required services/goods in a set timeframe, provided that such instructions are issued timeously.

10. TIME FRAMES/ DURATION

OUTPUT	CONTRACT PERIOD
APPOINTMENT OF A STRUCTURED (DEBT) PRODUCT OR PRODUCT DEVELOPMENT ADVISORY SERVICE PROVIDER TO PROVIDE SOLUTION ARCHITECTURE, STRUCTURE DESIGN AND A DEVELOPMENT PLAN TO SUPPORT THE NATIONAL TREASURY RETAIL BONDS PROGRAMME	6 months

11. PENALTIES/WARRANTIES

11.1 If it is shown that errors or shortcomings exist within the service provided, the bidder shall be notified in writing and shall be required to perform corrective services within seven (7) days to remedy such errors at no cost to the National Treasury

11.2 National Treasury reserves the right to reject work that does not meet the required standard and engage a different service provider to complete the work. National Treasury shall serve thirty (30) days written notice for termination of contract in the case of non-performance.

11.3 Should any audit or inspection reveal that the Contractor has not complied with any of the terms of this contract, the Contractor will be liable for the cost of the audit or inspection as well as the cost of any losses incurred by the National Treasury associated with such non-compliance.

11.4 National Treasury also has the right to terminate the contract at any stage if there is substantive proof of inefficiency in the delivery of the service.

12. INSTRUCTIONS FOR THE PROPOSAL

12.1 This Request for Proposal does not constitute an offer. The RFQ intends to provide enough information for the preparation and submission of comparable proposals by the bidders.

12.2 The requested information should be inserted and no changes to the layout should be made on the RFQ Pack

12.3 National Treasury requires a clear, concise and factual response. Bidders shall consult, in writing, with the National Treasury official responsible should there appear to be any discrepancy, ambiguity or uncertainty pertaining to the meaning or effect of any description, dimension, quality, quantity or any other information contained in this RFQ.

13. TENDER COSTS

The Bidder will be liable for all costs incurred in response to this request.

14. BIDDERS RESPONSIBILITY

The bidder is expected to fully acquaint themselves with the conditions, requirements and specifications of the National Treasury before submitting a completed response. Failure to do so will be at the bidder's own risk and the bidder cannot secure relief on the grounds of any mistake.

The selected bidder(s) will be required to enter into a written agreement with National Treasury. This RFQ or any part thereof may be incorporated into and made part of such an agreement. National Treasury shall not incur any obligation or liability towards the selected bidder(s) until a written contract has been signed by the duly authorised National Treasury representative and the bidder(s).

15. TENDERING DETAILS

15.1 Contact Details for technical enquiries

E-mail Address: NTadministrativetenders.treasury.gov.za

16. LATE SUBMISSIONS

Proposals submitted after the specified closing date and time will not be considered.

15. DECLARATION

I/We the undersigned hereby declare that I/We have read and understand the above and agree to be bound by the stated terms and conditions

Name of Bidder	
Name of contact Person	
Capacity	
Signature	Date

ANNEXURE A

CURRICULM VITAE TEMPLATE

1. Personal Details

Personal Information:	Surname	
	First names	
	Identity / Passport Number	
	Gender	
	Nationality	
	Current Position/Title in the organization	

2. Relevant Qualifications

Name of Qualification	Institution	Start Date	End Date	Professional Registration (Optional)

- International qualifications must be accompanied by SAQA accreditation. Non-submission of a certified SAQA accreditation certificate will result in disqualification.
- Strict compliance with Act No. 13 of 2014: Employment Services Act and Act No. 13 of 2002: Immigration Act should be observed, in case of foreign nationals.

3. Employment History

(Add additional entries if required. *Please start with the most recent employment and include the start date (MM/YY) and end date (MM/YY) related to each employment under the first column.*)

Experience					
Name of Employer	Position Held	Role description	Start Date	End date	Number of Years' Experience

- Please start with the most recent employment
- For evaluation purposes experience not relevant to services required in this bid will not be considered or counted in the overall number of years' experience.

4. References

Please provide at least three employment references.

1	Name of referee	
	Organisation	
	Position of referee in organisation	
	Contact details of referee	
2	Name of referee	
	Organisation	
	Position of referee in organisation	
	Contact details of referee	
3	Name of referee	
	Organisation	
	Position of referee in organisation	
	Contact details of referee	

I HEREBY CONFIRM THAT I AM AVAILABLE TO BE PART OF THE PROJECT AND THAT I AM NOT INCLUDED AS A TEAM MEMBER IN ANOTHER BID PROPOSAL FOR THIS PROJECT.

SIGNATURE: _____