**REQUEST FOR
QUOTATIONS**

30 APRIL 2025

REQUEST FOR QUOTATIONS FOR RFQ FOR THE

DEVELOPMENT OF AN ARTIFICIAL INTELLIGENCE (AI)

FRAMEWORK / CONCEPT DOCUMENT AND DIGITALIZATION

AGENDA FOR THE RAILWAY SAFETY REGULATOR (RSR) FOR A PERIOD OF SIX (6) MONTHS

1.   Purpose
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1.1.   To invite service Providers to submit quotations Appointment of a suitable service provider for the development of an Artificial Intelligence (AI) Framework / Concept Document and Digitalization Agenda for the Railway Safety Regulator (RSR) for a period of six (6) months.

2.   Considerations/background
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2.1.   The primary legislative mandate of the Railway Safety Regulator (RSR) is to oversee and enforce safety performance by all railway operators in South Africa, including those of the neighbouring States whose rail operations enter South Africa.

2.2.   The RSR is committed to leveraging cutting-edge technologies to enhance rail safety, operational efficiency, and regulatory oversight in South Africa's railway sector, in line with global digital transformation trends and the Fourth Industrial Revolution (4IR).

2.3.   In recent years, the RSR has embarked on numerous standalone digital solution projects aimed at addressing specific business needs and improving operational efficiency. While these initiatives have yielded positive outcomes, they have also resulted in a fragmented digital landscape. To address this, the RSR seeks to enhance the interoperability and integration of its entire application portfolio. This is critical to ensuring a seamless flow of information, improving decision-making, and supporting the RSR's broader digital transformation agenda.

2.4.   Accordingly, the RSR seeks to appoint a qualified service provider to develop a comprehensive Artificial Intelligence (AI) Framework / Concept and a Digitalization Agenda. This initiative will establish a structured approach for AI adoption and digital transformation, focusing on

harmonizing existing digital capabilities, guiding future investments, and ensuring alignment with RSR's strategic objectives and regulatory mandate.

3. Scope of work / Specification
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3.1.   The service provider shall deliver on the following scope of work:

3.1.1. Development of AI Framework / Concept

- Conduct a comprehensive AI needs assessment to evaluate the current gaps and opportunities for AI within the RSR.

- Develop a robust AI Framework / Concept outlining guiding principles, data governance policies, and appropriate governance structures to ensure responsible and transparent use of AI technologies, including an AI implementation roadmap for the RSR, inducing feasible technologies and related governance controls.

- Develop a formal AI Policy that defines RSR's position on the use of AI, including ethical considerations, compliance with legal and regulatory standards, decision-making boundaries, and acceptable use cases.

- Establish risk management protocols, including measures to mitigate ethical, legal, and operational risks associated with AI implementation.

3.2. Formulation of Digitalization Agenda

- Conduct structured consultations with all RSR departments to uncover department-specific digital needs, challenges, and opportunities, ensuring the agenda reflects an

organization-wide perspective.

- Identify digital transformation opportunities across RSR's core business functions and supporting departments.

- Develop a phased implementation roadmap covering short, medium, and long-term priorities for the execution of the digitalization agenda.

- Recommend integrated and interoperable technology solutions tailored to the RSR's safety oversight and regulatory mandate.

- Outline change management strategies to drive staff engagement, cultural readiness, and technology acceptance for effective adoption.

- Develop the RSR Digitalization Agenda, a comprehensive strategy document that outlines the organization's digital transformation vision, goals, and strategic focus areas.

4. DELIVERABLES

4.1. The service provider must deliver the following:

4.1.1. Current State Assessment Report

- A comprehensive report detailing the findings from the AI and digitalization needs assessment, including an evaluation of the RSR's existing systems, organizational readiness, and key gaps and opportunities. This report must include insights gathered from departmental consultations.

4.1.2. AI Framework / Concept Document

- A detailed document outlining the Artificial Intelligence AI Framework / Concept, which must include:

  o Guiding principles and use case prioritization
  o AI policy outlining ethical, legal, and operational boundaries

- o Governance structures and data governance policies
- o Risk management protocols
- o Technical standards and deployment guideline
- o Approaches to support scalable AI adoption
- o AI governance and compliance model

4.1.3. Digitalization Agenda Document with Implementation Roadmap

- A strategic document capturing the RSR's overall digital transformation vision and strategy, informed by cross-departmental consultations. This must include:
    - o Identified digital transformation opportunities
    - o A formalized Digitalization Agenda
    - o A phased implementation roadmap (short-, medium-, and long-term)
    - o Recommendations on integrated digital solutions and platforms
    - o Change management strategies
    - o Capacity-building and digital skills development plans

4.1.4. Final Presentation to RSR Stakeholders

A formal presentation summarizing key findings, recommendations, and strategic direction. The presentation must clearly outline the deliverables and proposed way forward and facilitate discussion with RSR Executive and Operational stakeholders.

5. DELIVERY PHASES

5.1. The table below details the delivery phases for the AI and Digitalisation initiatives:

Phase	Duration
AI Concept: - AI needs analysis conducted	May to June 2025

- Draft AI policy developed	
AI Concept: - AI policy developed - Draft AI Concept document developed	July to September 2025
AI Concept: - AI Concept document finalized	October 2025 to November
Digitalisation Agenda: - Digitalisation needs analysis conducted - Draft Digitalisation Agenda developed	May to June 2025
Digitalisation Agenda : - Draft AI Concept document developed	July to September 2025
Digitalisation Agenda : - Digitalisation Agenda approved	October 2025 to November

6. Administrative / Compliance Requirements

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6.1. Registration on National Treasury CSD report

6.2. Comprehensive quotation to develop an Artificial Intelligence (AI) Framework and a Digitalization Agenda (prices must be VAT Inclusive)

6.3. Tax Pin & Tax clearance certificate

6.4. Fully Completed and signed Standard Bidding Documents (SBD) forms documents

6.5. A valid BBBEE certificate or sworn affidavit (on sworn affidavit indicate the day, month and year of the financial year period ie, 31 March 2022)

6.6.   Valid company registration documentation that are issued by Companies & Intellectual Property Commission (CIPC)

6.7.   A Copy of the identity document of the company owner(s)

6.8.   Valid Medical Certificate

6.9.   Valid South African Social Security Agency (SASSA) registration **(Where applicable)**

6.10.   Valid National Council for Persons with Physical Disability in South Africa registration (NCPPDSA)

*Failure to submit valid documents listed above (**No - 4.5, 4.6, 4.7, 4.8, 4.9, 4.10**) for proof of claim specific goals as stipulated in Section 6 below will lead to the service provider not being awarded points for specific goal.*

7.   Functionality Evaluation Criteria

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7.1.   The suitable service provider must demonstrate capacity and capability to execute this project by complying with the functionality criteria on the table below:

No.	Evaluation Criteria	Weight	Scoring Criteria
1.	**Relevant Project Experience:** (The service provider must submit reference letters which demonstrates past performance in AI strategy, AI policy, or digital transformation within the last 10 years. Letters must include: - Client name and contact details - Scope of work - Duration and engagement dates	25	Five (5) or more valid references: **25 pts** Four (4) valid references: **20 pts** Three (3) valid references: **15 pts**

			Less than three (3) reference letters: **0 pts**
2.	**Team Qualifications and CVs of key personnel involved in AI Framework and Digitalization Agenda development:** Minimum qualification required: NQF Level 9 (Master's) in IT, Computer Science, AI or related field, and at least five (5) years' experience in IT, Computer Science, AI or related field. **NB: Service provider must provide certified qualifications and CVs of proposed key personnel. No points will be allocated if this information is not provided.**	25	At least two team members with NQF Level 10 (Doctorate) in IT, Computer Science, AI or related field, and at least five (5) years' experience in IT, Computer Science, AI or related field: **25 pts** One member NQF Level 10 (Doctorate) and another with NQF Level 9 (Master's), in IT, Computer Science, AI or related field, and at least five (5) years' experience in IT, Computer Science, AI or related field: **20 pts** At least two team members with NQF Level 9 (Master's), in IT, Computer Science, AI or related field, and at least five (5) years' experience in IT, Computer Science, AI or related field: **15 pts** Less than two members who meet minimum NQF Level 9 in in IT, Computer

			Science, AI or related field, and with at least five (5) years' experience in IT, Computer Science, AI or related field: **0 pts**
3.	**Relevant Research or Strategy Reports Developed:** Bidders must provide evidence of previously developed research or strategy reports on AI frameworks, AI policy, or digitalization agendas. Reports must be company-authored and clearly attributed.	25	Five (5) or more relevant reports: **25 pts** Four (4) relevant reports: **20 pts** Three (3) relevant reports: **15 pts** Two (2) relevant reports: **10 pts** Less than 2 reports: **0 pts**
4.	**Solution Development Methodology Must detail a structured and relevant methodology to develop the AI Framework and Digitalization Agenda:** Should include: - Stakeholder consultation process - Use of agile or iterative model - Research, benchmarking, and contextual alignment - Risk mitigation and AI governance approach	25	Comprehensive and tailored methodology: **25 pts** Mostly complete, but lacks 1–2 areas: **15 pts** Generic or lacks relevance to RSR's context: **5 pts** No methodology submitted: **0 pts**
	TOTAL	**100**	

Service Providers must attain a minimum threshold of **70 points** or more to be considered for evaluation on the 80/20 Preference Point System.

Failure to attain the set minimum threshold will result in a disqualification.

8. Evaluation 80/20 Preference Point System

8.1. The price quotations will be evaluated in accordance with the pre-scripts of the Preferential Procurement Policy Framework Act (PPPFA) and its regulations, in particular Preference Procurement Regulation 2022 which stipulate **80/20 preference point system for acquisition of goods or services with Rand value equal to or below R50 million (inclusive of all applicable tax).**

8.2. **A maximum of 80 points for price and 20 points for the specific goal specified on the request for quotation may be awarded to a Service Provider.**

8.3. **Points for the specific goal will be awarded as specified on the table below:**

NO	SPECIFIC GOALS	PREFERENCE POINT (OUT OF 20)	PROOF OF CLAIM
1	An Exempt Micro Enterprises (EME) or Qualifying Small Enterprise (QSE) which	10	• Copy of the identity document of the owner(s) • A valid SANAS accredited BBBEE certificate or a valid BBEEE sworn affidavit (whichever is applicable)

	is *at least 51% owned by black people*		• Central Supplier Database (CSD) report • Valid company registration documentation that are issued by Companies & Intellectual Property Commission (CIPC)
2	An Exempt Micro Enterprises (EME) or Qualifying Small Enterprise (QSE) which is *at least 51% owned by black women*	5	• Copy of the identity document of the owner(s) • A valid SANAS accredited BBBEE certificate or a valid BBEEE sworn affidavit (whichever is applicable) • Central Supplier Database (CSD) report • Valid company registration documentation that are issued by Companies & Intellectual Property Commission (CIPC)
3	An Exempt Micro Enterprises (EME) or Qualifying Small Enterprise (QSE) which is *at least 51% owned by youth*	3	• Copy of the identity document of the owner(s) • A valid SANAS accredited BBBEE certificate or a valid BBEEE sworn affidavit (whichever is applicable) • Central Supplier Database (CSD) report

			• Valid company registration documentation that are issued by Companies & Intellectual Property Commission (CIPC)
4	An Exempt Micro Enterprises (EME) or Qualifying Small Enterprise (QSE) which is *at least 51% owned by person(s) with disabilities*	2	• Copy of the identity document of the owner(s) • A valid SANAS accredited BBBEE certificate or a valid BBEEE sworn affidavit (whichever is applicable) • Central Supplier Database (CSD) report • Valid company registration documentation that are issued by Companies & Intellectual Property Commission (CIPC) • Valid Medical Certificate • Valid South African Social Security Agency (SASSA) registration **(Where applicable)** • Valid National Council for Persons with Physical Disability in South Africa registration (NCPPDSA)

8.4. **For Points to be awarded for the specific goals the proof for the claim for**

such goal must be submitted.

9. Technical Enquiries
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9.1. SCM Enquiries

Mr. Fumani Mabunda

fumanim@rsr.org.za

9.2. Project Manager Enquiries

9.3. Mr. Evans Namanyana

evans.namanyana@rsr.org.za

10. Closing Date and Time for responses to this request for quotation
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10.1. The request will be **closed 12 May 2025 at 16h00.** Responses may be emailed to fumanim@rsr.org.za