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Dear Prospective Bidder

**Subject Matter: DATA Analytic tool to identify any possible conflict interest between South African Tourism official and the possible supplier at the procurement stage) - for a minimum period of twelve (12) months with a maximum of thirty-six months (36) months.**

South African Tourism Board (SA Tourism) was established by section 2 of the Tourism Act No 72 of 1993 and continues to exist in terms of section 9 of the new Tourism Act No 3 of 2014. South African Tourism is a schedule 3 A Public Entity in terms of schedule 3 of the Public Finance Management Act 1 of 1999.

The mandate of SA Tourism in terms of the Tourism Act is to provide for the development and promotion of sustainable tourism for the benefit of the Republic, its residents, and its visitors. It is common cause that tourism is a key strategic industry in terms of The National Tourism Sector Strategy documents as it supports governments' objectives of alleviating the triple challenges of unemployment, poverty, and inequality.

Section 217 of the Constitution of the Republic of South Africa, 1996, prescribes that goods and services must be contracted through a system that is fair, equitable, transparent, competitive, and cost-effective and also confers a constitutional right on every potential supplier to offer goods and services to the public sector when needed.

As a schedule 3A public entity, SA Tourism complies with the Framework for Strategic Plans and Annual Performance Plans (2010) which was recently revised by the Department of Planning, Monitoring, and Evaluation. This framework provides the principles for short and media- term planning as well as the alignment to medium and long-term government priorities.

SA Tourism invites prospective bidders to propose DATA Analytic tool to identify any possible conflict interest between South African Tourism officials and the possible supplier at the procurement stage before award)- for a minimum period of twelve (12) months with a maximum of thirty-six months (36) months

## **1. Background**

The Supply Chain Management (SCM) business unit needs to comply with National Treasury instruction note of 9 of 2009/2010 on how to regulate the environment within which bids<sup>1</sup> should be considered when such bids are submitted by persons employed by the state or by persons connected with or related to persons employed by the state.

Currently, South African Tourism (SAT) relies on the information provided by the potential or prospective bidders/suppliers when they complete Standard Bidding documents (SBD 4). This method has brought in some challenges in the SCM process, as some discoveries are at the audit stage which results in irregular expenditure. Therefore, SAT wants to implement a proactive digital tool to address these identified challenges in the SCM process cycle. The required system will further assist SCM to verify provided information by the bidder's completeness test. SCM has been using the National Treasury Central Supplier Database (CSD) to verify if any of the bidders or its directors are government employees but such be verifications if any of the directors are connected to the South African Tourism officials. The CSD verification does not offer real-time as the company's directors' status might change.

**The new solution, therefore, needs to include but not limited to the following:**

- Combating any possible corruption by identifying potential connections and ownership of property
- Identifying possible fraudulent activity within vendors and employees with the help of South African Fraud Prevention Services
- If any of the South African Tourism officials are connected (have any relationship) to the bidder or its directors
- System should be able to verify at least the following:
  - Company registrations
  - SARS matters
- If any of the South African Tourism officials have any vested interest in the bidders etc.
- Possible judgment that may affect the successful delivery of the prospective project or service
- Possible criminal record that may affect the successful delivery of the prospective project or service

## **2. The scope of services**

To develop and implement the DATA Analytic tool to identify any possible conflict interest between South African Tourism officials and the possible supplier at the procurement stage.

- SA Tourism looking for a pre-built system that is open for customization by SA Tourism requirements.
- Bidders can propose more than one solution
- Issuing of a detailed report with a clear indication of whether the prospective bidder has any interest with SAT's officials or restricted/blacklisted, judgment,

## **3. Format of proposals**

Bidders must complete and return all the necessary standard bidding documents (SBD's) attached to this request for technical and financial proposals.

### **Mandatory/eligibility criteria**

Bidders are required to submit their proposals should be concise, written in plain English, and simply presented in the same order as indicated below - Failure for the bidder to meet the below requirements will result in disqualifications.

- a) National Treasury Centralized Supplier Database (CSD) registration summary report with a valid tax compliant status;
- b) Bidders must have specific experience and submit at least 2 recent references (in a form of written proof(s) on their client's letterhead including relevant contact person(s), office telephone & fax number, website, and email address) where similar work was undertaken.

#### 4. Evaluation Method

Table: 1- The evaluation process of bids will comprise of the following phases:

Phase 1	Phase 2	Phase 3
Administration and Mandatory bid requirements	Functional evaluation/functionality	Price and B-BBEE
Compliance with administration and mandatory bid requirements	<p>Phase 2A. Desktop Technical Functional Evaluation Bids will be evaluated in terms of functionality</p> <p>Phase 2B. Presentation Functional Evaluation (Demonstration of the proposed solutions)</p>	<p>The bidders that have successfully progressed through to Phase 2 will be evaluated by the 80/20 preference point system contemplated in the Preferential Procurement Policy Framework Act,</p> <p>70 points will be awarded for the price while 20 points will be allocated for preference points for B-BBEE as prescribed in the regulations.</p>

## Evaluation Process

- Technical functional evaluation (functionality) is divided into two (2) phases (Desktop technical functional evaluation and Presentation & demo of the proposed solutions) with total points of 100) 1.
  - Phase 2. A: Desktop technical functional evaluation = 25 points minimum threshold: • A bidder must meet a minimum threshold of desktop technical functional evaluation to be considered to the next phase of evaluation,
  - Phase 2. B (Presentation and demo of the proposed system)
- Phase 2A. Desktop technical functional evaluation - A bidder will be evaluated out of 40 points and are required to score a minimum threshold of 25 points out of 40 points to qualify for phase 2B.
- Presentation and solution demonstration (Phase 2. B) A bidder will be evaluated out of 60 points and are required to score a minimum threshold of 45 points out of 60 points to be evaluated further on the next phase of evaluation (Price and B-BBEE).

## Points awarded for functionality:

Table 2: Functional evaluation

EVALUATION CRITERIA	Weight
<b>Desktop technical functional evaluation (Phase 2A) 40/100 points</b> NB: Criterion 2 and 3 below will be evaluated in line with the evaluation matrix in Table 3	
1. Bidder's relevant experience. <ul style="list-style-type: none"> <li>• SA Tourism reserves the right to contact and or verify previously conducted projects. If the outcome of such exercise provides negative feedback of past performance, the appointment might be withheld.</li> <li>I. Brief company profile/details and display of bidder's experience in providing conflict management or supplier vetting process with a minimum of three (3) years</li> <li>II. Points will be allocated as per the below table and zero (0) points will be allocated (per criteria) for less than two (2) years or no, poor, or insufficient information provided.</li> <li>III. Bidder must meet minimum requirements listed below to be assessed or evaluated on bidder's experience:               <ul style="list-style-type: none"> <li>a) Information required must include the following:</li> <li>b) Customer name</li> <li>c) Project manager name</li> <li>d) Contact details</li> <li>e) Completion date</li> </ul> </li> </ul>	15

f) Project cost etc.			
5 years or more	2 - 4 years	Less than 2 years of relevant	
15 points	10 points	0 points	
<b>2. Project Management and Systems Development Life Cycle Approach and periods</b> - from project initiation stages to the implementation of the new system. <b>a. Bidder required to provide a clear project plan as per the provided scope of work</b>			15
<b>3. Support and Maintenance Service Approach and Experience for a similar solution:</b> <ul style="list-style-type: none"> <li>Bidders to provide a clear description of how support services will be provided post-implementation. Remote or onsite support to be clearly stated.</li> </ul>			10
Phase 2 A Desktop technical functional evaluation - A bidder will be evaluated out of 40 points and are required to score a minimum threshold of <b>25 points out of 40 points</b> to qualify for phase 2B.			
<b>4. Presentation and solution demonstration (Phase 2. B) 60/100 points</b> <b>Solutions Demonstration (Phase 2B)</b> demonstration of a proposed system solution A bidder must demonstrate to SA Tourism that the proposed system solution meets the scope requirements, and deliverables.			60
Total Points for Functionality			100
<ul style="list-style-type: none"> <li>Overall, combined scores of Desktop and Presentation phases must be equal to or above <b>70 points</b> for the bidder to proceed to Price and B-BBEE evaluation.</li> </ul> <p><b>NB:</b> If a bidder fails to meet one or both minimum threshold (s) regardless of combined points scored from either Phase 2A or Phase 2B. Are above 70 points, such a bidder will not be evaluated on the next phase of evaluation, Phase 3. Price and B-BBEE.</p>			

**Table 3: Functional Evaluation Matrix**

Rating	Definition	Score
Excellent	Exceeds the requirement. Exceptional demonstration by the supplier of the relevant ability, understanding, experience, skills, resources, and quality measures required to provide the goods/services. Response identifies factors that will offer potential value, with supporting evidence.	5

<b>Good</b>	<b>Satisfies</b> the requirement with <b>minor additional benefits</b> . Above-average demonstration by the supplier of the relevant ability, understanding, experience, skills, resources, and quality measures required to provide the goods/services. Response identifies factors that will offer potential required services, with supporting evidence.	<b>4</b>
<b>Acceptable</b>	<b>Satisfies</b> the requirement. Demonstration by the supplier of the relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods/services, with supporting evidence.	<b>3</b>
<b>Minor Reservations</b>	Satisfies the requirement with <b>minor reservations</b> . Some minor reservations of the supplier's relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods/services, with little or no supporting evidence.	<b>2</b>
<b>Serious Reservations</b>	Satisfies the requirement with <b>major reservations</b> . Considerable reservations of the supplier's relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods/services, with little or no supporting evidence.	<b>1</b>
<b>Unacceptable</b>	<b>Does not meet the requirement</b> . Does not comply and/or insufficient information provided to demonstrate that the supplier has the ability, understanding, experience, skills, resource & quality measures required to provide the goods/services, with little or no supporting evidence.	<b>0</b>

### Phase 3: Price and B-BBEE Evaluation (80+20) = 100 points

- Only service provider (s) who meets the minimum threshold of 70 points during Phase 2 will be further evaluated for comparative price and BBBEE level of contribution.
- The total points for price evaluation (out of 80/90) and the total points for BBBEE evaluation (out of 20/10) will be consolidated. The service provider who scores the highest points for comparative pricing and B-BBEE status level of contributor after the consolidation of points will normally be considered as the preferred service provider with who South African Tourism will enter into further negotiations.
- Upon the successful negotiation and signing of a contract and services level agreement with the preferred service provider all other service providers will be considered as unsuccessful. That was tendered for.
- In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a service provider for attaining the B-BBEE status level of contribution by the table below:

- “Functionality” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability, and durability of service and the technical capacity and ability of a bidder.
- I. Bids will be evaluated strictly according to the bid evaluation criteria stipulated in this section.
  - II. Bidders must, as part of their bid documents, submit supportive documentation for all functional requirements. The official responsible for scoring the respective bids will evaluate and score all bids based on bid submissions and the information provided.
  - III. The value score for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These scores will be added and expressed as a fraction of the best possible score for all criteria.
  - IV. The points for functionality and the points for B-BBEE level of contribution will be added together and the proposal from the bidder which meets the highest score will be deemed the preferred proposal.

#### **Awarding of Points for Price and Broad-Based Black Economic Empowerment**

- The bidders that have successfully progressed through to Phase 3 (bidders who meet the minimum threshold for the functionality of 70 points) will be evaluated by the 80/20 preference point system contemplated in the Preferential Procurement Policy Framework Act, 2000 and the Preferential Procurement Regulations of 2017.
- 80 points will be awarded for a price while 20 points will be allocated for preference points for BBBEE as prescribed in the regulations.
- Points for B-BBEE level of contribution will be awarded by the below table: -

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2



Non-compliant contributor	0
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## 5. Financial (Prices must be inclusive of any applicable taxes, VAT, and disbursements)

- Costing should be in line with the proposed solution,
- For a minimum of twelve (12) months with a maximum of thirty-six months (36) months
- Financial proposal to deliver the assignment should be in 3 formats (12 months and 36 months), i.e.
  - 12 months cost must be fixed monthly rate for the entire 12 months period.
  - 24 months cost option must be fixed month with clearly indicated escalation after 12 months
  - 36 months cost must be fixed monthly rate with escalation percentage on years 2 and 3 of the contract.
  - SA Tourism reserve the right to choose the cost-effective option without prejudicing any service provider
- SA Tourism will not consider any hidden costs that are not stipulated on the financial proposal
- Propose costing must be in a tabular format.

## 6. Adjudication and Final Award of Bid

- The successful bidder will usually be the service provider scoring the highest number of points for comparative price and BBEE level of contribution or it may be a lower scoring bid on justifiable grounds or no award at all.
- National Treasury Centralized Supplier Registration and B-BBEE Certificates
- All bid submissions must include a copy of successful registration on National Treasury's Centralized Supplier Database (CSD) with a valid tax clearance status and an original or certified copy of a B-BBEE verification certificate (if you have been assessed).
- Proposals which does not include these documents will not be considered.

## 7. Deadline for submission

All proposals must be e-mailed, in PDF format, to [quotes@southafrica.net](mailto:quotes@southafrica.net) by 12 January 2022 at 12h00pm and should remain valid for at least 45 days after the closing date.

## **8. Confidentiality**

- The request for a technical and cost proposal and all related information shall be held in strict confidence by bidders and usage of such information shall be limited to the preparation of the bid. All bidders are bound by a confidentiality agreement preventing the unauthorized disclosure of any information regarding SA Tourism or its activities to any other organization or individual. The bidders may not disclose any information, documentation, or products to other clients without the written approval of SA Tourism.

## **9. Terms of engagement**

- Before commencing with the assignment, the successful bidder will be required to meet with the project leader to align the final statement of work (SOW) and criteria for approval.

## **10. Payments**

- No advance payments will be made in respect of this assignment. Payments shall be made in terms of the deliverables as agreed upon and shall be made strictly by the prescripts of the PFMA (Public Finance Management Act, 1999. Act 1 of 1999).
- The successful bidder shall after completion of the contract, invoice SA Tourism for the services rendered. No payment will be made to the successful bidder unless an invoice complying with section 20 of VAT Act No 89 of 1991 has been submitted to SA Tourism.
- Payment shall be made into the bidder's bank account normally 30 days after receipt of an acceptable, valid invoice.

## **11. Non-compliance with delivery terms**

- The successful bidder must ensure that the work is confined to the scope as defined and agreed to. As soon as it becomes known to the bidder that they will not be able to deliver the services within the delivery period and/or against the quoted price and/or as specified, SA Tourism's Sourcing Specialist must be given immediate written notice to this effect.

## 12. Retention

- Upon completion of the assignment and/or termination of the agreement, the successful bidder shall on-demand hand over to the project leader all documentation, information, etc. relevant to the assignment without the right of retention.

## 13. Cost

- The bidder will bear all the costs associated with the preparation of the response and no costs or expenses incurred by the bidder will be borne by SA Tourism.
- Cancellation of the request for a technical and cost proposal
- SA Tourism may, before the award of the bid, have the right to cancel the bid if:
  - (a) Due to changed circumstances, there is no longer a need for the service; or
  - (b) Funds are no longer available to cover the part and/or total envisaged expenditure, or (c) No acceptable bids are received.
- SA Tourism reserves the right to withdraw this request for technical and cost proposals, to amend the term, or to postpone this work by email notice to all parties who have received this request.

## 14. Clarification

- Any clarification required by a bidder regarding the meaning or interpretation of the Terms of Reference, or any other aspect concerning this request for technical and cost proposals, is to be requested in writing from the Sourcing Specialist.
- Thanking you and looking forward to your proposal in this regard.

Yours in Tourism

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