



## AGRICULTURAL RESEARCH COUNCIL

### TERMS OF REFERENCE (TOR) FOR:

RFQ NO: 014527

**APPOINTMENT OF AN EXPERIENCED SERVICE PROVIDER TO ASSIST THE ARC WITH SUPPLY CHAIN MANAGEMENT (SCM) ACTIVITIES TO PROCESS THE BACKLOG OF SCM REQUISITIONS, REQUEST FOR QUOTATIONS, AND TENDERS FOR A PERIOD OF FOUR (4) MONTHS**

### OVERVIEW

The Agricultural Research Council (ARC) is a Research Science and Technology institution of excellence in South Africa, which operates within the National System of Innovation. The ARC has a mandate for innovative and creative agricultural research, technology development, and transfer aimed at the advancement of South African agriculture. Its operations are overseen by the ARC Council which is appointed by and accountable to the Minister for Agriculture, Forestry and Fisheries

The Agricultural Research Council (ARC) invites suitably qualified and experienced service providers to assist the organization with high levels of supply chain management backlog in procurement requisitions, issuing and evaluation of RFQs, and processing of tenders for a period of four (4) months.

### LODGING OF SUBMISSIONS

Completed and sealed RFQ submissions reflecting "RFQ-014527 and the name of the bidder" must be deposited into the Tender Box located at 1134 Park Street, Hatfield, Pretoria for the attention of: "The Senior Supply Chain Manager", by no later than 11:00 (eleven o'clock) on 09 November 2022.

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

***No submissions sent by email or facsimile will be accepted.***

Bidders are requested to submit two (2) complete documents into the tender box (one original functionality proposal and one original for financial proposal) and prepare three (3) copies of the Functionality and three (3) copies of Financial proposal. A USB of the functionality and A USB of the financial proposal should also be submitted. The "two envelope system" will be used for this RFQ. One envelope shall be clearly marked "Functionality Proposal" and another be clearly marked "Financial Proposal". The name of the bidder and the RFQ number should reflect on the "sealed" envelopes.

## 1. BACKGROUND

The ARC seeks to appoint a service provider to execute supply chain management activities to assist the organization with high levels of backlog in procurement requisitions, issuing and evaluation of RFQs, and processing of tenders.

## 2. OBJECTIVES

The objective of this RFQ is to appoint a suitably qualified and experienced service provider to assist the ARC with Supply Chain Management activities to process SCM Requisitions, Requests for Quotations, and Tenders for a period of four (4) months.

## 3. COMPULSORY REQUIREMENTS OF THE RFQ

- i. Central Supplier Database Report from the National Treasury showing a tax compliant status for the duration of the RFQ process.
- ii. Completed and Signed the Standard Bidding Documents
- iii. Audited latest financial statement (not older than 12 months)

**Failure to submit and comply with the above requirements will lead to disqualification.**

## 4. RETURNABLE DOCUMENTS OF THE RFQ

- i. Tax PIN number from SARS
- ii. Certified Copy of the BBBEE Certificate

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

## 5. THE SCM TEAM MEMBERS ASSIGNED TO THIS PROJECT SHOULD HAVE THE QUALIFICATIONS, EXPERIENCE, EXPERTISE, AND KNOWLEDGE ON THE FOLLOWING:

- a. A degree or NQF level 7 or equivalent qualification obtained in the fields relevant to the project (e.g., supply chain management, logistics, and purchasing)
- b. Minimum of five (5) years of professional experience in Supply Chain Management.
- c. Demonstrated leadership and proven achievements in SCM operations and reforms.
- d. Proven ability to transfer skills through practical experience on the provision of on-the-job training.
- e. Demonstrated excellent communication and report writing skills.
- f. Advanced proficiency in ERP system (the ARC is currently using the Microsoft Dynamics AX system).
- g. Problem solving and negotiation skills.
- h. Ability to work under pressure.
- i. Bidder(s) must adhere to the Protection of Personal Information (POPI) Act.

## 6. SCOPE OF WORK

### 6.1. Requisitions

Review of requisitions assigned to the SCM Accountants according to the checklist.

#### **6.2. Request for Quotations**

- Compilation of RFQ specifications
- Publish RFQs on the e-tender portal and source quotations from the ARC database
- Compile register of received RFQs
- Evaluation of RFQs against specifications
- Compilation of evaluation reports
- Presentation of Evaluation reports to the Institutes Bids Adjudication Committees
- Update the requisitions after the BAC approval

#### **6.3. Purchase Orders, Invoices, and GRNs**

- Issuing of Purchase Orders to successful service providers
- Follow up on deliveries and invoices
- Process Goods Received Notes for payment

#### **6.4. Tenders**

- Facilitate Bids Specification Meetings and approvals of bid specifications
- Publish tenders on the e-tender portal, Government Tender Bulleting and ARC website
- Record received tenders
- Facilitate the evaluation of tender against the published specification
- Prepare submissions to the Corporate Tender Committee (CTC)

#### **6.5. EXPECTED PROJECT OUTPUTS / DELIVERABLES**

The expected outputs and deliverables for the projects are as follows:

- All requisitions cleared as per the attached numbers
- All indicated RFQs processes and awarded within stipulated time frames
- All the tenders awarded as indicated in the spreadsheet

#### **6.6. OFFICE EQUIPMENT AND BACKSTOPPING ARRANGEMENTS**

The Service Provider will be responsible to provide their own computer equipment (portable computers etc.). Internet connectivity and office arrangements will be provided for by the respective Institute where the Team members will be placed.

#### **6.7. CONTRACTUAL ARRANGEMENTS AND TIMEFRAME**

The resources will be appointed based on the following conditions amongst others: office bound full time 07:30 am – 16:00 from Monday to Friday (unless there is an arrangement) for a period of (4) months

#### **6.8. APPROACH AND METHODOLOGY**

- (a). The service provider is expected to work with the ARC SCM team to familiarize himself/herself with the processes within ARC.
- (b). The service provider is also expected to observe all the proceedings of the Bid Committees and provide advise where necessary.
- (c). The service provider is expected to prepare all the Bid Committee Documents
- (d). The service provider must demonstrate how the project will be planned and executed

#### 6.9. CLOSEOUT PHASE

At the end of the project, the service provider must:

- Prepare a detailed close out report supported by a portfolio of evidence for tasks completed as per the specification; and
- Prepare a sustainability plan for the ARC SCM.

#### 7. PAYMENT

Payment will be made upon presentation of an invoice and proof of work completed and in line with the pricing schedule.

#### 8. QUANTIFICATION OF TRANSACTIONS TO BE CONDUCTED

No.	Institute	Requisitions	RFQs	Tenders
1	ARC-API, Irene	226	36	7
2	ARC-CO, Hatfield	0	0	15
3	ARC-INFRUITEC, Stellenbosch	361	123	0
4	ARC-NRE, Arcadia, Silverton, and Onderstepoort	66	35	2
5	ARC-OVI, Onderstepoort	690	69	14
6	ARC-TSC, Nelspruit	131	131	0
7	ARC-VIMP, Roodeplaat	120	120	0
	<b>TOTAL</b>	<b>1 594</b>	<b>514</b>	<b>36</b>

#### 9. PRICING SCHEDULE

Bidders are required to provide pricing to execute supply chain management activities as detailed below included in the price must be all applicable miscellaneous costs. Where bidder(s) will be required to travel, they must comply with the South African Reserve Bank travel rates.

Description of service	Estimated period to finalize the below services	Hours	Fee/hour	Total Price
a. Requisitions				
b. Request for Quotations				
c. Purchase Orders, Invoices and GRNs				
d. Tenders				
Other disbursements				
<b>Sub-Total</b>				
<b>VAT (if applicable)</b>				
<b>TOTAL</b>				

Kindly quote as per the above layout for the purpose of comparing your quotations.

#### 10. EVALUATION AND SELECTION CRITERIA

The ARC has set **minimum standards** that bidders need to meet in order to be evaluated and selected as the successful bidders. The minimum standards consist of the following:

<b>CATEGORY 1 – TECHNICAL EVALUATION CRITERIA</b>		
<b>Experience, Expertise, and Capacity</b>	<b>Maximum Score =</b>	<b>Weight</b>
The number of years the company has been in business. The reference letters will be used to evaluate the bidders.	8 or more years = <b>5 points</b> 6-7 years = <b>4 points</b> 4-5 years = <b>3 points</b> 2-3 years = <b>2 points</b> 0-1 years = <b>1 point</b>	10
CVs and qualifications of key staff to be assigned to the ARC.	At least 3 CVs submitted with an average of eight and above year's collective experience = <b>5 points</b>  At least 3 CVs submitted with an average of six to seven years of collective experience = <b>4 points</b> At least 3 CVs submitted with an average of five years of collective experience = <b>3 points</b>	25

	1-3 CVs and qualifications submitted with relevant experience = <b>2 points</b> No CVs and qualifications attached = <b>1 point</b>	
<b>Proof of services rendered</b>		
Attach copies of signed contracts, purchase orders, or appointment/award letters	More than 8 copies of signed contracts, purchase orders, or appointment/award letters = <b>5 points</b> 5 - 7 copies of signed contracts, purchase orders, or appointment/award letters attached = <b>4 points</b> A minimum of 5 copies of signed contracts, purchase orders, or appointment/award letters attached = <b>3 points</b> Less than 5 copies of signed contracts, purchase orders, or appointment/award letters attached = <b>2 points</b> No copies of signed contracts, purchase orders, or appointment/award letters are attached = <b>1 point</b>	20
<b>Track Record</b>	<b>Maximum Score =</b>	
At least five signed reference letters from contactable references, for which similar services over the last three (3) years have been provided. Provide proper reference letters with the letterhead, contact details, description of the service, the duration/period of the project, and the contract value.	5 (five) letters = 5 points 4 (four) letters = 4 points 3 (three) letters = 3 points 2 (two) letters = 2 points 1(one) letter = 1 point	20
<b>Presentation</b>		

<p><b>1. Approach &amp; Methodology</b></p> <ul style="list-style-type: none"> <li>• Planning</li> <li>• Execution</li> <li>• Reporting</li> </ul> <p><b>2. Value Added Services</b></p> <ul style="list-style-type: none"> <li>• Training</li> <li>• Transfer of skills</li> </ul>	<ul style="list-style-type: none"> <li>• The knowledge and capability meets the specifications by more than 95% = <b>5 points</b></li> <li>• The knowledge and capability meets the specifications by 81%-95% = <b>4 points</b></li> <li>• The knowledge and capability meets the specifications by 70-80% = <b>3 points</b></li> <li>• 2 points: The knowledge and capability meets the specifications by 60%-69 = <b>2 points</b></li> <li>• The knowledge and capability meets the specifications by less than 40% = <b>1 point</b></li> </ul>	25
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**Bidders that do not score at least 50 out of 75 points for functionality will be disqualified for further evaluation. The bidders that scored at least 50 out of 75 points will be invited for presentation. The bidders that do not score 20 out of 25 points after the presentation will be disqualified.**

The 80/20 and the BBBEE principle will apply in terms of the preferential procurement policy framework act (PPPFA) to determine the pricing.

BBBEE goals in terms of the Preferential Procurement Policy Framework Act will be allocated as follows:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6

7	4
8	2
Non-compliant contributor	0