

Finance and Procurement Department

Supply Chain Management

Request for Bids (RFB)

APPOINTMENT OF THE SERVICE PROVIDER TO INSTALL, SUPPORT AND MAINTAIN AN ENTERPRISE RISK MANAGEMENT SYSTEM FOR SMALL ENTERPRISE FINANCE AGENCY (sefa).

Bid Information

Bid Number	sefa: 61/RSK/2021
Bid Submission Date	22 October 2021 @ 11:00 am
Bid Description	Appointment of the service provider to Install, support and maintain an Enterprise Risk Management System for Small Enterprise Finance Agency (sefa).
Bid Validity Period from Date of Publication	120 days
Bid Non-Compulsory Briefing Session	N/A
Address for Bid Submission	sefa Head Office Byls Bridge Office Park, Building 14, Block D Cnr Jean Avenue & Olievenhoutbosch Highveld, Centurion
Bid Contact Person	Sebotse Mokgabudi on (012) 748-9725 sebotsem@sefa.org.za / procurement@sefa.org.za Mpho Thagwana on (012) 748-9668 mphot@sefa.org.za / procurement@sefa.org.za
Evaluation Method: Points System	80/20
Required Bidder B-BBEE Level	Level 1 to Level 4
Deadline for Responding to Clarifications for this bid	14 October 2021
Fraud Hotline <i>to report any wrongful or criminal deception or coercion intended to result in financial or personal gain by any sefa employee or person involved in this bidding process</i>	0800 000 663 (For anonymous reporting)

Special Conditions and Requirement of Contract

APPOINTMENT OF THE SERVICE PROVIDER TO INSTALL, SUPPORT AND MAINTAIN AN ENTERPRISE RISK MANAGEMENT SYSTEM FOR SMALL ENTERPRISE FINANCE AGENCY (sefa).

1. Introduction and Background

- 1.1. Following a Cabinet decision and the State of the Nation address of 2011, the Small Enterprise Finance Agency (SOC) Limited (**sefa**), was established on 01 April 2012 in terms of section 3 (d) of the Industrial Development Corporation Act, No. 22 of 1940 (IDC Act). **sefa** is a wholly owned subsidiary of the Industrial Development Corporation (IDC) and brings together the activities of the three previous structures (Khula, **samaf** and the IDC small business activities).
- 1.2. **sefa** operates as a Development Finance Institution (DFI) to foster the establishment, development and growth of Small, Micro and Medium Enterprises (SMMEs) and contributes towards poverty alleviation, job creation and economic growth. **sefa** provides products and services to qualifying SMMEs as defined in the National Small Business Act of 1996, as amended in 2004, through a hybrid of wholesale and direct lending channels.

2. Bid Submission Requirements

- 2.1. Bids must be submitted in a **sealed envelope and marked** as follows:

ATTENTION: sefa SUPPLY CHAIN MANAGEMENT

Description of the Bid

Bid Number

Name of the Bidder

2.2. General Bid requirements

- a. Bid documents **must** be initialled on every page.
- b. Number of sealed envelopes/files must compose of one (1) **ORIGINAL** and one (1) electronic PDF **copy** of the original bid proposal document on a CD or flash drive.
- c. Submissions of the Bid responses **MUST** be made by depositing the Bid proposal into the Tender Box situated at **sefa** Head Office at the physical

address below on or before the closing date as stated on page 1 of this Request for Bid document under Bid Information.

- d. The bidder will bear all expenses associated with the preparation and submission of this Bid.

2.3. **sefa Physical Address**

11 Byls Bridge Boulevard,
Doringkloof,
Centurion,
0157

For more information, please visit the **sefa** website: www.sefa.org.za

2.4. **Bid Responses**

2.4.1. **Bid Format**

- 2.4.2. Bidders shall submit their bid response in accordance with the requirements as outlined in the Bid Response Template provided in Appendix 1.

- 2.4.3. Each section must be clearly marked and the documents must be bound.

- 2.4.4. The RFB comprises a number of sections and the bidder's proposal must include all the required information and documentation as outlined in this RFB.

2.4.5. **General Conditions of Contract**

- 2.4.5.1. Completion of all Standard Bidding Documents (SBD by hand, attached in Annexures A, and adhering to all other requirements as outlined on each form. The following SBD and other forms must be duly completed and signed, and returned as part of the Bid Proposal:

- a. **SBD 1:** Invitation to Bid.
- b. **SBD 4:** Declaration of Interest.
- c. **SBD 6.1:** Preference Points Claim Form.
- d. **SBD 8:** Declaration of Bidder's Past Supply Chain Management Practices.
- e. **SBD 9:** Certificate of Independent Bid Determination.
- f. Original and valid **Tax Clearance Certificate(s)** (TCC) or *PIN* issued by SARS.
- g. In bids where Consortium; Joint Ventures and Sub-Contractors are involved, it is required that each party must submit separate proof of Tax Clearance Certificate(s) or *PIN* issued by SARS

- h. Submission of a certified copy of a **valid B-BBEE certificate** issued through a SANAS Accredited Agency, with the exception of Exempted Micro Enterprises (EMEs) and Qualifying Small Enterprises (QSEs). These enterprises need to submit B-BBEE **sworn affidavits** as per the requirements of the Department of Trade and Industry (DTI) for qualifying enterprises except those who fall under the Construction Sector Charter Council (CSCC). Other sworn affidavits will not be accepted. The DTI and CSCC affidavit templates are available under Annexure C.
- i. National Treasury **Central Supplier Database (CSD) registration** (attached proof of registration).
- j. Submission of bidder's **Companies & Intellectual Property Commission (CIPC) registration documents**, listing all Directors or Shareholders and certified copies of the Identify Documents (ID) of Directors or Shareholders.

2.4.5.2. The successful bidder and its staff shall comply with all the laws of the Republic of South Africa and as it relates to this bid.

2.4.5.3. The bidder's staff must be South African citizens and **sefa** reserves the right to validate citizenship.

2.4.5.4. Pre-Target Requirements

- a. The Pre-Qualification criteria set is according to the Standard for Implementation of Regulation 8(4) of the Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations 2017 and **sefa's** developmental impact plan to provide support to targeted groups (black owned, youth, women, disability, rural priority province; and township).
- b. In line with the above commitment, preference will be given to bidders complying with the following:
 - i. Bidders having a stipulated minimum B-BBEE status level contribution from level 1 to level 4.
 - ii. Targeted groups that are black owned; women and youth.

2.4.6. Price Proposal

- a. Bidders are required to complete and sign their pricing proposals.
- b. **NB:** Failure to complete and submit a pricing proposal, will lead to disqualification of the bid.

2.5. **Late Bids**

Bids submitted at the stated bid address, after the closing date & time, shall not be considered under any circumstances.

2.6. **Counter Conditions**

Bidder's attention is drawn to the fact that amendments to any of the bid conditions or setting of counter conditions by the bidder shall render the bid invalid.

2.7. **Bid Distribution**

2.7.1. The distribution of this RFB outside the Republic of South Africa may be restricted or prohibited by the laws of other countries. Recipients of this RFB are advised to familiarise themselves with and comply with all such restrictions or prohibitions applicable in those jurisdictions, and neither **sefa**, nor any of their respective directors, officers, employees, agents, representatives or advisors, accepts liability to any person or company for any damages arising out of or in connection with the breach of any restriction or provision outside the Republic of South Africa. Persons contemplating submitting a Bid are advised to obtain legal advice as to the possible consequences thereof in terms of the law of the jurisdictions in which they are located.

2.7.2. Recipients of this RFB document may only distributed it to other parties whom they wish to involve as part of their bidder consortium in submitting a bid.

2.8. **Presentations**

sefa reserves the right to require that any bidder provides a formal presentation of its bid proposal, at a date and time to be determined by **sefa**. All instructions and clarification regarding the purpose and scope of the presentation/demonstration shall be provided by **sefa**. The bidder shall bear all expenses associated with the preparation of such presentations/demonstrations.

2.9. **Evaluation Process**

Bids shall be evaluated in terms of the process outlined below.

2.9.1. **Stage 1: Initial Screening Process & Pre-Target Requirements**

During this stage, bid responses will be reviewed for purposes of assessing compliance with the RFB requirements including the General Conditions of Contract as outlined in this RFB, stated Special Conditions of Contract; and pre-target requirements.

2.9.2. **Stage 2: Functionality Evaluation**

- a. All bids will be evaluated independently by the evaluation panel members in terms of the defined evaluation criteria for functionality evaluation.
- b. Bids that score less than **70 points out of 100** on functionality shall not be considered further.
- c. Bids will be evaluated on Functional requirements as outlined in Annexure C.

2.9.3. **Stage 3: Evaluation of Proposal on Applicable Points System**

- 2.9.3.1. Only bidders that have scored a minimum of **70 points out of 100** on functionality will be evaluated during stage 3 for pricing and B-BEE.
- 2.9.3.2. In terms of Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) and the amended regulations, responsive bids will be adjudicated by the State on the applicable point system.
- 2.9.3.3. In terms of **80/20 points system**, points are awarded to bidders on the basis of:

The bid price (maximum 80 points)

Following formula will be used to calculate the points for price:

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

$P_{\min}$ = Comparative price of lowest acceptable bid

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

- 2.9.3.4. The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- 2.9.3.5. Only bidders who have completed and signed the declaration part of the preference claim form and who have submitted a B-BBEE status level certificate issued by a SANAS accredited verification agency will be considered for preference points. See requirements as outlined under item 2.4.5.
- 2.9.3.6. **sefa** may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.
- 2.9.3.7. The points scored will be rounded off to the nearest 2 decimals.
- 2.9.3.8. In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.
- 2.9.3.9. However, when functionality is part of the evaluation process and two or more bidders have scored equal points including equal preference points for B-BBEE, the contract will be awarded to the bidder scoring the highest for functionality.
- 2.9.3.10. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- 2.9.3.11. A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.
- 2.9.3.12. **sefa** reserves the right to enter into negotiations with the preferred bidder.

3. Post Award Conditions

- 3.1. Services will be rendered during working hours from Mondays to Fridays, unless otherwise stated in the Scope of Work / Terms of Reference.

- 3.2. Equipment and/or productivity tools brought onto or used on site must comply with the Occupational Health & Safety Act and any regulations promulgated in terms of this Act.
- 3.3. The bidder shall be liable for insuring his/her staff members against any injury or death.
- 3.4. The successful bidder shall submit a monthly statement of all outstanding payments, credit notes issued, and payments made. Such statements shall also contain the order number, the details of the date of the transaction, the invoice number, remittance number and credit note details.
- 3.5. **sefa** shall not be held responsible in any way for any damages, losses, theft of equipment or any valuables of the successful bidder or injury of his/her employees whilst on site or in the execution of their duties.
- 3.6. All procurement related to this service, as outlined in this RFB, shall be conducted by **sefa's** Supply Chain Management department only.

4. Staff Requirements

- 4.1. The successful bidder must ensure the following:
 - a. That the staff working under this contract are in good health.
 - b. That they are adequately trained prior to commencement of the contract.
 - c. That replacement staff is available should the need arise. The bidder is obligated to inform **sefa** of any removal and replacement and the replacement of staff can only be done with the formal approval of **sefa**.
 - d. Staff must be dressed appropriately and where required, staff uniforms must be in good condition.
 - e. The bidder's staff must be South African citizens and **sefa** reserves the right to validate citizenship.

5. Resource Requirements

The successful bidder must provide the following equipment, if required by the bidder's staff, in the execution of their duties:

- Laptop or similar device.
- Internet connectivity.
- Transportation and/or vehicle (if required) to deliver the service outlined in this bid.
- Cellphone and/or landline.

6. Service Level Agreement

- 6.1. The successful bidder will be required to enter into a Service Level Agreement with **sefa**.
- 6.2. A performance measurement processes will form an integral part of the Service Level Agreement, to be signed after the successful bidder has been appointed.

7. Supplier Due Diligence

- 7.1. **sefa** reserves the right to conduct bidder due diligence to short listed bidders prior to final award or at any time during the contract period. This may include site visits if applicable.
- 7.2. **sefa** reserves the right to request the successful bidder and its staff to undergo a security vetting and/or credit vetting processes via external services providers such as Credit Bureaus and the South African Police Services. By submitting a bid proposal, the bidder gives explicit approval for **sefa** to conduct such vetting requirements, if and when required.

8. Bid Cancellation

In the case of the cancellation of this RFB, **sefa** shall endeavour to inform all bidders, through the same medium used for the communication of the RFB

9. Material Changes

- 9.1. Any material change in the control and/or composition of any bidder or any core member of a bidder after submission of a Bid, shall require the prior written approval of **sefa**, and any failure to seek such approval from **sefa** shall result in **sefa** being entitled, in its sole discretion, to exclude the relevant bidder from any further participation in the bid process or to cancel the engagement. This shall be interpreted to include post appointment and subcontracting of work arising out of this bid to complete certain work.
- 9.2. **sefa** shall be the sole arbiter as to what constitutes a “material change in the control and/or composition of any bidder”, and as to what constitutes a “core member of a bidder” for purposes of such approval. Any request for such approval shall be made to **sefa’s** Supply Chain Management in writing and shall provide sufficient reasons and information to allow **sefa** to make such a decision. **sefa** reserves the right to accept or reject any such request for approval.

10. Communication

- 10.1. **sefa** may communicate with bidders where clarity is sought after the closing date of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary. Such communications will be done via the Supply Chain officials listed as the contact persons for this bid process.
- 10.2. All communication (enquiries/clarifications) relating to this bid shall take place between the bidder and the Supply Chain Management officials listed as the contact persons for this bid process. Such communication shall be done in writing only.
- 10.3. Communication between the closing date and the award of the bid, between the bidder and other **sefa** officials or persons acting in an advisory capacity for the State, in respect of this bid, is prohibited.

11. Contact Details

11.1. Main Contact

Name : Sebotse Mokgabudi

Tel : (012) 748-9725

Email : sebotsem@sefa.org.za/procurement@sefa.org.za

11.2. Alternative Contact

Name : Nthabiseng Mtimkulu

Tel : (012) 748-9668

Email : nthabisengmt@sefa.org.za/procurement@sefa.org.za

NB: Communication outside this platform is **strictly prohibited** and should bidders be found to be in contact with any of **sefa's** staff members on matters relating to this bid, such bidders shall automatically be disqualified from this bid process.

12. Scope of Work / Terms of Reference

The Scope of Work / Term of Reference is attached as Annexure D.

13. Annexures

Annexure A	:	Standard Bidding Documents: SBD1 to SBD9 Forms
Annexure B	:	Sworn Affidavit Templates for EMEs and QSEs
Annexure C	:	Functionality Requirements Criteria
Annexure D	:	Scope of Work / Terms of Reference
Appendix 1	:	Bid Proposal Template

Annexure A

Standard Bidding Documents: SBD1 to SBD9 Forms

Document Name	Template
National Treasury. Government Procurement: General Conditions of Contract, July 2010	 NT General Conditions of Contr
SBD 1	 SBD 1.pdf
SBD 6.1	 SBD 6 1 2017.pdf
SBD 4	 SCM-Bid documents SBD 4.pc
SBD 8	 SCM-Bid documents SBD 8.pc
SBD 7	Not applicable
SBD 9	 SCM-Bid documents SBD 9.pc
GCC	 GCC

Annexure B

Sworn Affidavits for EMEs and QSEs

Department of Trade and Industry (DTI) Templates

Applicable to all sectors except Construction



DTI Sworn Affidavit
EME Gen.pdf



DTI Sworn Affidavit
QSE.pdf

Also available from the DTI:

https://www.thedti.gov.za/economic_empowerment/docs/Affidavit-QSE-Gen.pdf

https://www.thedti.gov.za/economic_empowerment/docs/Affidavit-EME-Gen.pdf

Construction Sector Charter Council (CSCC) Templates

Applicable for EMEs and QSEs in the construction industry, residing under the CSCC.



Final CSC EME
Affidavit - March 2018

Also available from the CSCC:

<http://www.cscconline.org.za/documents/Final%20CSC%20EME%20Affidavit%20-%20March%202018.pdf>

Annexure C

Evaluation Criteria

Functional Requirements

FUNCTIONAL EVALUATION CRITERIA

ONLY BIDDERS WITH THE HIGHEST FUNCTIONALITY SCORES THAT IS MORE THAN 45 OUT OF 70 AS PER THE REQUIREMENTS WILL BE FURTHER EVALUATION ON SYSTEM DEMONSTRATION.

The below scoring scale shall be used to evaluated technical proposals:

Scale	Definition
0	No information provided
1	Does not meet the requirements
2	Partially meet the requirements
3	Fully meets the requirements
4	Exceeds the requirements
5	Significantly exceeds the requirements

ELEMENT	WEIGHT (%)						
BIDDER'S EXPERIENCE - The bidder must have 5 years or more 'experience in providing the licensing, support and services for the proposed software solution. The system must be an existing Commercial-Off-The-Shelf solution with minor modifications/customization and configuration required. - The bidder must submit at least a minimum of three (03) contactable references letters in the last 3 years. - Reference letters from previous and current clients on the client's letterhead, and the letter should contain the following: - Name of department/organization. - Description of the contract; and - Contact person, contact details, and email address. <table border="1" style="width: 100%; margin-top: 10px;"> <tr> <th>Requirements</th><th>Scale</th></tr> <tr> <td>No experience in implementing ERM System and no reference letters provided.</td><td style="text-align: center;">0</td></tr> <tr> <td>One - two years' experience in implementing ERM systems with one reference letter</td><td style="text-align: center;">1</td></tr> </table>	Requirements	Scale	No experience in implementing ERM System and no reference letters provided.	0	One - two years' experience in implementing ERM systems with one reference letter	1	15
Requirements	Scale						
No experience in implementing ERM System and no reference letters provided.	0						
One - two years' experience in implementing ERM systems with one reference letter	1						

ELEMENT		WEIGHT (%)													
Three – four years’ experiences in implementing ERM systems with two reference letters.	2														
Five (05) years’ experiences in implementing ERM systems with three reference letters from financial institutions.	3														
Six - Seven years’ experiences in implementing ERM systems with four reference letters from financial institution.	4														
Eight (08) years or more experience in implementing ERM systems with five or more reference letters from financial institution.	5														
SKILLS AND QUALIFICATIONS		20													
• Bidders should possess IT qualifications for End User Support. • The bidder must demonstrate skill in providing, implement and advising on Risk Management Software solution. • Qualifications, relevant skills, expertise and experience of the proposed team dedicated to sefa															
Attach CV, qualifications, or certificates of core team as proof.															
<table><tr><th>Requirements</th><th>Scale</th></tr><tr><td>No information provided</td><td>0</td></tr><tr><td>Certificates with, ERM implementation, software configuration, Project management and IT support skills</td><td>1</td></tr><tr><td>Diploma with, ERM implementation, software configuration, Project management and IT support skills</td><td>2</td></tr><tr><td>Undergraduate Degree with, ERM implementation, software configuration, Project management and IT support skills</td><td>3</td></tr><tr><td>Honors Degree with, ERM implementation, software configuration, Project management and IT support skills</td><td>4</td></tr><tr><td>Masters and Doctoral Degree with, ERM implementation, software configuration, Project management and IT support skills</td><td>5</td></tr></table>			Requirements	Scale	No information provided	0	Certificates with, ERM implementation, software configuration, Project management and IT support skills	1	Diploma with, ERM implementation, software configuration, Project management and IT support skills	2	Undergraduate Degree with, ERM implementation, software configuration, Project management and IT support skills	3	Honors Degree with, ERM implementation, software configuration, Project management and IT support skills	4	Masters and Doctoral Degree with, ERM implementation, software configuration, Project management and IT support skills
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Masters and Doctoral Degree with, ERM implementation, software configuration, Project management and IT support skills	5														

ELEMENT	WEIGHT (%)														
FUNCTIONAL EVALUATION • Provide screenshots of automated ERM tool that provides an effective and systematic solution for complex risk management processes. • The bidder should provide a Project Management implementation methodology with clear project plan with reasonable time frames and deliverables from start to end of the project. • Provide screenshots of ERM risk profiles and reports, including emerging risk, inherent and residual risk and key risk indicator reports • Provide screenshots of Exception reports e.g., overdue action items, completed actions etc. <table border="1"> <thead> <tr> <th>Requirements</th><th>Scale</th></tr> </thead> <tbody> <tr> <td>No information provided</td><td>0</td></tr> <tr> <td>Screenshots of the risk profile and reports are provided</td><td>1</td></tr> <tr> <td>Screenshots of the risk profile and reports including KRI, inherent and residual risks are provided</td><td>2</td></tr> <tr> <td>Screenshots of the risk profile, reports including KRI inherent and residual risks and exception reports are provided</td><td>3</td></tr> <tr> <td>Screenshots of the risk profile, reports including KRI inherent and residual risks and exception reports with project management implementation methodology are provided</td><td>4</td></tr> <tr> <td>Screenshots of the risk profile, reports including KRI inherent and residual risks and exception reports with project management implementation methodology with timelines are provided</td><td>5</td></tr> </tbody> </table>	Requirements	Scale	No information provided	0	Screenshots of the risk profile and reports are provided	1	Screenshots of the risk profile and reports including KRI, inherent and residual risks are provided	2	Screenshots of the risk profile, reports including KRI inherent and residual risks and exception reports are provided	3	Screenshots of the risk profile, reports including KRI inherent and residual risks and exception reports with project management implementation methodology are provided	4	Screenshots of the risk profile, reports including KRI inherent and residual risks and exception reports with project management implementation methodology with timelines are provided	5	35
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Screenshots of the risk profile, reports including KRI inherent and residual risks and exception reports with project management implementation methodology with timelines are provided	5														
Total	70														

ELEMENT	WEIGHT (%)														
DEMONSTRATION - The bidder must be able to provide a demonstration of the proposed ERM system functionalities and capabilities as follows:	30														
• The Bidder must demonstrate an existing ERM system with capabilities to discharge ERM activities • Proven extensive BI integration capability and compatibility. • The bidder should demonstrate the User-friendly capability of the system. • Demonstration of Software Security features. • The Bidder must demonstrate Dashboards reports and ease of data migration. • Demonstration of export feature e.g., to Excel format, Word, PowerPoint, PDF etc. • Platform compatibility. • Role based Audit Trail; and • Adaptability <table border="1"> <thead> <tr> <th>Requirements</th><th>Scale</th></tr> </thead> <tbody> <tr> <td>No information provided</td><td>0</td></tr> <tr> <td>The Bidder demonstrated an existing ERM system.</td><td>1</td></tr> <tr> <td>The Bidder demonstrated an existing ERM system with capabilities to discharge ERM activities</td><td>2</td></tr> <tr> <td>The Bidder demonstrated an existing ERM system with capabilities to discharge ERM activities, dashboard reports were also provided</td><td>3</td></tr> <tr> <td>The Bidder has matched high number of the technical requirements</td><td>4</td></tr> <tr> <td>The Bidder has matched most of the technical and functional requirements in the scope of work. (Annexure D)</td><td>5</td></tr> </tbody> </table>	Requirements	Scale	No information provided	0	The Bidder demonstrated an existing ERM system.	1	The Bidder demonstrated an existing ERM system with capabilities to discharge ERM activities	2	The Bidder demonstrated an existing ERM system with capabilities to discharge ERM activities, dashboard reports were also provided	3	The Bidder has matched high number of the technical requirements	4	The Bidder has matched most of the technical and functional requirements in the scope of work. (Annexure D)	5	
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TOTAL	30														
TOTAL FUNCTIONALITY & DEMONSTRATION (70 + 30)	100														

Annexure D

Scope of Work / Terms of Reference

1. SCOPE OF WORK AND DELIVERABLES

Bidders are invited to supply, install, support and maintain an Enterprise Risk Management System which will assist with the implementation of **sefa** ERM Policy Framework as follows:

OBJECTIVES

- 1.1 Effectively manage Enterprise risks in support of achieving strategic objectives
- 1.2 Enhanced reporting capabilities on Enterprise Risk Management
- 1.3 Capability to provide editable reporting canvases for Management / Committee / Exco and Board Reporting to significantly reduce Report preparation time and greatly improve reporting content transparency and data reliability.
- 1.4 The Enterprise Risk Management (ERM) system needs to be able to integrate with existing 'supporting' system within the organization.
- 1.5 Statistical information related to KRI monitoring.
- 1.6 The long-term goal is for sefa to reach an overall level of ERM level 5, the solution principles for this particular project should be built with this goal in mind.

FUNCTIONAL REQUIREMENTS

NO	FUNCTION	DESCRIPTION
1.	Cater for different types of frameworks/methodologies	▪ The solution must cater for different types of frameworks/methodologies (E.g. COSO and ISO 31000) from Compliance, Internal Audit/Quality Assurance and Risk perspective.
2.	Risk library	▪ The solution should provide a library for all captured risks. The library must contain the following: ▪ Risk and Controls library to store all risks - Strategic and Departmental - Risk register for ranking all risks. The solution must also cater for sub-risks which will be linked to main risks. - Project risks library to store all project risks. - Project risk register for ranking all project risks. ▪ Opportunities library to store all opportunities. - Opportunities register for ranking all opportunities. ▪ Action manager to keep all actions raised, including open and closed actions. ▪ Library for Key Performance Indicators and Key Risk Indicators for monitoring key risks. ▪ Combined assurance for all risks per line (1st level being Management, 2nd line Risk Management, Compliance and Quality Assurance and the 3rd line being Internal Audit and External Audit). There must be an interface from Internal Audit and Quality Assurance based on the reported results that will automatically feed into Risk Management assurance without having to repopulate the same data; and

NO	FUNCTION	DESCRIPTION
		▪ Risk loss event for providing losses and classifying these losses per department.
3.	Risk Management Process (Risk assessment)	▪ The user should be able to capture risks identified Strategic, operational and project risk management levels, as inherent to the specified business objectives. ▪ The system should enable the user to map the risk as a “shared risk” and associated input data that is relevant to the risks (fields e.g., Strategic/Operational objectives, Risk categories and subcategories, root causes and consequences, impact and probability (inherent risk), controls, impact and probability (residual risk), action plans, completion date, action owner. ▪ The user should be able to capture the following risk information, for risk assessment purposes: ➢ Risk appetite and tolerance levels ➢ Key Risk Indicators (KRI) ➢ Key processes and policies to achieve objectives. ➢ Risk controls / Mitigations ➢ Link policy and procedure documents from a central documents library ➢ Set Control Review Periods ➢ Provide email notifications with navigation direct to controls for user friendly reviews to be completed. ➢ Escalate missed control reviews periods by control owners. ➢ Overall Residual Risk Status and trend (i.e., increased, decreased, remained constant). ▪ The system must be able to prompt action based on interpretation of Risk Appetite and Tolerance levels. ▪ The system must be able to send alerts and escalations based on time reporting timelines and missed actions
4.	Capture and assess controls. (Control activities)	▪ The system should allow the pre-loading of the control types such as policy, standard, operating procedure, guideline etc. Changes to existing controls must be approved / signed off by the Senior Executive and Risk and Compliance Office. ▪ Users must be able to: ➢ Select multiple control types via a drop-down box. ➢ Capture the actual control. ➢ Assign to a control owner via a drop-down box (prepopulated names of users) ➢ Create a link to the specified control document. ▪ For multiple control types selected, the system must enable the link to the relevant Risk Control Self-Assessment (RCSA) questionnaire.

NO	FUNCTION	DESCRIPTION
		▪ The system should auto communicate to all users once a new or updated control document is loaded, for review. ▪ The system should be able to auto save and log all changes by date, time, username, reason for change etc. ▪ The system must provide real-time continuous control tracking and be able to distribute specific tasks to individuals in business units for action. ▪ The system should enable tracking of the review process, by communicating and monitoring the review due date to all users and alert users as and when a task is pending their action. ▪ The system should enable the use of pre- loaded information to select risk categories. ▪ The system should enable the user to compute the Total Cost of Risk (TCoR). The TCoR is made up of the following: ➤ Cost of risk – applicable cost should the risk materialise and ➤ Cost of control – the cost of the mitigating steps taken. ▪ The system must have an inbuilt capability through which the user will be prompted to calculate the residual risk. ▪ The residual risk calculation is based on the determined inherent risk multiplied by the effectiveness of the control scale (insufficient, weak, good and very good). ▪ The system must link residual risk assessment to the preloaded residual risk appetite levels. The system must flag residual risks above the risk appetite threshold.
5.	Respond to risk (Risk treatment)	▪ The system should prompt the user to select the most appropriate risk treatment post the assessment of the effectiveness of the control. The following risk treatment options should be available for selection: ➤ Mitigate. ➤ Accept. ➤ Defer and ➤ Transfer. ▪ The system should be able to send notification to the Risk Office user when the specific risk treatment is selected by the risk owner. ▪ The system should have functionality to assist automated and controlled, supported decision making related to the defined Risk Treatment and Tolerance Framework
6.	Key Risk Indicator (KRI) monitoring	▪ The solution must provide the following capability: ➤ Development and approval of Key Risk Indicators. ➤ Key Risk Indicator assessment and validation. ➤ Key Risk Indicator monitoring. ➤ Key Risk Indicator analysis; and ➤ Key Risk Indicator reporting.

NO	FUNCTION	DESCRIPTION
7.	Loss event monitoring	▪ The solution should provide the capability for monitoring losses, performing root cause analysis, monitoring controls and improvements. ▪ The following capabilities are required: ➢ Identification and recording of loss events. ➢ Investigation of the loss event/root cause analysis. ➢ Identification of additional controls/improved controls. ➢ Monitoring of control implementation. ➢ Loss analysis; and ➢ Reporting of losses. ▪ Capability to classify losses into categories i.e., actual loss, potential loss, near miss, irregular expenditure, fruitless and wasteful expenditure, theft, fraud, health and safety, etc.
8.	Emerging risks monitoring	▪ The solution should provide the capability for monitoring emerging risks and be capable to capture the following: ➢ Emerging risk rating; and ➢ Expected period when the risk will occur.
9.	Risk dashboards	▪ The solution should provide the following dashboards: ➢ Action overview. ➢ Inherent and residual risks overview (Heat maps). ▪ Risk register (both inherent and residual risks and linked to controls). ➢ KRI overview (including KRI analysis). ➢ Loss event overview (including loss event analysis). ➢ Irregular and fruitless and wasteful expenditure overview (Including analysis of expenditure). ➢ Project risks register/overview. ➢ Opportunities overview; and ➢ Emerging risks register.
10.	Be able to categorise risks i.e., risk taxonomy	▪ The solution must cater for Strategic, Market (including Liquidity), Operational (Including regulatory), Credit and Counterparty risks. ▪ Strategic, Underwriting, Market and Credit risks should be categorised further into level 2. While Operational risk will be categorised even further to levels 2 and 3.
11.	Assign and Re-assign risk	▪ Users should be able to assign and re- assign a risk from one individual to another within the same or different departments.
12.	Auto Calculate	▪ The system must automatically calculate the residual risk based on the captured risk probability, risk impact information and control effectiveness ▪ The system should provide the ability to vote on both likelihood and consequence / impact of risks. Voting should be both anonymous and with transparent role identification options. ▪ The system should use scales from the approved ERM Framework as the basis for the calculation of the risks
13.	Update risk information, in line with latest ERM policies and Framework	▪ The user should be able to update the existing risk information to align with a new policy. This should include ability to add or delete information on an ongoing basis. ▪ The system must be able to automatically import risk information from the existing risk registers.

NO	FUNCTION	DESCRIPTION
14.	Search and view risk information	▪ The user should be able to search risk information using information captured to identify risk, such as the risk description, risk type. ▪ The system must be able to display search results according to input provided by the user.
15.	Upload / Download / Generate / Attach document (Risk Control activities)	▪ The system should allow upload, download, generate and attaching of documents, such as the following: ➤ Risk register (Profile) ➤ Risk management and monitoring plan. ➤ Surveys and ➤ Forms. ▪ The user should be able to extract information into a user-friendly platform, such as Microsoft excel and word for easy use and further filtering.
16.	Design Risk Control Self-Assessment (RCSA) questionnaire per control type	▪ The system should enable the design of a RCSA questionnaire which will be linked to each control type. By selecting a control type e.g., Policy, the system should automatically link the related policy questionnaire. ▪ The system should have a field indicating the RCSA status e.g., completed, in progress, not yet due.
17.	Risk Reporting	▪ The system should enable provision of customized categories of risk information, in a form of system generated dashboards and specified reports. ▪ The system should provide parameters which allow risk assessment comparisons across the organisation, for decision making purposes. ▪ The user should be able update on an ongoing basis, the risk and compliance information, such as the risk and compliance status, risk classification, for reporting purposes. ▪ The system must be able to generate multiple reports including but not limited to: ➤ Risks by divisions ➤ Risks by inherent / residual risk ➤ Risks above the residual risk appetite ➤ Risk by risk type ➤ Strategic and operational risk dashboards ➤ Risk by risk treatment (accepted, deferred etc.) ➤ Operational risks linked to strategic risks. ➤ Internal Audit reports with findings and recommendations ➤ Combined Assurance report (control deficiencies and incidences of non- compliance identified by various lines of assurance) ➤ Risk and Performance Dashboard ➤ Key Risk Indicators

TECHNICAL REQUIREMENTS

NO	FUNCTION	DESCRIPTION
1.	Browser Compatibility	The solution must be accessible using a variety of modern web browsers, including internet Explorer, Edge, Chrome.
2.	Platform Compatibility	Users must be able to access the system from anywhere using any appropriate mobile device such as iPad, tablet, mobile phone, etc.
3.	Response times	User-Interface responsiveness should follow industry benchmarks and best practices.
4.	File Upload Capacity	The system must be able to handle big sized documents and files.
5.	Performance	No downtime other than the scheduled downtime. The system should be able to cater for 99% availability during office hours
6.	Role based Audit Trail	The system must keep a record of any changes made, user details, date, and time stamp on critical content screens. Restrict certain functions to authorised personnel only, e.g., certain user group has read-only
7.	Security	Security: Service Provider must demonstrate alignment with ISO 27001 / 27017 & 27018 / ISO 22301 / NIST / CIS. Service Provider should be able to provide Benchmark reports and compliance and maturity reports to alignment to best practice security standards and frameworks. The system must integrate to Active Directory for authentication.
8.	Data Privacy Assurance	Data Privacy Assurance: Service Provider must provide maturity reports relating to compliance to POPIA and other relevant Data Privacy requirements. Service Provider must be able to demonstrate a Data Privacy Management System / Programme in practice within their business functions. System must have the capabilities to encrypt / mask / truncate PII and sensitive data.
9.	Adaptability	The system must be flexible enough to accommodate additional basic functionality through configuration.
10.	Role Based Security	Support for Role Based Access Control - Allows for Active Directory or Azure B2C integration for back-end/admin users. Data protection and security compliance with GDPR & POPI Act.
11.	Help Desk	Service Provider must provide a Help Desk Service. Should provide an in-platform Chat Service for Risk Facilitators / Champions
12.	Data Migration	System should allow to upload the current risk register with ease.
13.	Integration	The solution must be able to integrate with internal and external systems, current and planned.
14.	Cater for different data types	The solution should be able to read and convert files into preferred format for use.
15.	File versions	The solution must keep all file versions (including previous versions).

2. Bid Proposal Format

All bidders must return their proposals categorised and indexed under the following sections:

Section 1: Legislative Requirements

The bidder must supply the required documentation as outlined in this Request for Bid document as outlined in item 2.4.5.

Section 2: Company Profile & References

The bidder must attach a copy of the company's profile, clearly outlining the number of years involved in the implementation of an ERM system.

Reference letters as outline in the evaluation criteria, must be submitted as part of this section.

Section 3: Qualifications, Skills and Experience

- The bidder must complete the table in Section 3, outlining the qualifications and experience of the bidders' team/staff that will be assigned to deliver the service to **sefa**. Should any of these team/staff members be replaced, authorisation must be requested from **sefa**. The proposed replacement must meet the requirements as outlined in this Scope Of Work/TOR.
- A Curriculum Vitae must be attached for each staff member who will be assigned to the project team.

Section 4: Project Implementation Plan

The bidder must submit a detailed project implementation plan that outlines the steps required.

Section 5: Pricing Proposal

Bidder must submit a pricing proposal as outlined in the Bid Proposal Template (Appendix 1).

Section 6: Additional Information

Any additional information pertinent to the proposal can be attached under this Section.

An electronic editable copy of the Bid Proposal Template will be available on the **sefa** website:
<http://www.sefa.org.za/publications/tenders>

Appendix 1

Bid Proposal

COVER PAGE

APPOINTMENT OF THE SERVICE PROVIDER TO INSTALL, SUPPORT AND MAINTAIN AN ENTERPRISE RISK MANAGEMENT SYSTEM FOR SMALL ENTERPRISE FINANCE AGENCY (sefa).

Bid Number	
Company name	
Contact Person	
Telephone Number	
e-mail address	

SECTION 1: LEGISLATIVE REQUIREMENTS

Attach all required documentation behind this section.

SECTION 2: COMPANY PROFILE & REFERENCES

Attached company profile and reference letters behind this section.

SECTION 3: BIDDER TEAM QUALIFICATIONS AND EXPERIENCE

Complete the table below and attach Curriculum Vitaes as part of this section.

Name & Surname of Team/Staff Member	Role in the Team	Qualifications	Years of Experience

SECTION 4: PROJECT IMPLEMENTATION PLAN

Attach required documentation under this section.

SECTION 5: PRICING PROPOSALS

Complete the table below.

Service Description	Pricing
Price <u>exclusive</u> of VAT	
VAT @ 15%	
Total Price (inclusive of VAT)	

SECTION 7: ADDITIONAL INFORMATION

Any additional information that is considered pertinent to the proposal can be attached under this section.