REQUEST FOR PROPOSALS

RFP 002-2024-25
Enquiries: Lebakang Mogale
Tel: 012 315 5280
Email: rfp@gtac.gov.za

RFP 002-2024-25: TRANSACTION ADVISORY SERVICES FOR THE IMPLEMENTATION OF A WASTEWATER TREATMENT PLANT AT LANSERIA

1. You were appointed into a panel of Service Providers following an invitation to submit proposals for the establishment of a PPP panel to be used as and when the need arise. (GTAC 011-2021-2022).

2. You are hereby invited to submit a proposal, in response to the attached Terms of Reference (ToR). The invitation is subject to the following conditions:

   a) The Lead Advisory firm must be in the PPP panel.

   b) Bidders are encouraged to identify potential partners from the approved panel where necessary.

   c) Bidders are required to provide a signed cover letter by the Lead Advisor detailing information as stated on paragraph 9.2.1.1 of the ToR.

   d) The technical proposal must be compiled following the sequence below, each section separated by clearly labelled tabs:

1.	**PROJECT LEAD (from Lead Advisor)**
2.	**FINANCIAL ADVISOR**
2.1	Finance Lead
2.2	Financial Advisory Firm
3.	**LEGAL ADVISOR**
3.1	Legal Lead
3.2	Legal Advisory Firm
4.	**TECHNICAL ADVISOR**
4.1	Technical Lead
4.2	Lead Technical Advisory Firm
5.	**ECONOMIC ADVISOR**
6.	**PROJECT TEAM STRUCTURE**
7.	**QUALITY OF PROJECT COMPREHENSION DEMONSTRATED IN PROPOSALS**

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3. EVALUATION METHODOLOGY

3.1. The table below reflects the evaluation methodology.

Evaluation Stage	Description
Administrative Compliance	Evaluation of documents as cited below. Documents must be completed in full and duly signed where required.
Functionality/Technical Evaluation	Bidders must provide a proposal in response to the technical evaluation criteria cited in the Terms of Reference.
Preferential Procurement Regulations 2022 (Price and Specific Goals)	80/20 Price and specific goals evaluation based on the preferential procurement regulations 2022 – (Refer to the SBD 6.1 and ToR for more detail).

4. SUBMISSION REQUIREMENTS: ADMINISTRATIVE COMPLIANCE EVALUATION

4.1. The following documents must be submitted as listed on paragraph 12(v) of the ToR:

a) SBD 1: Invitation to bid.
b) SBD 2: Tax Clearance Certificate requirements / proof of CSD registration (CSD report/MAAA number).
c) SBD 4: Bidder's disclosure.
d) SBD 6.1: Preference points claim form in terms of the Preferential Procurement Regulations 2022.
e) SBD 3.3: Pricing Schedule- Annexure C, separate from the technical proposal).
f) Duly signed partnership agreement clearly stating the roles in a case of a partnership formed for this bid (i.e., consortium or joint venture).
g) Bidders in a consortium/joint venture/sub-contracting must submit a registration report/number from the Central Supplier Database (CSD) for all parties with this bid.

NB: Refer to paragraph 12(vi) of the ToR for Mandatory requirements.

5. SUBMISSION REQUIREMENTS: TECHNICAL EVALUATION

5.1. Bidders must provide a proposal in response to the technical evaluation criteria cited in the Terms of Reference. The proposal must include all items listed on paragraph 9.2 of the ToR.

5.2. Bidders are required to meet the minimum technical threshold to progress to price and specific goals evaluation. Bidders should provide price schedule based on the scope of work as highlighted in the Terms of Reference (Use the provided pricing schedule SBD 3.3).

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6. PRICE AND SPECIFIC GOALS EVALUATION BASED ON THE PREFERENTIAL PROCRUMENT REGULATIONS 2022 (REFER TO THE SBD 6.1 FOR MORE DETAIL)

6.1. SUBMISSION REQUIREMENT: 80/20 PREFERENCE PROCUREMENT EVALUATION

- SBD 3.3: Pricing Schedule- Annexure C, separate from the technical proposal). ***Mandatory requirement.***
- Annexure D (Specific goals template). ***Required to support the preferential points claimed on SBD 6.1***

a. In terms of regulation 5 of the Preferential Procurement Regulations (PPR 2022), responsive bids will be adjudicated based on the 80/20-preference principle:

- The bidded price (maximum 80 points)
- Specific goals (maximum 20 points) as specified in the ToR.

7. GENERAL CONDITIONS

7.1. The following conditions will apply:

a. The price proposal must be provided on the SBD 3.3. provided.
b. Price(s) quoted must be valid for at least ninety (90) days from the RFP closing date.
c. Price(s) must be inclusive of all applicable taxes (if no indication is given, quoted prices will be evaluated as all inclusive).
d. Late submissions will not be accepted.
e. Only bidders that have met the technical evaluation threshold will be considered for price and Specific goals evaluation.
f. In case where a bidder's tax matters are non-compliant a bidder will be given seven (7) working days to remedy the tax matters. Failure to remedy this will invalidate the bid.

8. SUBMISSION DETAILS AND CLARIFICATION

A ***non-compulsory briefing session*** will be held virtually via Microsoft (MS) Teams on Tuesday 07 May 2024 at 10:00. Please see the link below:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZjljNGU4ZWUtMTcwMy00MTViLWJhZDctOWFmZTE5OTMxNWJm%40thread.v2/0?context=%7b%22Tid%22%3a%221a45348f-02b4-4f9a-a7a8-7786f6dd3245%22%2c%22Oid%22%3a%226e14a0c5-ea12-45bc-a2b4-21503c4d8e81%22%7d

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Submissions must be submitted in the **GTAC Tender box.**
National Treasury Building, 240 Madiba Street
Pretoria
Ground floor, Reception Area.

NB: Do not submit at the Tender Information Centre (TIC)

Submissions received after the closing date and time will not be accepted.

Closing Date: Friday, 17 May 2024 at 11:00am.

GTAC will evaluate submissions in accordance with the evaluation methodology cited above but is neither legally bound nor obligated to accept quoted rates and further reserves the right to negotiate professional rates on any quotation before the award of this RFP.

Any clarification regarding this Request for Proposals must be addressed to the: rfp@gtac.gov.za
Requests for clarification must be sent before Thursday, **09 May 2024.**

Yours sincerely

Thando Nyoka
Professional Services Procurement
Date: 25/04/2024

TERMS OF REFERENCE

TRANSACTION ADVISORY SERVICES FOR THE IMPLEMENTATION OF A WASTEWATER TREATMENT PLANT AT LANSERIA.

Reference	M211
Client Name	Johannesburg Water
Contracting Authority	Government Technical Advisory Centre (GTAC), National Treasury
Accountable Manager	Transaction Advisory Services & PPP Unit
Purpose	Procurement of Transaction Advisory Services to conduct a Feasibility Study and Procurement of a Private Party for the implementation of a Wastewater Treatment Plant at Lanseria.

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1. INTRODUCTION

Johannesburg Water is an entity of the City of Johannesburg Metro (COJ). Johannesburg Water has requested GTAC support in the procurement and management of professional service providers for the planning and implementation of the Wastewater Treatment Plant at Lanseria.

Johannesburg Water has requested GTAC for support in conducting a comprehensive feasibility study in order to guide the decision making and develop the most appropriate approach to this project as well as the Procurement of the Private Party for the implementation. In doing so, Johannesburg Water has thus requested GTAC to facilitate by procuring and managing a team of professional service providers to conduct a Feasibility Study and possibly provide the necessary technical support in the Procurement of a new Wastewater Treatment Plant at Lanseria Project. A team of professional service providers would bring about the skills and experience in evaluating the options from a technical, legal and financial context. Consideration for the professional service providers shall involve an integration of the engineering, financial, legislative, procurement and contractual aspects for project implementation within the South African context, encompassing the relevant local, provincial and national regulations as well as international good practice.

GTAC on behalf of The City of Johannesburg (the "City") and Johannesburg Water (JOHANNESBURG WATER) invites bids from a team of professionals for Transaction Advisory services to advise on the financing, design and construction, operation, and maintenance of the envisaged Lanseria wastewater treatment facility. Consideration will only be given to bidders with demonstrated professional knowledge and experience in the following areas:

- The municipal PPP framework and procurement in line with National Treasury guidelines.
- Transaction Advisory services
- Infrastructure project finance
- Wastewater treatment and reuse - technical and feasibility studies
- Economic and financial analysis, inclusive of financial structuring and modelling. This will require experience in preparing reports and financial models to a standard acceptable to national and international financing institutions.
- Applicable legal – contract structuring and drafting thereof.
- Stakeholder engagement and communications
- Environmental and regulatory requirements.

A Spatial Economic Development Framework (SEDF) has been developed around Lanseria International Airport. The framework is based on developing the Lanseria area into an Aerotropolis and Aero-zone, with Lanseria Airport as the catalyst. The vision is to develop a “Lanseria Airport City”. The City has incorporated the Lanseria Airport City as part of its urban development boundary. The area has the potential for major residential and commercial developments. Urban development in this area is currently being stifled due to the lack of bulk infrastructure. In particular, the sewage generated in the catchment area is currently being pumped to the Northern WWTW, which is proving to be costly and inefficient.

The implementation of the Lanseria WWTW together with water infrastructure will assist in alleviating some of these challenges. The Gauteng City Region Integrated Infrastructure Master Plan indicates that the sanitation scheme in the Lanseria Airport Node is an apex project that is required to unlock large-scale development. The rapid development in the Lanseria Airport Node necessitates a new WWTW to cater for the increased wastewater flows.

JOHANNESBURG WATER undertook a pre-feasibility study of the project in 2009. The study was concluded in 2013 and identified a greenfield site, located immediately adjacent to Northern Farms in Lanseria, as feasible for the construction of three (3) 50 megaliters per day (Mℓ/d) modules of an activated sludge WWTW. The planning and concept design phases of the project also addressed the layout and design of the ultimate works capacity of 150 Mℓ/d, which is planned to be implemented over three phases. The timing of the implementation of the subsequent modules will depend on the pace and nature of development in the contributing catchments. The objective of the project is to develop, finance, design, construct, operate, and maintain the first 50 Mℓ/d module of the new WWTW along with the associated bulk services and the outfall sewer through the most appropriate delivery mechanism. Additional phases will be incorporated in the procurement, but the timing of implementation will be determined by future demand.

Johannesburg Water has completed some preliminary work - based on the original assumption that they would execute this project themselves. This includes:

a) Initial planning, concept, and headline feasibility
b) Preliminary and detailed design
c) Environmental impact assessment; water use licence
d) Land identification for biodiversity offset purposes, the WWTW footprint on Northern Farms, and servitudes for the outfall sewer.

No procurement has commenced.

2. BACKGROUND AND PROJECT DEFINITION

The planning and concept design phases of the project address the layout and design of the ultimate works capacity of 150 Mℓ/d. The project includes the provision of bulk services to the WWTW (main access road, potable water, and electricity). The bulk outfall sewer will convey by gravity sewage generated in the northern catchments of the City to the new WWTW. The bulk outfall sewer construction means the existing pump stations that pump sewage to the Northern WWTW will be decommissioned.

The new Lanseria WWTW will incorporate the Western Klein Jukskei basin, which drains into the Lanseria basin. In future, the Diepsloot West drainage basin will also be included. The inclusion of these basins in the Lanseria basin will result in sewage from these basins draining under gravity to the Lanseria WWTW. The existing Zandspruit Sewer Pump Station (on the Western Klein Jukskei) will be immediately decommissioned once the new outfall is in place. Later the Diepsloot (Steyn City) and Lion Park sewer pump stations, and the Lanseria Airport sewer package plant will be decommissioned. The new outfall sewer will start at the existing Zandspruit pump station and will drain in a northerly direction to the new Lanseria WWTW. The current flow to Zandspruit sewer pump station is *33Mℓ/day*, although this will need verification.

The project cost for Phase 1, which excludes the additional modules, is (from 2022 calculations) estimated at R3.4 billion. Phase 1 of the project is divided into two stages - Stage 1A (enabling works and bulk earth works) and Stage 1B (WWTW structures and buildings and bulk outfall sewer). The two stages may be implemented concurrently. The contracting structure will be determined by whomever executes the project.

The project is expected to service a diverse customer base including residential, industrial, and commercial. The project will therefore generate revenues based on a user pay principle.

3. OBJECTIVE

It is anticipated that the project will be financed from a mix of sources including equity, commercial and DFI loan funding, and government grants.

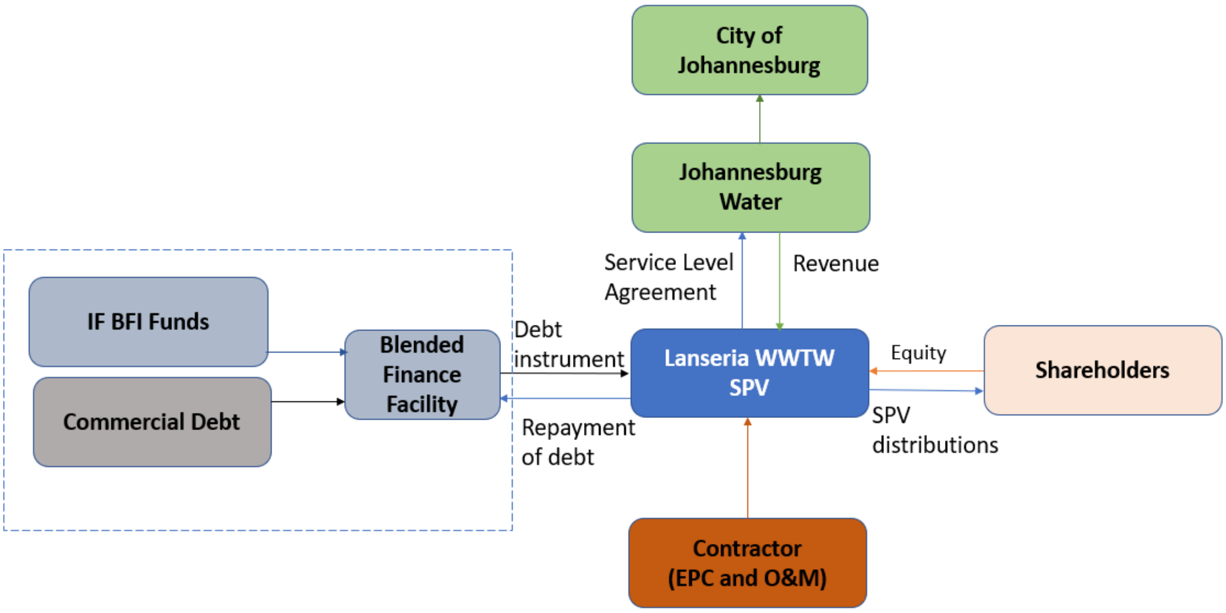
Table 1 is an illustration of a potential blended finance mix.

Table 1: Illustrative funding of the Lanseria WWTW

Sources of funds	Percentage (%)	R million
Equity	20%	676
Fiscal grants	30%	1013
Commercial and DFI	50%	1 720
Total	**100%**	**3409**

The CITY and JOHANNESBURG WATER have worked together with the Infrastructure Fund (IF), a ring-fenced division of the DBSA in the proposed financial structuring of the project. An illustrative transaction structure is depicted below.

Figure 1: Illustrative Transaction Structure



It should be noted that historically in South Africa WWTW have been funded through the fiscus. Financing these types of projects completely off-balance sheet will require a shift in approach from both the government as well as the private funding market.

4. PROJECT GOVERNANCE STRUCTURE

- Oversight will be provided by the Project Steering Committee (PSC) consisting of the JOHANNESBURG WATER, GTAC, COJ and any other relevant and necessary stakeholders.
- The Transaction Advisor will be procured via GTAC and will report to JOHANNESBURG WATER via the PSC.
- The GTAC Senior Project Advisor and JOHANNESBURG WATER Project Officer will be jointly responsible for the overall co-ordination and management of the TA.
- The TA will report to the PSC and will perform the secretariat functions.

5. SCOPE OF WORK

Stage 1: Feasibility Study

The feasibility study will consist of two stages. In Phase 1A, the TA takes the City through the needs analysis, the technical options analysis, and the service delivery options analysis. In Phase 1B the TA will conduct a due diligence, a value assessment for service provision by a recommended delivery method, and the procurement plan.

Stage 2: Procurement

The TA will provide the necessary technical, legal, and financial TA support for the procurement of a public private partnership of an alternative contractual arrangement.

Should the City decide to procure these projects through a PPP, the TA will provide support during the procurement process as detailed in the Municipal PPP guidelines, including preparing all documents required for TVRs I, IIA, llB, and lll.

The work of the TA may be terminated at the end of any stage without any additional remuneration other than that priced for that stage. Bidders need to ensure that the price quoted for each stage is adequate for the work to be taken in that stage.

The total contract duration is 48 months from the acceptance of the letter of award by the preferred bidder to financial close. The bidder will have to submit an estimated timeline showing how the project will be completed within this timeline. Variations for circumstances beyond the control of the TA will be permitted.

5.1 STAGE 1: FEASIBILITY STUDY

These background questions and the issues mentioned below must be borne in mind and addressed in the appropriate stages of the feasibility study.

a. A thorough study on future projected volumetric growth in demand over the next 25 years will be necessary for the model - using town planning and urban growth projections, as well as Joburg Water data.
b. This demand projection must inform the recommended determination of the initial sizing and scheduling of the phases of the project expansion. Is an initial capacity of 50Ml/day appropriate? If not, what is recommended? What is the appropriate scheduling and sizing for further modules?
c. The model will have to contain an informed operating cost scenario for the WWTW over 25 years.

d. The technical analysis must include costing and revenue from reuse – these being potable/industrial water from the liquid stream and energy and compost from the solid stream. It should also decide as to the appropriate timing of the commissioning of the liquid stream options.
e. The revenue assumptions for the model must include an assessment of the tariff structure of JOHANNESBURG WATER and how it will be applied to the potential customer base of the WWTW. Any suggested changes must be modelled. The assumptions behind the modelling of revenue sources must be explicit.
f. The model will have to accommodate scenarios of affordability on the end users, financial impact on the City, and financial viability of the project.
g. The land acquisition requirements and a timeline to effect same.

The feasibility study itself, is to be conducted in compliance with National Treasury's Municipal PPP manual, available on www.gtac.gov.za[1] or from the PPP Unit.

Furthermore, the TA will be required to attend meetings as and when required and to make various presentations to the relevant governance structure(s).

The following are the tasks and activities associated with the feasibility study and procurement deliverables:

This task category serves to ensure that the City and the TA fully understand how the assignment will proceed. This will involve development of a detailed Project Inception Plan that will document the organization, scope, financial commitment, schedule and responsibility for all tasks to be accomplished within the assignment. This initial document will also serve as a management tool for allowing all involved parties to follow the progress of the TA's efforts.

Activity 1.1 – Prepare and submit Inception Plan - Within two weeks of signing the contract for the work, the TA shall submit and present to the City a detailed Inception Plan and Schedule. This plan and schedule shall present sufficient and detailed information concerning the TA's approach to accomplishing the assignment to allow effective planning and scheduling of all activities required to support the TA's efforts.

Activity 1.2 – Kick-Off Meeting and Project Steering Meetings – The TA must expect to attend Project Steering Committees which will be chaired by the Project Officer from the City, as well as ad hoc meetings as necessary. The purpose of the PSC meetings is to report on the progress of the project and to reach any decisions required with the City. Action-based meeting minutes must be distributed at least two weeks before the next PSC meeting.

Activity 1.3 – Prepare and submit Progress Reports – The TA shall prepare and submit progress reports for each quarter during the feasibility and procurement stages of this contract. Each progress report shall be delivered within 20 days of the end of each quarter. The report shall include 1) actual progress of the Project, 2) actual expenditure during the preceding quarter and 3) any other information that may be reasonably requested from the TA.

a. NEEDS ANALYSIS

Through this task category, the TA will be required to produce a comprehensive needs analysis that defines the proposed project and demonstrates that the project aligns with the City's strategic objectives and capacity. The deliverables are set out in this TOR and will be accomplished through the following activities:

- **Demonstrate that the project aligns with the City's strategic objectives** – Summarise the City's mission and vision statements, its strategic objectives and government policy that determines what the City's deliverables are. Particular attention must be given to the City's obligations as a WSA and WSP to provide water services at the required level of assurance and tariff structure to its residents.

- **Identify and analyse the available City/JOHANNESBURG WATER budget** – At a high level analyse the budget available (now and in the future) to the City/JOHANNESBURG WATER to embark on this project. Comment as to whether this project can be delivered through the normal budgetary process. Furthermore, comment on the tariffs and potential revenue (to the City) generated by the potential PPP project.

- **Demonstrate the City's commitment and capacity** – Summarise that the City can process, evaluate, negotiate, implement and manage the potential PPP project.

- **Specify the project outputs** – Once the City's objectives and budget have been identified, the outputs of the project need to be specified together with its commitment and capacity.

- **Define the project** – Provide a brief definition of the broader sanitation requirements of the City and how this project fits into these. Summarise the scope of the project.

b. **TECHNICAL OPTIONS ANALYSIS**

No experimental technologies can be considered. The technology options must be globally proven and capable of meeting all the relevant standards.

Through this task category, the TA will evaluate leading wastewater and reuse technology options aligned with the specified project outputs and define the economic and technical risks associated with these.

List **all the technical solution options for the project** – Provide a list of viable technical options to meet the specified project outputs.

Evaluate the option chosen by JOHANNESBURG WATER and select the best technical option for the City. The TA will evaluate whether the option chosen by JOHANNESBURG WATER is the recommended technical option. Are there alternative technologies to this? If so, develop a matrix to compare risks, performance, and life cycle costs. This refers to the primary wastewater treatment technology, not just the addition of reuse. The TA must also confirm or otherwise JOHANNESBURG WATER's decision on site selection, given other mooted regional options. The TA must assess at a high level the JOHANNESBURG WATER preliminary design for their selected best technical option. If the TA considers an alternative technology should be considered, then they must develop a high-level design and costing for this.

The TA must recommend a preferred technical option.

Assess at a high-level the projected project cost – The TA must conduct a benchmarking exercise, both locally and internationally, to arrive at a high-level assessment of the project cost. This must be used to adjust the current cost estimates by JOHANNESBURG WATER for the purpose of the options analysis as outlined below. These costs must include ancillary services and the costs of the predicted modular expansions.

Distribution of reuse potable or industrial water – At a high level the TA must consider water distribution options from reuse. Are viable and practical options available – for either potable or industrial uses - and what would the cost implications be?

c. SERVICE DELIVERY OPTIONS ANALYSIS

Through this task category, the TA will evaluate and recommend a preferred service delivery option as required under section 78 of the Municipal Systems Act. The deliverables are set out in this TOR and will be accomplished through the following activities:

List all service delivery options – The TA must list all the viable project delivery options for providing the specified project outputs.

Evaluate each delivery option – The TA must evaluate all the listed project delivery options by identifying direct/indirect costs, financial impacts on the City, risks, and socioeconomic impacts.

Select the best delivery option – The TA must recommend the best project delivery option (and will conduct an in-depth value assessment in the next project stage).

d. SERVICE DELIVERY MECHANISM SUMMARY AND INTERIM RECOMMENDATIONS

Through this task, the TA will summarise in a brief and concise report the evaluations and findings of Stage 1A of the Feasibility Study. The report must be submitted to the City for a service delivery option decision in terms of section 78(2) of the Municipal Systems Act (MSA). If the City decides to consider an external service delivery option, the Feasibility Study continues in Stage 1B in terms of section 78(3) of the MSA, section 120 of the MFMA and the Municipal PPP regulations.

Furthermore, the TA shall assist the City in notifying both local community and organised labour of its intentions, conduct meetings with each, solicit their views and take these views into account in the next project stage.

If an alternative (to a PPP) contractual arrangement such as a long-term lease arrangement is decided on, the TA must support the City in procuring a contractor.

e. PROJECT DUE DILIGENCE AND ENVIRONMENTAL AUTHORISATIONS

Through this task category, the TA will analyse any issues in the preferred technical solution and service delivery option that may significantly affect the proposed project. The deliverables will be accomplished through the following activities:

Legal Due Diligence – The TA must conduct a comprehensive legal due diligence of the preferred project delivery option and ensure all foreseeable legal requirements are met for the development of the project. These include:

- Tax, environmental, labour
- Contractual commitments within the framework of the proposed contract structure
- Risk allocations

Site Establishment Due Diligence – The City has selected a site on the Northern Farms for the project. The TA shall identify, compile, and verify all related approvals required to use this site for the specified project outputs. Note that the City owns this land.

EIA, WULA and other permitting/authorisations required – As far as necessary (considering what JOHANNESBURG WATER has already obtained) the TA is required to complete and acquire the EIA, WULA and other necessary permits/authorisations as part of this contract. The TA must take cognisance of all unforeseen circumstances in these processes and ensure that they are catered for in the overall timeline of the project.

B-BBEE and other socioeconomic factors – The TA shall identify sectoral B-BBEE conditions, black enterprise strength in this sector, the City supply chain requirements in terms of the PPPFA, and any factors relevant to the achievement of the City's intended B-BBEE outputs.

f. VALUE ASSESSMENT

The TA shall conduct a full value assessment to enable the City to determine which procurement option is best for the City as prescribed in section 78 of the MSA, section 120 of the MFMA and the Municipal PPP regulations.

Develop a project financial model.

The objective of such a financial model will be to:

a. Provide a robust and flexible tool to inform sound decision making.
b. Assess the commercial viability of the project. This will involve examining and

modelling all the assumptions behind the revenue sources and growth in treated volumes over time.

c. Quantify the future cashflow requirement of the project to inform the level of borrowing(s) required over the life of the project.
d. Derive model outputs such as NPV, IRR, MIRR, Payback Period, PI Ration, Unitary payment/tariff, debt service cashflows, revenue profile, opex profile, various relevant graphs, i.e., debt curves, etc.
e. Summarise key financial ratios on a dashboard, i.e., gearing ratios, DSCR, LLCR, etc.
f. Establish potential sources of funding and allow for scenario testing in varying combinations.
g. Run sensitivity analysis and establish the impact on main outputs from a change/movement (up and down) in variables such as CPI, interest rate, volume, demand, capex etc.
h. Document the financial modelling process, input assumptions and the use thereof for quality assurance and control measures.
i. Assist with ad-hoc requests requiring financial modelling work and analysis, as well as responding to various stakeholder(s) queries on the model and its outputs during the structuring of the project and various stages of the project agreement negotiations.

It is expected that the financial model may be shared with relevant parties (investors and/or financiers and/or consortiums) and/or audited by the lender's advisors.

Using this model as a guide:

a) Develop a high-level business case on the optimum commercial structure for implementing a project of this nature.
b) Conduct an options analysis to determine the appropriate procurement model by building a public sector comparator.
c) Advise on the bankability of these options.
d) Highlight the impact of such financial structuring on the contingent liabilities of the City and South African government - if any.

Make recommendations as to the appropriate way forward.

g. COST BENEFIT ANALYSIS AND BFI APPLICATION

The project team must include a/an economist/s who has the capability to develop a Cost Benefit Analysis (CBA) to comply with the requirements of the National Treasury. The economist/s are required to build an economic model considering all the economic costs and benefits of the Project. This analysis will be an essential input into the preparation of an application to the **Budget Facility for Infrastructure (BFI) at the National Treasury**. This application, which the TA must prepare, will be made if necessary with a view to closing the viability gap for the project. The objective(s) of such economic model are to:

- Justify fiscal support through a credible analysis of social and economic costs and benefits of the Project;
- Provide information that enables the assessment of welfare changes due to the Project and estimation of the Project's impact on all segments of the society as measured by the calculation of economic performance indicators such as the Economic Net Present Value (ENPV), Economic Internal Rate of Return (EIRR) and Cost Effective Ratio (CER);
- Provide a scientific method of demonstrating economic cost and benefits of the Project through a CBA to assess their economic viability across a range of options considered;
- Demonstrate the distributional impact(s) in relation to the accrual of gains or losses to different groups from the implementation of the Project. A project may have differing impacts according to age, gender, ethnic group, health, skill, or location.

In carrying out the scope of work specified above, the economist/s are also required to incorporate the following:

- Assumptions: Detail the assumptions used in the CBA and the method used to quantify the impacts of each option considered.
- Base case: The submission needs to establish a base case, under which no intervention is implemented to address identified challenges. This is a do-nothing scenario. Monetizing costs and benefits: The report needs to show the method used to monetize the costs and benefits. A CBA does not use financial prices, but economic prices to value impacts.
- Social discount rate (SDR): Given that the impact of an intervention occurs over the lifetime of the intervention, the costs and benefits of each option must be discounted using a selected SDR to bring future values into their present-day equivalent, to allow for comparison.
- Determination of the net impact: The report must sum all the economic benefits and separately, all the net economic costs. Thereafter, the economic costs must be

subtracted from the economic benefits, to determine the net benefits (positive or negative) of each option.

- Decision criteria: Each option must show the economic net present value ENPV, ERR and BCR. These are used to compare options to each other.

Please refer to **Annexure X** Guidelines of the National Treasury's Budget Facility for Infrastructure Process for more detail.

h. PROCUREMENT STRATEGY AND PLAN

The TA shall draft and submit a procurement plan, which demonstrates that the City has the necessary capacity and budget to undertake the procurement of the external options. The procurement plan must include all activities including all the necessary Council and National Treasury approvals.

A brief overview of the Procurement Strategy based on the chosen Implementation Option, detailing the roles of different counterparts; should be provided. This should include a recommended procurement process to be followed i.e. :

- Whether a one-stage procurement process or a two-stage procurement process, is suitable; depending on the market analysis/relevant industry assessment.
- A brief narrative on this should be given on the consideration of the chosen process over the one discarded (if any).
- Identify competencies and resources required
- Recommend a procurement system or technology required.
- This should be followed by a Procurement Plan/Process flow with indicative timelines.
- Recommend appropriate contract suites for implementation
- Identification of contractual risks
- Recommend Special Conditions for inclusion into the contract

i. PREPARED AND SUBMIT THE FEASIBILITY STUDY TO THE CITY

The TA shall prepare the Feasibility Study for public comment, solicit National Treasury for their views and recommendations (TVR I), and prepare and submit the final Feasibility Study to the City's Council. This will be accomplished through the following activities:

Prepare the feasibility study report for comment – The TA shall meet and present the feasibility study to the Accounting Officer for comment.

Prepare the feasibility study report for public comment – The TA shall notify, be prepared to meet, and present the feasibility study and solicit comments from the local community - as required by section 120 (6) of the MFMA and the Municipal PPP Regulations. This notice must be issued 60 days before the Council Meeting (to be determined and agreed upon at the Project Steering Meetings).

Solicit Views and Recommendations from National Treasury – The TA shall submit the feasibility study to National Treasury and solicit their views and recommendations – **TVR I**

Report on received comments, views and recommendations – The TA shall draft and submit a report on the received comments, views and recommendations.

Submission of the Feasibility Study Report – The TA shall present and submit the final Feasibility Study Report to the City.

5.2 STAGE 2 - PROCUREMENT

If, based on the feasibility study, an external procurement or a PPP solution is decided on, the TA will be required to provide the necessary technical, legal, and financial assistance for a Public Private Partnership.

This must comply with the National Treasury's Municipal PPP Manual, any applicable elements of the City's supply chain management policy and these terms of reference.

If an alternative contractual arrangement such as a long-term lease agreement is decided on, similar TA support for the procurement will be required, in accordance with the MFMA and other relevant legislation.

The procurement deliverables are set out in Chapter 5 of National Treasury's Municipal PPP Module and will be achieved with the following activities.

The TA must prepare a complete set of procurement documents that comply with all applicable public sector procurement law, policies, and guidelines, and that are in accordance with the required tendering processes of the City. The documentation must be consistent with the results of the feasibility study and enable the City to obtain National Treasury views and recommendations. The TA must also give the City all the necessary drafting, bidder communication and administrative support necessary for the entire procurement process to the highest standards of efficiency, quality, and integrity. To achieve this result, the TA must, at a minimum:

- Set up a bid evaluation system and criteria.
- Design a suitable bid process that will ensure comparable qualified bids in line with the City's SCM policy and National Treasury's PPP guidelines.
- Devise an effective system for communicating with bidders; inspire market confidence in the project; and incorporate all bid requirements; and
- Develop a payment mechanism that captures the elements of risk mitigation and previous activities contained within these Terms of Reference.

Develop Contractor Prequalification Process (RFQ) - The TA must design and administer a pre-qualification (Request for Qualification (RFQ) process with the intention of:

- Ensuring that the City's exact interest is communicated clearly to potential contractors.
- Determining the extent and nature of interest on the part of qualified private sector contractors; and
- Pre-qualifying a competitive number of competent contractors in an equitable and transparent way with the desired result that every pre-qualified bidder is capable of providing the systems and services required by the City.

To accomplish this, the TA must:

- Prepare all necessary RFQ documentation, including advertising materials.
- Set up and administer the process by which the City can prequalify prospective contractors; and
- Help the City evaluate and qualify potential contractors based on preselected qualifications criteria.

Develop Request for Proposals (RFP) - The TA must prepare an RFP document in accordance with best industry practice and National Treasury's guidelines, consistent with the results of the feasibility study and the other activities associated with these Terms of Reference. The RFP must, at a minimum, establish the following:

- The required Project output specifications of the City
- Structural requirements for compliant bids
- A risk profile as established in the feasibility study and other tasks associated with these Terms of Reference
- The payment mechanism
- BEE targets, if applicable

- Specific steps associated with the bid process.
- Evaluation criteria for selecting a preferred bidder; and
- Bidder communication processes.

Develop Draft PPP agreement - The TA must prepare a draft PPP agreement based on National Treasury's Standardized PPP Provisions. Close liaison with the PPP unit of the National Treasury is required during the drafting of this document.

Develop Documentation for National Treasury Views and Recommendations - The TA must compile all the documentation necessary for the City to seek and obtain National Treasury approval **(TVR IIA)** in terms of Treasury Regulation 16 to the PFMA to enable the procurement process to begin.

Support Administration of the Bidding Process - The TA will provide all necessary administrative support to the City for the efficient and professional management of the tender process. This includes managing and facilitating the structured engagement between the City and bidders, helping the City communicate effectively with bidders, receiving bids, and developing a Value for Money analysis of proposals received. Value for money must be demonstrated by comparing the NPV of the bids received with the NPV of the Public Sector Comparator (PSC) with a suitable adjustment for assumed risk. The results of the bidding and evaluation of bids must be presented in a single value assessment report that demonstrates clearly how value for money will be achieved with the preferred bidder.

Prepare the necessary documentation to obtain **TVR IIB** from the National Treasury.

Support PPP or Contractor Agreement Negotiations and Finalization After selection and approval of the successful bidder by the City decision-makers, negotiations will be entered into if required. To assist in this activity, the TA will:

- Assist the City in final negotiations with the preferred bidder and any off-take partners. This will involve preparing suitable negotiations terms, categorizing issues appropriately, developing timelines for completion, and planning negotiation tactics and processes for reaching agreement.

- Update/Amend the agreement, if applicable, to reflect negotiated terms.

The TA must ensure that all agreements reached during the negotiations are incorporated into the financial, commercial, and legal documentation, and must assist with drafting the necessary and related correspondence and other documents.

Develop a Comprehensive PPP Management and Monitoring Plan, and TVR III. The TA will, in close coordination with the City, draft a comprehensive PPP management and monitoring plan. At a minimum, this will define all procedures required for monitoring the performance of the PPP agreement during the full-term of the Project. The PPP management plan will be in accordance with the provisions of the PPP agreement and follow the guidance provided in the National Treasury's PPP Manual.

The final terms of the agreements, as negotiated with the preferred bidder, must be submitted by the City for Treasury Views and Recommendations – **TVR III.** The TA is responsible for compiling the necessary submissions for the City to obtain this approval.

SIGNATURE, CLOSE-OUT REPORT, CASE STUDY AND FINANCIAL CLOSE

The TA must help with all the functions related to signing the final agreement. Including obtaining the approval of Council required by MFMA Section 33 for contracts of a prescribed term. The TA must ensure that a comprehensive legal due diligence of the Accounting Officer has been completed. This will relate to legal compliance, competence, and capacity to enter into the PPP agreement.

The TA shall prepare and provide a comprehensive close out report and case study. These must follow the formats prescribed in Module 5 of the National Treasury's Municipal PPP Manual and must incorporate any additional factors that may be required by the City.

The close-out report will be a confidential document of the City and will also be logged with the National Treasury. The case study will become a public document, made available on various government websites.

Financial closure signifies that all the procurement deliverables have been successfully completed, and that the TA's work is finished.

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Each stream of the TA team is expected to provide proof of substantial knowledge, expertise and experience in the following fields and an understanding of the aim of the JOHANNESBURG WATER with these Terms of Reference as follows :

Table 1: Streams of the Transaction Advisory Team

Financial	Technical & Industry specific	Legal	Economic Analysis
• Financial analysis, project structuring and modelling; PPP Project Structuring and procurement; • Limited recourse project finance and the structuring of transactions; • Skills and experience in packaging large scale commercial projects; • Drafting of procurement documentation and understanding of PPP concession agreements • Sourcing funding for WWTW/ Blended financing mechanisms • Preparation of funding applications for viability gap where necessary on behalf of the JOHANNESBURG WATER. • Socio economic impact assessments • Investment analysis	• Experience in wastewater infrastructure planning and implementation • Civil and/or Water Engineering, design and construction of water treatment plants, understanding of water treatment technology • Environmental impact assessments • Infrastructure, technology and design, application in the management of water networks • Water networks and soft facilities management; • Infrastructure planning and management including human resource planning; • Bulk and reticulation infrastructure planning, assessment, specification and costing development covering, water, electricity, mechanical installations etc. • Maintenance and operational planning, assessment, specification and costing development, and all associated installations and equipment • Facilities Planning and Management	• Treasury Regulations • Water related laws and regulations • Drafting Procurement documentation, PPP agreement and Schedules • Review of Project Finance documents • PPP procurement and structuring; • Skills and experience in packaging water and other economic infrastructure projects; • Legal / regulatory applications and licensing	• Economic analysis using Social Accounting Matrix, Cost Benefit Analysis (CBA) /or Cost Effectiveness Analysis (CEA); • Provision of a scientific method of demonstrating economic costs and benefits of the project through CBA and/or CEA to assess their socio-economic viability; • Calculation of economic performance indicators such as the ENPV, ERR and CER; • Economic impact of the project against a “do nothing” scenario; • Review of projects’ delivery options and conducting a CBA and or/ CEA for the preferred option; • Comparison of benefits with costs using the social discount rate (SDR); • Demonstration of distributional impact(s) of the project.

6. PRESENTATION OF DELIVERABLES

The TA is required to produce the feasibility study report in the format indicated below.

a. Components of the feasibility study

In line with National Treasury's Municipal Service Delivery and PPP Guidelines, Module 4: PPP Feasibility Study, the feasibility study must include the following:

Introduction.

- Submission requirements.
- Covering letter from the accounting officer requesting TVR I, where applicable.
- Executive summary.
- Introduction.
- Project background.
- Approach and methodology to the feasibility study and the MFMA requisites,

1. Section 1

Submission requirements: Needs analysis.

- City's strategic objectives.
- Budget.
- Institutional analysis.
- Output specifications.
- Scope of the project.

2. Section 2

Submission requirements: Technical solution options analysis.

- Technical options considered.
- Evaluation and assessment of each technical option.
- Summary of evaluation and assessment of all technical options considered.
- Recommendation of a preferred technical option.

3. Section 3

Submission requirements: Service delivery options analysis.

- Delivery options considered.
- Evaluation and assessment of each delivery option.
- Summary of evaluation and assessment of all delivery options considered.
- Recommendation of a preferred delivery option(s).

4. Section 4

Submission requirements: Project due diligence.

- Legal aspects.
- User rights.
- Regulatory matters.
- Site enablement.
- Socio-economic and BEE.
- Accuracy of measurements and recordings in feasibility study.
- Items such as:

5. Section 5

Submission requirements: Value assessment.

- Undertake an 'internal assessment' (costs of alternative technologies, avoided costs).
- Technical definition of project.
- Discussion on costs (direct and indirect) and assumptions made in producing cost estimates.
- Detailed financial matrix based on technical options and risk assessment per option inclusive of operations and maintenance.
- Detailed model on water supply and consumption based on technology types.
- Discussion on revenue and assumptions made on revenue estimates plus value added benefits.
- Financial matrix of revenue streams.
- Financial and economic valuation of life-cycle costs and benefits of alternative technical options.
- Detailed Socio-Economic benefit of the PPP/Cost benefit analysis for purposes of application to National Treasury Budget Facility for Infrastructure (BFI) funding.
- BEE targets.
- Financial model for equity partnerships.
- Discussion on proposed PPP type.
- Proposed PPP project structure and sources of funding.
- Payment mechanism (including incentives for any revenue streams).
- Discussion on all model assumptions made in the construction of the model, including inflation rate, discount rate, depreciation, tax and VAT.
- Risk assessment.
- Comprehensive risk matrix for all project risks.
- Summary of the City's retained and transferable risks.
- Summary of results: NPV.
- Summary of results: NPV, key indicators.

- Sensitivity analyses.
- Statement of affordability.
- Statement of value for money, if appropriate.
- Recommended procurement choice.
- Information verification.
- Summary of documents attached in Annexure 1 to verify information found in the feasibility study report.

6. Section 6

Cost Benefit analysis and submission of application for BFI funding.

7. Section 7

Statement of compliance with the comments and representations received in response to MFMA section 120(6)(b) invitation to comment, as appropriate.

8. Section 8

Statement of views and recommendations received in response to any required MFMA section 120(6)(c) solicitation.

9. Section 9

Submission requirements: Procurement plan.

10. Annexures:

Annexure 1: Statements for information verification and sign off from the TA to the project.

Annexure 2: Letter of concurrence from CFO of City.

Annexure 3: Risk assessment and comprehensive risk matrix.

Annexure 4: Document list (list of all documents related to the project, where they are kept, and who is responsible for ensuring that they are updated).

Annexure 5, 6: Attach as annexures summaries of comments or representations received in terms of the MFMA section 120(6)(b) public notice and in terms of the MFMA section 120(6)(c) request for views and recommendations.

Annexure 7: Full reports on the Preliminary studies.

b. Formatting of the feasibility study

The feasibility study shall comprise all the above deliverables, including results, conclusions, and recommendations. It must be compiled in a single report in Word format (with relevant annexures) and delivered as both electronic and hard copy documents. All financial models must be in Excel format, and clearly set out all assumptions made, sensitivity analyses carried out, and model outputs. The financial models must be sufficiently adaptable for use by others at later stages. The feasibility study must be presented to City officials with a thorough executive summary and must be accompanied by a PowerPoint presentation that encapsulates all the key features of the study. The executive summary and PowerPoint presentation must be compiled in such a manner that they can be used by the City's management for decision-making purposes.

c. Submission requirements for the feasibility study report and request for Treasury Views and Recommendations:

If the City decides to pursue a PPP solution for the Project, the feasibility study must be of a standard that will be accepted by National Treasury for the purposes of the City obtaining Treasury Views and Recommendations: I (TVR I) in terms of Treasury Regulation 309 to the MFMA. The TA is therefore advised to be fully familiar with the requirements of the PPP Unit as set out in Module 4: PPP Feasibility Study of National Treasury's Municipal PPP Manual. Furthermore, the TA will have to prepare all documentation and facilitate the submission and attainment of TVR I.

7. PROJECT DELIVERABLES PER STREAM

The following are deliverables in respect of each workstream:

a. Project Lead

The Lead Advisor's responsibilities will include the following:

- Project management specifically with reference to making sure achievement of the deliverables through proper co-ordination of the interactions and deliverables within and between the various streams, quality assurance and time management.
- Report on project progress to the PSC/JOHANNESBURG WATER in writing and by power point presentation.
- Be the point of contact between the TA team and the PSC/JOHANNESBURG WATER on all project related issues.
- Report and provide written progress reviews as well as on Microsoft PowerPoint presentation form to the PSC/JOHANNESBURG WATER on a monthly basis and at any other time when required by the PSC/JOHANNESBURG WATER;
- Prepare and compile any information as may be reasonably required by the PSC from time to time in connection with the project.
- Document and archive in hard copies and electronic form all project documents (in a form that is acceptable for audit purposes).
- Co-ordinate and manage inputs of all TA streams.
- Support the PSC/JOHANNESBURG WATER in presentations to all relevant authorities and stakeholders.
- Technical and Secretariat Support (including taking minutes and administration support), coordination of the activities of the PSC

b. Technical Advisor

The team shall provide details, including but not limited to the following:

- Architectural design, Engineering design, Quantity Surveying.
- Systems and technology analysis and planning
- Expertise in environmentally friendly, energy efficient building designs, water engineering
- All infrastructure and building related outputs should be informed by comprehensive geotechnical survey of the areas affected as well as Environmental Impact Assessment Study (EIA)
- Planning, costing and specifications for the full bulk and reticulation infrastructure support services.

The level of detailed information needed at the feasibility study level for water conservation and technical deliverables should be as such to enable the client to make the correct decision on which alternative of the deliverable is feasible, what informs those alternatives and associated costs. It should be comprehensive enough to allow the project to proceed to design stage, i.e. it should be a comprehensive project scope and design brief with specifications and costing.

At the end of each discussion relating to each deliverable, there should be firm recommendation/s with proper motivation and substantiation as to which alternative should be adopted at what indicative cost.

c. Financial Advisor

The team shall provide details, including but not limited to the following :

- Identify and determine all available budgets for the project;
- Lead the construction of a risk matrix for the project;
- Develop a detailed financial model, including options, based on inputs from the other streams
- A Risk-adjusted financial model;
- Conduct an affordability analysis for the project;
- Develop detailed funding options for the project;

d. Legal Advisor

The team shall provide details, including but not limited to the following:

- A detailed legal due diligence covering all aspects of the project, such as; licencing, use rights and regulatory matters.
- BEE structuring and recommendations for the project.
- Ensure compliance with all legal prescripts affecting the project.
- Legal drafting if the project proceeds to implementation.

e. Economic Advisor

To conduct economic analysis of the project in terms of the following:

- Sugarcane agricultural economics
- Economic impact of the project against a “do nothing” scenario;
- Economic cost-benefit analysis, etc.

8. TRANSACTION ADVISOR SKILL, EXPERIENCE, REMUNERATION AND MANAGEMENT BY GTAC AND JOHANNESBURG WATER

8.1 Skills and experience required in Transaction Advisor team

The TA will comprise a team, managed by a single Lead Advisor. The members of the team will have both the skill and experience necessary to undertake the range of tasks set out in these terms of reference. Each individual on the team must be personally available to do the work as and when required. The Lead Advisor will be held accountable, in terms of the TA contract, for ensuring project deliverables and for the professional conduct and integrity of the team.

The skills and experience required in the TA team are as follows:

a. Project Lead

- Project management experience and expertise;
- Administrative support;
- Project management specifically with reference to co-ordination of the interactions and deliverables within and between the various streams and the JOHANNESBURG WATER, quality assurance and time management.
- Accountable for the deliverables of the transaction advisory team
- Project management capability to oversee experts in the fields of planning and specification review for the facilities, equipment, mechanical, electrical installations etc.

b. Financial Advisor

- Financial analysis, project structuring and modelling in context and with relevant PPP experience;
- Limited recourse project finance and the structuring and modelling of such transactions.
- Procurement and structuring.
- Knowledge of and experience of the (municipal) Treasury Regulations and PPP Guidelines;
- Knowledge and experience in preparing feasibility studies within the PPP legislative framework relating to needs, options and value determination for the restructuring of water networks including knowledge of operating and managing water infrastructure;

- Knowledge, skills and experience in the water sector
- Knowledge in the design and drafting of payment mechanisms.
- Understanding of PPP agreements according to Standardised PPP Provisions as well the efficient negotiation thereof;
- Contract management.
- Expertise and experience in developing transactions that promote black economic empowerment.

c. Technical Advisor

- Expertise and experience in the design and operational efficiencies
- Infrastructure planning and management
- Expertise in architectural design, engineering design, quantity surveying with specific reference to water networks;
- Expertise and experience in environmental impact assessments and planning;
- Expertise and experience of facilities planning and management;
- Knowledge and experience in preparing bankable feasibility studies for large scale commercial transactions.
- Knowledge in designing and developing output specifications and payment mechanism
- Knowledge of and experience of the Treasury Regulations and Municipal PPP Guidelines;
- PPP procurement and structuring
- Project management experience and expertise;
- Contract management;
- Contracting options expertise;
- Costing and cost modelling expertise

d. Legal Advisor

- Legal experience and expertise relating to PPPs, and the drafting of PPP agreements according to Standardised PPP Provisions as well the efficient negotiation thereof;
- Knowledge of and experience of the Treasury Regulations and Municipal PPP Guidelines;
- Knowledge and experience in preparing feasibility studies within the PPP legislative framework relating to needs, options and value determination;
- Expertise and experience in developing transactions that promote black economic empowerment;
- PPP procurement and structuring;
- Knowledge, skills and experience in structuring projects;

e. Economic Advisor

- Expertise in the assessment of the socio-economic impacts of a project on the local and national economies;

- Knowledge and ability to do Cost Benefit Analysis (CBA) and Cost Effectiveness Analysis (CEA).
- Ability to provide a scientific method of demonstrating economic costs and benefits of a project through CBA and/or CEA to assess their socio-economic viability;
- Expertise in converting financial values into economic values through the use of conversion factors;

Remuneration schedule and disbursement arrangements

The TA team members will be remunerated in South African Rands, on a fixed price for each of Phases 1 and 2. The PPP procurement portion of the work may or may not proceed at the end of Phase 1, and should be priced separately from Phase 1. In addition to the fixed price proposal, bidders are requested to provide hourly rates.

The following remuneration schedule is proposed for each Phase of the project:

The Transaction Advisor will be remunerated as follows:

Phase 1: FEASIBILITY STUDY

Table 2

No.	Deliverable	Percentage (%)
1	Mobilisation allowance upon signature of the contract.	5
2	Completion of Sections 1-2 (Needs and Technical Options Analysis)	20
3	Completion of Section 3 (Service Delivery Options Analysis and interim recommendations)	10
4	Completion of Section 4 (Due Diligence)	10
5	Completion of section 5 (Value Assessment)	20
6	Completion of Section 6 (Cost-benefit Analysis and BFI Application)	10
7	Completion of section 7 (Procurement Strategy and Plan)	10
8	Completion of feasibility study report to the satisfaction of the Client (including submission to National Treasury for Treasury Views and Recommendations)	15
	TOTAL	**100**

Phase 2: PROCUREMENT

Table 3

No	Deliverable	Percentage (%)
1	Development of the RFQ documentation to the satisfaction of the Client	15
2	RFQ evaluation and reporting	10
3	Development of the RFP documentation to the satisfaction of the Client	15
4	A decision by National Treasury in respect of TVR:IIA (RFP)	10
5	Completion of the value for money report to the satisfaction of the Client	20*
6	A decision by National Treasury in respect of TVR:IIB	10*
7	Completion of the TVR:III	20
8	A decision by National Treasury in respect of TVR:III	10
	TOTAL	**100**
	BAFO allowance (if applicable) will be 15% of * (For Cliental budgeting purposes only)	
	TOTAL including BAFO allowance	

Bidders are requested to indicate a figure for disbursements. This is for budgeting purposes and will not form part of the price evaluation.

9. RULES OF BIDDING, BID SUBMISSION REQUIREMENTS AND BID EVALUATION

9.1 Rules of bidding

9.1.1 The TA must be a single legal entity with all other necessary expertise secured via subcontract or under a joint venture arrangement. GTAC will enter into a single contract with a single firm for the delivery of the work set out in these terms of reference. The Lead Advisor will be responsible for co-ordinating and managing the team;

9.1.2 GTAC reserves the right to terminate this appointment or temporarily defer the work, or any part thereof, should it deem necessary. Should the contract between GTAC and the Lead Advisor be terminated by either party, the TA will be remunerated for the appropriate portion of work completed up to a maximum amount of not more than the total fee bid by the Transaction Advisor for the appropriate phase of the project during which the appointment was terminated.

9.1.3 No material or information derived from the provision of the services under the contract may be used for any purposes other than those of the PSC, except were authorised in writing to do so.

9.1.4 Copyright of all documents and electronic aids, software programmes prepared or developed in terms of this appointment shall vest in the government of the Republic of South Africa. All the work performed, and the intellectual property rights thereof will therefore remain the property of JOHANNESBURG WATER.

9.1.5 Any proposal submitted by a consortium or joint venture of two or more firms must be accompanied by the consortium formation document or joint venture agreement, as the case may be, authenticated by a Notary Public, which sets forth the precise responsibilities of each of the parties thereto. Consortia and joint venture members should be advised that each member would be held jointly and severally liable for the performance of the consortium or joint venture. Foreign firms providing proposals must become familiar with local conditions and laws and take them into account in preparing their proposals. The costs of preparing proposals and of negotiating the contract are not reimbursable. GTAC is not bound to accept any of the proposals submitted and reserves the right to negotiate price with the preferred bidder.

9.1.6 Each TA member firm and its affiliates are disqualified from providing goods, works and services to any bidding consortium or members of such a consortium and/or the Private Party to the PPP agreement, or to any eventual project that may result, directly or indirectly from these services.

9.1.7 Firms may request clarification on this Terms of Reference or any of its Annexures only during the briefing session and the period specified before bids close.

9.1.8 GTAC will not accept any late bid submissions and will return late bid submissions unopened. Firms may not contact GTAC or any other participant on any matter pertaining to their bid from the time when bids are submitted to the time the contract is awarded. Any effort by a bidder to influence bid evaluation, bid comparisons or bid award decisions in any manner, may result in rejection of the bid concerned.

9.2 Bid Submission Requirements

Bidders are required to submit their proposals in **TWO envelopes,** in the following format:

9.2.1 **Envelope 1** marked with the name of the Transaction Advisor and titled: **TECHNICAL PROPOSAL: TRANSACTION ADVISORY SERVICES FOR THE IMPLEMENTATION OF A NEW WASTEWATER TREATMENT PLANT AT LANSERIA.**

This envelope must contain at least the following:

9.2.1.1 A covering letter signed by the Lead Advisor, with the following information; among others:

- a clear indication of the Lead Advisor (the entity that will contract with GTAC and will be held accountable, in terms of the TA contract, for ensuring project deliverables and for the professional conduct and integrity of the team), Technical Advisor, Economic Advisor, Financial Advisor and Legal Advisor.
- full contact details of the Lead Advisor.

- acceptance of the rules of bidding, evaluation of bids, and bid evaluation criteria set out in the terms of reference.
- Consortium/JV Agreement of the TA team; where applicable.
- Certified copies of identity documents of the project team, directors or shareholders of the company who will be responsible for this project with the bid documents.

9.2.1.2 Names and profiles of all firms forming part of the TA Team setting out the following :

- Key areas of expertise/specialisation
- Role in the TA team
- List of projects (relevant to this assignment) undertaken by each firm and details including project name, project description, client, role in the project and deliverables, project value, project stage (e.g. inception, feasibility, procurement, etc.), start and completion dates, key highlights and successes; amongst others.

Information on the company profile and experience for the firms forming part of the TA must be provided as per ***Annexure B*** – *Proforma template for firms*; which must be completed in full as per the format. Failure to provide all the information required will affect the score as stipulated in the Evaluation Criteria table. Additional relevant company information may only be provided as a supplement, if deemed necessary.

9.2.1.3 Names of all proposed team members, and their firms, setting out the following :

- the professional role that each person will play in the assignment. This must be cross-referenced to each deliverable and to each specified technical evaluation element set out in the technical scorecard.
- suitability of each person for the proposed roles in terms of his or her relevant skills and experience.
- the availability to perform the work.
- A résumé /profile of each person highlighting responsibilities held for experience relevant to this assignment. These must be completed as per the CV template provided as Annexure A; which must be completed in full as per the format. Failure to provide all the information required will affect the score as stipulated in the Evaluation Criteria table.
- Summary of the percentage of black South African professionals on the team, clearly showing the roles will play in providing the advisory services.
- the number and percentage of black professionals playing leading roles in the advisor consortium.

For purposes of Preference Points, Bidders are required to submit information requested in Column B in the Table below as Annexure D *(Refer to the template provided separately as **Annexure D**)* and must be included in the price envelope. Bidders who fail to provide the required information will be allocated a zero (0) in the Preference Points

A	B
Maximum Scoring Weighting Points evaluation BEE elements	
1. The percentage of Black Professionals and their roles in the Transaction Advisory team (excluding trainees and administration resources in the project team)	<25% = 0 25% – 35% = 2 >35% = 4
2. The percentage of Black Professional Women and their roles in the Transaction Advisory team (excluding trainees and administration resources in the project team)	<25% = 0 25% – 35% = 2 >35% = 4
3. The number of trainee graduates/young Black professionals (e.g. Candidate Attorneys, graduates doing Articles, Candidate Engineers, etc. as applicable in respective professions) as percentage of the whole Transaction Advisory team	<25% = 0 25% – 35% = 2 >35% = 4
The percentage of proposed Transaction Advisor fee to Black Professionals (excluding trainees and administration resources in the project team)	<25% = 0 25% – 35% = 3 >35% = 4
5. A credible plan for skills transfer within the team. The plan must have identified individuals, the areas of development or skills transfer, the timing linked to the project and anticipated outcome	No plan = 0 Incomplete plan = 2 Credible plan = 4

9.2.1.4 The Project team structure must indicate individuals and their respective roles in the project per stream i.e.:

- Project Leader – the individual from the Lead Advisor, who will be responsible for leading the team and co-ordinating work of the three streams. All deliverables to the Client must be signed off by the Project Leader.
- Stream Leads – Leaders of each stream (Finance, Legal, Technical, Economic)
- Key Support Staff – These are the resources that possess key skills required in each stream; whose CVs must be submitted for evaluation purposes (maximum of three CVs for Finance and Legal Streams); and for Technical the number of key support staff will depend on the technical disciplines identified by the bidder.
- In line with Government's National Skills Development plan 2030, each workstream should have in their team youth from previously disadvantaged background. Their involvement must support their knowledge and career development. At the completion of the project, the TA will be required to submit a report highlighting the resources and the skills gained through this assignment. Throughout the project cycle JOHANNESBURG WATER and GTAC seek to provide opportunities for youth to participate in the project through mentoring and upskilling.

9.2.1.5 Project comprehension and project management plan, setting out:

- The Transaction Advisor's understanding of the Terms of Reference, and any proposals for amendments to the Terms of Reference that would enhance desired outcomes;
- How the Transaction Advisor proposes to manage the set of deliverables outlined in the Terms of Reference;
- A proposed outline Work Plan with time-table for delivery;
- The suitability of each person in the team for the proposed roles in terms of their relevant skills and experience cross referenced to each deliverable in the Terms of Reference
- The availability of each person to perform the work
- How the Advisory team members will be supervised;
- How interaction with the various streams will take place;
- Any innovative ideas for how the whole assignment can best achieve its objectives.

The technical proposal must be compiled following the sequence below, **each section and separated by clearly labelled tabs**:

Table 4: Experts Required as Part of the Technical Proposal

1.	**PROJECT LEAD** **(from the Lead Advisor)**
2.	**FINANCIAL ADVISOR**
2.1	Finance Lead
2.2	Financial Advisory Firm
3.	**LEGAL ADVISOR**
3.1	Legal Lead
3.2	Legal Advisory Firm
4.	**TECHNICAL ADVISOR**
4.1	Technical Lead
4.2	Technical Advisory Firm
5.	**ECONOMIC ADVISOR**
7.	**PROJECT TEAM STRUCTURE**
8.	**QUALITY OF PROJECT COMPREHENSION DEMONSTRATED IN PROPOSALS**

9.2.1.6 The technical proposal **<u>must</u>** include the following documents, which must be compiled and packaged in the order as per Table 4 above :

- CVs for the Project Leader, CVs for Stream Leads, key support project team members and profile of each advisory firm; arranged per stream. All CVs must be submitted as per Annexure A – Pro forma CV template for proposed project team members. Additional relevant information may only be provided as a supplement to the CV, if deemed necessary.

- Bidders must ensure that CVs are signed by respective individual confirming that he/she is available for this project and their CVs are not included in bids from other service providers. A CV appearing in more than one bid will be disqualified i.e. it will not be evaluated.
- A project team structure/organogram clearly indicating the Project Leader, Stream
- Leads and key support project team members per stream, with the proposed role of each resource clearly described.

9.2.1.7 Information for each project team member must be packaged in the following sequence – CV, Qualifications and ID copy.

- Certified copies of educational qualifications, professional registration certificates where applicable, SAQA accreditation certificates for qualifications obtained in foreign tertiary institutions and identity documents are required for each CV submitted. Certified copies of ID and qualifications must not be older than 6 months.

The Technical Envelope <u>must not</u> include any Financial proposals.

9.2.2 Envelope 2 marked with the <u>name of the Transaction Advisor</u> and titled: ***FINANCIAL PROPOSAL:*** **TRANSACTION ADVISORY SERVICES FOR THE IMPLEMENTATION OF AN NEW WASTEWATER TREATMENT PLANT AT LANSERIA.**

In submitting your price proposal, you are required to adhere to ***SBD 3.3 - Pricing Schedule attached as Annexure C*****.**

9.2.2.1 Remuneration of the Transaction Advisor will be payable in Rands, on a fixed price corresponding to the feasibility study and procurement stages of the project cycle.

9.2.2.3 Procurement portion of the work may or may not transpire at the end of the feasibility study and should be costed accordingly.

9.2.2.4 Out-of-pocket expenses/disbursements will be paid by the Client at cost within an agreed ceiling. Bidders are required to propose a ceiling for such disbursements; which will not be evaluated as part of the price proposal. All claims for travel and other legitimate disbursement expenditure must be pre-approved by the Project Officer before they are incurred. Other legitimate project costs will be reimbursed at cost. Payment will be made within 30 days of the client receiving approved and substantiated invoices.

9.2.2.5 Proposed remuneration for professional fees:

- A remuneration proposal, in the remuneration format outlined in Table 2 and 3 above, giving professional cost per deliverable item and total for each Part as indicated;
- VAT must be specified separately as a total for each of Phase I : Feasibility Study and Phase 2 : Procurement.
- While VAT will be paid pro-rata for each delivery item in each Phase of the assignment, it should be indicated as a total sum per Phase for purposes of this submission.

9.2.2.6 GTAC is not bound to accept any of the bids submitted and reserves the right to call for best and final offers from shortlisted bidders before final selection.

9.2.2.7 GTAC reserves the right to call interviews with short-listed bidders before final selection.

9.2.2.8 GTAC reserves the right to negotiate price with the preferred bidder.

9.2.2.9 GTAC reserves its right to reject proposals provided to it pursuant to this TOR, and to review all costs and proposals according to the value and quality of any service solutions.

9.2.1.10 GTAC is not bound to accept the lowest price submitted by any Bidder nor is it committed to awarding any contract upon the basis described in this TOR.

10. BID EVALUATION

10.1 EVALUATION METHODOLOGY

Bids will be evaluated as per the evaluation methodology below:

Evaluation Stage	Description
Stage 1	**Administrative Compliance and mandatory requirements (if any)**
Stage 2	**Technical Evaluation** Bidders must submit information as per Bid Submission Requirements. The submitted technical proposal must respond to the Technical Evaluation criteria cited in the Terms of Reference. Technical evaluation will be conducted as follows: The bid proposals will be assessed based on the criteria below *Table 5.* Bidders must meet the minimum threshold of 70% to be evaluated for the for the next Stage 3: Price and Specific Goals. Bidders must note that submission of Annexures A (CV Template), Annexure B (Information for Firms) and Annexure C (Price Proposal) in the prescribed formats is Mandatory.

Stage 3	**Price and Specific Goals** Preference points in the 80/20 formula will be awarded to bidders for attaining a score for elements as indicated in Table 6. Bidders must provide the required information for evaluation purposes.

The technical proposal will be evaluated as per the criteria in Table 5 below. Bidders must ensure that all required information is included in their bid as per Submission Requirements. GTAC may require clarification meetings as part of the evaluation of the submitted bids.

Non-compliant CVs submitted for evaluation purposes will be assessed as follows:

a) An unsigned CV for a proposed resource will be disqualified i.e. A score of zero (0) will be assigned for both qualifications and experience in the evaluation criteria table.
b) A CV for a proposed resource not accompanied by a copy of the required qualifications (i.e. proof that qualification mentioned in the CV exists) will be assigned a score of 0 (zero) for the qualifications. If the bidder is recommended for appointment they will be required to provide a certified copy of the outstanding qualifications within 7 days, as a condition of appointment.
c) A CV for a proposed resource not accompanied by a copy of a SAQA certificate (for qualifications obtained from foreign institutions i.e. proof that the qualification obtained from a foreign institution is on par with South African NQF Levels) will be assigned a score of 0 (zero) for qualifications. If the bidder is recommended for appointment they will be required to provide a certified copy of the outstanding SAQA certificate within 7 days, as a condition of appointment.
d) Bidders must comply with all South African laws; including the related sections of the Immigration Act 13 of 2002 (as amended) and Employment Services Act related to the status of a foreign national in South Africa and the limitations in their hiring. The maximum number of foreign Nationals in the proposed team must not exceed 20% of the total team members.
e) Prior to appointment, the recommended bidder may be required to submit additional supporting documentation for individuals forming part of the project team for verification purposes. The successful bidder will be subjected to screening with the State Security Agency of both company and proposed resources.
f) GTAC reserves the right to appoint companies owned by South Africans.
g) Failure to adhere to the above requirements i.e. misrepresentation and/or non-submission of the required documentation may lead to a disqualification or termination of the contract with the appointed service provider at any stage of the implementation.

TABLE 5 - TECHNICAL EVALUATION CRITERIA

	CRITERIA	SCORING	WEIGHT
1.	**PROJECT LEAD** **(Accountable and contracted by the Lead Advisor Firm)**		**10**
	a) Qualifications		2
	A relevant qualification in Science, Engineering, Commerce and Law.	5 = Masters and above (NQF 9) 4 = Honours Degree (NQF 8)/ Relevant Registration 3 = Degree (NQF 7) 2 = National Diploma (NQF 6) 1 = Recognised formal certificate (NQF 5) or less 0 = Irrelevant Qualifications or non-submission of certified copy of Qualifications and/or SAQA certificate	
	b) Skills and Experience		8
	- Demonstrable experience in coordinating work of the entire transaction advisory team - Experience in project management and leading a multidisciplinary team - Track record in leading complex projects - Provide a list of projects where the resource played a leading role in projects - List of all relevant projects and role played must be included in the CV. Highlight projects undertaken in the past 15 years (Refer to Annexure A – CV Template)	5 = 15 years and above 4 = 12-14 years 3 = 9-11 years 2 = 6-8 years 1 = less than 6 years 0 = No relevant or related experience	
2.	**FINANCIAL ADVISOR**		**20**
2.1	**Finance Lead**		
	a) Qualifications		2

	A Degree in Finance, Accounting and Economics.	5 = Masters and above (NQF 9)
		4 = Honours Degree (NQF 8)// Relevant Registration
		3 = Degree (NQF 7)
		2 = Diploma (NQF 6)
		1 = Certificate (NQF 5)
		0 = Irrelevant Qualifications or non-submission of certified copy of Qualifications and/or SAQA certificate	

	CRITERIA	SCORING	WEIGHT
	b) Skills and experience		8
	Lead, manage the team and be accountable for the outputs of the stream. The Lead must demonstrate the following skills and experience : - Leading and coordinating outputs of a financial advisory team - Project/corporate finance expertise - Ability to conduct budget analysis - Understanding of financial modelling and ability to interrogate financial models - PPP structuring and procurement - Understanding of PPP Regulations - Leads negotiations on commercial/financial matters CV must include a list of all relevant projects or similar; including the role played Highlight projects undertaken in the past 15 years (Refer to Annexure A – CV Template)	5 = more than 15 years 4 = 10 to 15 years 3 = 7 to 9 years 2 = 4 to 6 years 1 = less than 4 years 0 = No relevant or related experience	
2.2	**Financial Advisory Firm**		10
	• Track record of the financial advisory firm in the procurement of projects through project finance principles. • Demonstrable experience in project structuring, project finance, financial modelling, packaging funding requirements for projects, financial and investment analysis, negotiations, risk identification and mitigation and procurement of PPP/DBFO or similar projects. • Relevant local and international experience and track record • Knowledge of and experience in the application of Treasury Regulations and PPP Guidelines; Provide a list of all relevant completed/executed projects (portfolio of projects) demonstrating the required experience. This must include : - Specific role of the firm - Project value	5 = more than 15 years' experience plus advisory in 5 or more PPP/DBFO projects 4 = 9-15 years' experience plus advisory in 3-4 PPP/DBFO projects 3 = 6-8 years' experience plus advisory in 1-2 PPP/DBFO projects 2 = 3-5 years' experience and no demonstrable record of advisory in PPP/DBFO projects 1 = less than 3 years' experience and no demonstrable 0 = No relevant or related experience	

	CRITERIA	SCORING	WEIGHT
	- Stage/s in the project cycle - Highlight projects undertaken by the firm in the past 15 years (Refer to **Annexure B –** Template for firms) PPP – Public Private Partnerships DBFO – Design, Build, Finance, Operate		
3.	**LEGAL ADVISOR**		**20**
3.1	**Legal Lead**		
	a) Qualifications		2
	A Legal qualification	5 = Masters (NQF 9) 4 = Postgraduate LLB (NQF 8) 3 = Legal Degree (NQF 7) plus Admission 2 = Legal Degree (NQF 7) 1 = Relevant Legal Diploma (NQF 6) 0 = Irrelevant Qualifications or non-submission of certified copy of Qualifications and/or SAQA certificate	
	b) Skills and experience		8
	- Lead, manage the team and be accountable for the outputs of the legal stream. - Conduct all legal due diligence in terms of licencing, regulatory and ownership. - Performs legal Quality Assurance/Quality Control on all bid documents and reports - Manage the development of the draft PPP Agreement and associated Agreements - Leads negotiations on the legal aspects of the transaction List of all relevant projects and role played must be included in the CV. Highlight projects undertaken in the past 15 years. (Refer to Annexure A – CV Template)	5 = above 15 years 4 = 10 -15 years 3 = 7-9 years 2 = 4-6 years 1 = less than 4 years 0 = No relevant or related experience	
3.2	**Legal Advisory Firm**		10
	A track record of providing advisory services including drafting and negotiating PPP agreements/Commercial agreements between government and the private sector or a mix of Design, Build, Finance, Operate (DBFO) projects.	5 = more than 12 years' experience plus advisory in 7 or more PPP/DBFO projects 4 = 9-12 years' experience plus advisory in 5-7 PPP/DBFO projects	

	CRITERIA	SCORING	WEIGHT
	Relevant experience and track record in PPP procurement and structuring: • Knowledge of and experience of the Treasury Regulations and PPP Guidelines; • List of projects successfully procured Provide a list of all relevant completed/executed projects (portfolio of projects) demonstrating the required experience. This must include: - Specific role of the firm - Project value - Stage/s in the project cycle - Indicate projects undertaken by the firm in the past 15 years. (Refer to Annexure B – Proforma Template for firms)	3 = 6-8 years' experience plus advisory in 3-4 PPP/DBFO projects 2 = 3-5 years' experience plus advisory in 1-2 PPP/DBFO projects 1 = less than 3 years' experience and no demonstrable record of advisory in PPP/DBFO projects 0 = No relevant or related experience	
4.	**ECONOMIC ADVISOR**		**5**
4.1	**Lead Economist**		
	a) Qualifications		2
	A Degree in Development Finance, Economics, Econometrics, Statistics or related field.	5 = Masters and above (NQF 9) 4 = Honours Degree / Post-Graduate Diploma (NQF 8) 3 = Degree (NQF 7) 2 = Diploma (NQF 6) 1 = Certificate (NQF 5) 0 = Irrelevant Qualifications or non-submission of certified copy of Qualifications and/or SAQA certificate, except for foreign/international resources	
	b) Skills and experience		3
	Demonstrable experience and understanding of undertaking Cost Benefit Analysis (CBA) and Cost Effectiveness Analysis (CEA) on infrastructure projects : • Expertise in converting financial values into economic values through the use of conversion factors; and • Knowledge of municipal services and Large	5 = more than 12 years 4 = 10-12 years 3 = 7-9 years 2 = 4-6 years 1 = less than 4 years 0 = No relevant or related experience	

	CRITERIA	SCORING	WEIGHT
	Infrastructure Investments • Ability to demonstrate the distributional impact(s) in relation to the accrual of gains or losses to different stakeholder groups from the implementation of the project. Provide a list of all relevant projects undertaken and role played. Highlight projects undertaken in the past 15 years. (Refer to Annexure A – CV Template)		
5.	**TECHNICAL ADVISOR**		**20**
5.1	**Technical Lead**		
	a) Qualifications		2
	A relevant Diploma or Degree in the Built Environment. Built Environment refers to the following professions as regulated by the Council for the Built Environment: • Architecture, • Landscape Architecture, • Quantity Surveying, • Engineering (All Disciplines) • Project and Construction Management, and • Property Valuation.	5 = Masters and above (NQF 9) 4 = Honours Degree (NQF 8)//(NQF 8)/ Applicable Registration 3 = Degree (NQF 7) 2 = Diploma (NQF 6) 1 = Certificate (NQF 5) 0 = Irrelevant Qualifications or non-submission of certified copy of Qualifications and/or SAQA certificate	
	b) Skills and experience		8
	• Demonstrable experience in leading a multidisciplinary technical team in the execution of infrastructure projects • Understanding of technical skills required to plan and procure a large scale commercial project to meet the Client's needs. • Design and construction of water treatment plants, understanding of water treatment technology • Developing the output specifications to be included in the feasibility study. • Lead the negotiations on specific technical matters during contract negotiations • Understanding of PPP or similar projects List of all relevant projects undertaken and role	5 = above 15 years 4 = 10-15 years 3 = 7-9 years 2 = 4-6 years 1 = less than 4 years 0 = No relevant or related experience	

	CRITERIA	SCORING	WEIGHT
	played must be included in the CV. Highlight projects undertaken in the past 15 years (Refer to Annexure A – CV Template)		
5.2	**Technical Advisory Firm**		10
	Experience in coordinating a technical team forming part of the transaction advisory team in large infrastructure projects Relevant demonstrable experience in the following : • Town planning • Architectural engineering design and quantity surveying in a built environment with specific reference to health infrastructure. • Expertise and experience of hard and soft facilities planning and management; • An environmentally friendly, energy efficient building design, quantity surveying; • Knowledge of and experience of the Treasury Regulations and PPP Guidelines; Provide a list of all relevant completed/executed projects (portfolio of projects) demonstrating the required experience. This must include : - Specific role of the firm - Project value - Stage/s in the project cycle Highlight all relevant projects undertaken by the firm in the past 15 years. (Refer to Annexure B – Proforma Template for firms)	5 = 15 years' experience and above 4 = 9-15 years' experience 3 = 6-8 years' experience 2 = 3-5 years' experience 1 = less than 3 years' experience 0 = No relevant or related experience	
6	**BUDGET FACILITY FOR INFRASTRUCTURE (BFI) EXPOSURE AND EXPERIENCE**		**5**
	At least one team member, from any stream, with demonstrable understanding of the National Treasury BFI process and requirements: - Exposure and experience in compiling BFI submissions for or on behalf of a government department(s) or institution(s). List of relevant projects. Provide the project name,	5 = 3 or more BFI submissions prepared, approved for funding 4 = 2 BFI submissions prepared, approved for funding 3 =2 BFI submissions prepared, with **at least** 1 approved for funding	

	CRITERIA	SCORING	WEIGHT
	size and value. Please indicate if the project was approved for funding or not.	2 =1 BFI submission prepared, approved for funding 1 =1 BFI submission prepared 0 = No BFI submission prepared	
7.	**PROJECT TEAM STRUCTURE**		10
	The proposal must cover the following elements : • Proposed team structure/organogram indicating respective roles of each team member per stream and applicable reporting lines. • CVs of proposed team members indicating qualifications, skills and experience and their suitability for the proposed roles • Professional role that each person will play in the assignment and cross-referenced to each deliverable	5 = All elements well covered (Project team organogram and CVs provided, skills of each team member match the proposed role in the project and relevant skills and experience cross referenced to the deliverables). 4 = Elements more than adequately provided (Project team organogram provided, all CVs provided but do not highlight relevant experience, skills of team members match proposed role or information in some of the elements provided some information). 3 = Elements adequately provided (Project team organogram provided but role of each project team member not clear, some CVs of team members not provided, mismatch of skills with proposed role of team member demonstrate poor understanding of project requirements). 2 = Elements poorly covered (Project team organogram incomplete, CVs provided but do not provide required information, skills of each team member do not match	

	CRITERIA	SCORING	WEIGHT
		the proposed role in the project). 1 = Elements not covered (Project team organogram not provided, CVs not provided or incomplete, skills mismatch and no cross reference to of team roles to deliverables). 0 = Information required not provided, incomplete or does not provide adequate information required for evaluation purposes.	
8.	**QUALITY OF PROJECT COMPREHENSION DEMONSTRATED IN PROPOSALS**		**10**
	The proposal must demonstrate the following: • Understanding of the terms of reference in relation to the specified Transaction Advisory scope of work for the Project . • Proposed work plan, project management approach and timetable for the project must demonstrate understanding of project deliverables. • Any innovative and creative ideas/proposals to ensure a successful and efficient outcome • A project management approach accompanied by a clear work plan with timelines • Order of documents as prescribed in the bid document • Adherence to the provided CV template for project team members (Annexure A) • Adherence to the provided company profile template for firms (Annexure B)	5 = Proposal with an excellent project management approach relevant to this project; detailed workplan with deliverables and timelines, innovative ideas, Adherence to required order of documents and provided templates. 4 = Proposal with a comprehensive project management approach, acceptable workplan with deliverables and timelines, some innovative ideas, adherence to required order of documents and provided templates 3 = Proposal with adequate project management approach; acceptable workplan with deliverables and timelines. Basic or no innovative ideas, adequate adherence to required order of documents and provided templates. 2 = Poor project management approach, work plan and timelines.	

	CRITERIA	SCORING	WEIGHT
		1 = Incomplete project management approach, work plan and timelines. 0 = No Project management approach and/or work plan and timelines.	
TOTAL TECHNICAL POINTS			**100**
MINIMUM THRESHOLD			**70%**

11. PREFERENTIAL PROCUREMENT EVALUATION BASED ON THE 80/20 PRINCIPLE

The applicable formula (80/20) will be utilised to evaluate the bid, of which eighty (80) points are allocated for price as allocated in the enclosed form SBD 6.1. that must be completed, and the remaining twenty (20) points are allocated for the specific goals as indicated in the table below:

Terminology	Definition
Black People	As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians – (a) who are citizens of the Republic of South Africa by birth or descent; or (b) who became citizens of the Republic of South Africa by naturalisation before 27 April 1994; or II. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date.
"Specific goals"	means specific goals as contemplated in section 2(1)*(d)* of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in *Government Gazette* No. 16085 dated 23 November 1994;
Historically Disadvantaged Individual (HDI)	means a South African citizen: 1. who, due to the Apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) ("the interim Constitution); and/or 2. who is a female; and/or 3. who has a disability. provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be an HDI.

TABLE 6 – Specific Goals

Maximum Scoring Weighting Points evaluation BEE elements	Scoring criteria
1. The percentage of Black Professionals and their roles in the Transaction Advisory team (excluding trainees and administration resources in the project team)	<25% = 0 25% – 35% = 2 >35% = 4
2. The percentage of Black Professional Women and their roles in the Transaction Advisory team (excluding trainees and administration resources in the project team)	<25% = 0 25% – 35% = 2 >35% = 4
3. The number of trainee graduates/young Black professionals (e.g. Candidate Attorneys, graduates doing Articles, Candidate Engineers, etc. as applicable in respective professions) as percentage of the whole Transaction Advisory team	<25% = 0 25% – 35% = 2 >35% = 4
4. The percentage of proposed Transaction Advisor fee to Black Professionals (excluding trainees and administration resources in the project team)	<25% = 0 25% – 35% = 3 >35% = 4
5. A credible plan for skills transfer within the team. The plan must have identified individuals, the areas of development or skills transfer, the timing linked to the project and anticipated outcome	No plan = 0 Incomplete plan = 2 Credible plan = 4

12. INFORMATION TO BIDDERS

i. CONTENT OF THE BIDDER PACK

Tender Pack Doc.	Title	Type	Purpose
1	Information to Bidders	pdf	For Information.
2	Terms of reference	pdf	Requirements.
3	SBD 1 – Invitation to bid	pdf	To be completed and signed.
4	Valid Tax clearance certificate requirements/ CSD Registration/ SARS Pin	pdf	For Information.
5	SBD 4 – Declaration of interest	pdf	To be completed and signed.
6	SBD 6.1 - Preferential Point Claim form in terms of the Preferential Procurement Regulation (PPR) 2022	pdf	To be completed and signed.
7	SBD 3.3 pricing schedule must be submitted before the closing date of the bid in a sealed envelope marked pricing schedule/price proposal.	pdf	To be completed and signed.

ii. INSTRUCTIONS FOR COMPLETION AND SUBMISSION OF BIDS

The successful bidder will sign a Transaction Advisor Contract as per Regulation 16's Practice Note No.4 of 2004.

The successful bidder will be required to submit the Skills Development Plan as per 8.2.1.4 (d) that must be agreed with the Client prior to concluding the Contract.

iii. COMPLETION OF BIDS

Bidders are advised that, to facilitate an efficient evaluation process, the bid should be as prescribed, concise, and written in plain English.

iv. CLARIFICATIONS

Requests for clarification must be made in writing by e-mail to psp@gtac.gov.za
Requests for clarification will be accepted by GTAC as specified in the invitation letter. The submission reference must be included in the subject line of the email.
Telephonic enquiries for clarification will not be accepted. Bidders must reduce all enquiries to writing and send to the above email address.

A ***non-compulsory briefing session*** will be held virtually, refer to invitation letter for details.

v. EVALUATION PROCESS

The evaluation process comprises the following phases:

Phase I: Initial administration screening process

Bidders must submit all Standard Bidding Documents (SBD), as outlined below. SBD forms must be completed in full and duly signed where required.

a) Duly completed and signed Standard Bidding Documents (SBD 1, 3.3, 4 and 6.1).

b) During this phase bid documents will be reviewed to determine compliance with tax matters and Central Supplier Database (CSD) number/ report for verification at closing date and time of bid.

c) All bid proposals will also be assessed for compliance with the administrative requirements of the bid:

Document to be submitted	Requirement
Hard copy proposal delivered to GTAC before closing date and time of the bid	Delivery of a hard copy proposal before the closing date and time.
SBD 1 - Invitation to bid	Complete and sign the supplied pro forma document.
Central Supplier Database (CSD) Registration Report or CSD Registration number or SARS Pin	Bidders **must** be registered on the Central Database System at the closing date and time of the bid.
SBD 3.3 - Pricing Schedule	Complete and sign the supplied pro forma document.
SBD 4 – Bidder’s Disclosure	Complete and sign the supplied pro forma document.
Note: *Bidder’s must submit the attached SBD 4 document. A bid may be disqualified if this disclosure is found not to be true and complete in every respect. The following definitions should be considered when completing the form:* *- ‘’Person’’ means a bidder or supplier or shareholder, director, trustee, partner, member of a bidder or supplier having the controlling interest in the bidder or supplier.* *- ‘’State’’ means a national or provincial department, national or provincial public entity or constitutional institution, a municipality or municipal entity, a provincial legislature or parliament.*	
SBD 6.1 – Preferential Claim Form in terms of Preferential Procurement Regulation (PPR) 2022	Complete and sign the supplied pro forma document.

GTAC reserves the right to reject applications that are not submitted in the prescribed format or where the information presented is illegible or incomplete.

Phase II: Functionality evaluation

a. Bids will be evaluated strictly in accordance with the bid evaluation criteria stipulated in the Terms of Reference (TOR).
b. Bidders must, as part of their bid documents, submit supportive documentation for all technical requirements. The panel responsible for scoring the respective bids will evaluate and score all bids based on the information provided.
c. Bidders will not rate themselves but must ensure that all information is supplied as required. The Bid Evaluation Committee (BEC) will evaluate and score all responsive bids and will verify all documents submitted by the bidders.
d. The panel members will individually evaluate the responses received against the criteria as set out set out in the TOR.
e. Individual value scores will be added to obtain the points scored for all elements. These points will be added and averaged according to the number of panel members. Only bidders that have met or exceeded the minimum threshold as stipulated in the TOR for desktop evaluation will be evaluated and scored in terms of pricing and Specific Goals.

Phase III: Price and Specific Goal evaluation

a. The pricing proposal will be evaluated as based on 80/20 principle.
b. Price/financial proposals must be submitted in South African Rand.
c. GTAC is not bound to accept any of the bids submitted, nor is it committed to awarding any contract upon the basis described in this RFP.
d. GTAC reserves the right to call for best and final offers from shortlisted bidders before final selection.
e. GTAC reserves the right to call interviews with short-listed bidders before final selection.
f. GTAC reserves the right to negotiate price with the preferred bidder.
g. GTAC reserves its right to reject proposals provided to it pursuant to this RFP, and to review all costs and proposals according to the value and quality of any service solutions.
h. GTAC is not bound to accept the lowest price submitted by any Tenderer. The entire value for money will be considered to ensure that the preferred bidder delivers on the scope of work.

vi. MANDATORY REQUIREMENTS

Failure to adhere to any of these requirements will result in disqualification:

- Bidders must be registered on Central Database (CSD) on closing date of the tender.
- Any bidder representative (Director/Shareholder/Proposed Resource) who is employed by the state will not be considered. i.e., in the event that a bidder representative is in the employ of the state, such a bid proposal will not be considered.
- Bidders must submit the required information as prescribed in Annexures A (CV Template) and Annexure B (Company Profile Proforma Template). Both Annexures must be completed in full as per the format. Failure to provide all the information required will affect the score as stipulated in the Evaluation Criteria table. **CVs and the required Company information not submitted in the prescribed templates will be rejected and not considered for evaluation.**

- Bidders must specify the nature of Partnership between firms in a group e.g Consortium, Joint venture, Sub-contracting etc. where applicable, and must include partnership agreements.
- Unsigned CVs by the respective individuals will be rejected and not be considered for evaluation.
- CVs of any individual may only be submitted as part of one bid, GTAC reserve the right to confirm with the individual.
- Submission of the SBD 3.3 pricing schedule/financial proposal.

vii. TAX CLEARANCE STATUS

A valid tax pin/ Central Supplier Database (CSD) number must be provided for purposes of verifying that the tax matters of the bidder are in order and must be submitted at the closing date and time. Where consortium/joint ventures/sub- contractor are involved; each party to the association must submit a separate validation of Tax status i.e. Registration number from Central Supplier Database (CSD) must be provided with this bid.

Bidder's tax matters must be compliant at the time of award. In case where a bidder's tax matters are non-compliant, a bidder will be given a maximum of seven (7) working days to remedy the tax matters. Failure to remedy this, will invalidate the bid.

viii. VALUE ADDED TAX

All bid prices must be inclusive of 15% Value-Added Tax.

ix. REGISTRATION

Latest proof of company registration from Companies and Intellectual Property Commission (CIPC) must be submitted in the form of certified copies of the relevant registration documents.

x. CLIENT BASE

Bidders must have specific experience and may submit at least three recent and contactable references (in a form of written proof (s) on their company's letterhead including relevant person (s), telephone, fax numbers and e-mails) of similar work undertaken.

GTAC reserves the right to contact references during the evaluation and adjudication process to obtain information.

xi. LEGAL IMPLICATIONS

Successful service providers must be prepared to enter into a service level agreement with GTAC.

GTAC reserves the right to award this bid on a non-exclusive basis, i.e. GTAC may procure similar services outside this bid with the view of securing the best service and value for money.

xii. COMMUNICATION

Professional Services Procurement (PSP) within GTAC will communicate with bidders for, among others, where bid clarity is sought, to obtain information or to extend the validity period. Any communication either by facsimile, letter or electronic mail or any other form of correspondence to any government official, Client or representative of a testing institution or a person acting in an advisory capacity for the National Treasury in respect of this bid between the closing date and the award of the bid by the bidder is prohibited.

xiii. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments to any of the Information to bid by bidders will result in invalidation of such bids.

xiv. PROHIBITION OF RESTRICTIVE PRACTICES

In terms of section 4(1) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is/ are or a contractor(s) was/were involved in:

a. directly or indirectly fixing a purchase or selling price or any other trading condition.
b. dividing markets by allocating customers, suppliers, territories or specific types of goods or services; or
c. collusive bidding.

If a bidder(s) or contractor(s), in the judgment of the purchaser, has/have engaged in any of the restrictive practices referred to above, the purchaser may, without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered or terminate the contract in whole or in part and refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

xv. FRONTING

The National Treasury supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent, and legally compliant manner. Against this background the National Treasury condemns any form of fronting.

The National Treasury, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct, or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Client of Trade and Industry, be established during such enquiry/investigation, the onus will be on the bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the National Treasury may have against the bidder/contractor concerned.

xvi. TIMEFRAMES AND FORMAL CONTRACT

Successful bidder(s) will be required to enter into formal contract with GTAC.

xvii. PACKAGING OF BID

The bidder shall place both the sealed Technical Proposal and Price/ Financial Proposal envelopes into an outer sealed envelope or package, and must be clearly marked as follows:

xviii. FUNCTIONALITY PROPOSAL

The bid submission must include:

a. The original signed and bound master document; and
b. The bid document (technical proposal) must include the following:

Sequence	Document Title
1	SBD 1- Invitation to Bid
2	Tax clearance status: CSD registration report or number or SARS Pin
3	SBD 4 – Bidder's Disclosure
4	SBD 6.1- Preferential Points Claim Form in terms of the Preferential Procurement Regulations (PPR) 2022
5	Response to Technical Evaluation Criteria as per Terms of Reference

The bid shall not include any other documentation (e.g., Annual reports, brochures).

The bid shall be enclosed in a sealed envelope.

The envelope must be addressed as follows:

Tender:	**"TECHNICAL PROPOSAL: TRANSACTION ADVISORY SERVICES FOR THE IMPLEMENTATION OF AN NEW WASTEWATER TREATMENT PLANT AT LANSERIA"**
Bid No:	
TECHNICAL PROPOSAL	
Name of bidder:	
Contact number of bidder:	
Address of bidder:	

xix. PRICE/FINANCIAL PROPOSAL

In this envelope, the bidder shall provide the price/ financial proposal must be submitted in the in the provided template (Annexure C) before the closing date and time of the bid in a separate envelope marked "pricing schedule/price proposal" addressed as follows:

Tender:	**"PRICE PROPOSAL: TRANSACTION ADVISORY SERVICES FOR THE IMPLEMENTATION OF AN NEW WASTEWATER TREATMENT PLANT AT LANSERIA"**
Bid No:	
FINANCIAL PROPOSAL	
Name of bidder:	
Contact number of bidder:	
Address of bidder:	

xx. BID VALIDITY PERIOD

The bid will be valid for a period of 90 (ninety) days from the closing date of the bid**.**

xxi. NON-COMPULSORY BRIEFING SESSION

A non-compulsory briefing session will be held at a specified date and time as indicated in the cover/ invitation letter of this bid.

xxii. CONTACT DETAILS

Professional Services Procurement, at GTAC
Physical address: GTAC, 240 Madiba Street (Vermeulen), Pretoria
Private Bag x 115, Pretoria, 0001
For any enquiries, email: psp@gtac.gov.za

xxiii. SUBMISSION DETAILS AND CLARIFICATION

Submissions must be submitted to ***GTAC Tender box situated at:***
National Treasury Building, 240 Madiba Street
Pretoria
Ground floor, Reception Area.

NB: Do not submit at the Tender Information Centre (TIC)
Submissions received after the closing date and time will not be accepted.

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (*NAME OF DEPARTMENT/ PUBLIC ENTITY*)					
BID NUMBER:	**RFP 002-2024-25**	CLOSING DATE:	**17 MAY 2024**	CLOSING TIME:	**11:00AM**
DESCRIPTION	**TRANSACTION ADVISORY SERVICES FOR THE IMPLEMENTATION OF A WASTEWATER TREATMENT PLANT AT LANSERIA**				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (*STREET ADDRESS*)					
GTAC TENDER BOX					
240 MADIBA STREET (CORNER THABO SEHUME STREET AND MADIBA STREET), PRETORIA					
NATIONAL TREASURY BUILDING: GOVERNMENT TECHNICAL ADVISORY CENTRE (GTAC)					
GROUND FLOOR, RECEPTION AREA. (DO NOT SUBMIT AT THE NATIONAL TREASURY TENDER INFORMATION CENTRE (TIC)					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	**Lebakang Mogale**	CONTACT PERSON	**Lebakang Mogale**
TELEPHONE NUMBER	**012-315-5280**	TELEPHONE NUMBER	**012-315-5280**
FACSIMILE NUMBER	**-**	FACSIMILE NUMBER	**-**
E-MAIL ADDRESS	rfp@gtac.gov.za	E-MAIL ADDRESS	rfp@gtac.gov.za

SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		**OR**	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	☐Yes ☐No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	☐ YES ☐ NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.	

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	**ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER: ……………………………………………

CAPACITY UNDER WHICH THIS BID IS SIGNED: ……………………………………………
(Proof of authority must be submitted e.g. company resolution)

DATE: ……………………………

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest1 in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

1 the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:
………………………………………………………………………………………
………………………………………………………………………………………

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:
…………………………………………………………………………………
…………………………………………………………………………………

3 DECLARATION

I, the undersigned, (name)………………………………………………………………… in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

3.1 I have read and I understand the contents of this disclosure;
3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium2 will not be construed as collusive bidding.
3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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2 Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

………………………………… ..………………………………………………
Signature Date

………………………………… ……………………………………………………
Position Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

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1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 The applicable preference point system for this tender is the 80/20 preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

(a) Price; and
(b) Specific Goals.

1.4 The maximum points for this tender are allocated as follows:

	POINTS
Price	80
Specific Goals	20
Total points for Price and Specific Goals	**100**

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

(a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

(b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

(c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

(d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

A maximum of 80 points is allocated for price on the following basis:

80/20

$$Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

Where

Ps	=	Points scored for price of tender under consideration
Pt	=	Price of tender under consideration
Pmin	=	Price of lowest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.*)**

Failure to complete this table and submission of proof as per Annexure D will result in a score of zero for specific goals.

The specific goals allocated points in terms of this tender	Scoring Criteria	Number of points allocated (80/20 system)	Number of points claimed (80/20 system) (To be completed by the tenderer)
1. The percentage of Black Professionals and their roles in the Transaction Advisory team (excluding trainees and administration resources in the project team)	<25% = 0 25% – 35% = 2 >35% = 4	4	
2. The percentage of Black Professional Women and their roles in the Transaction Advisory team (excluding trainees and administration resources in the project team)	<25% = 0 25% – 35% = 2 >35% = 4	4	
3. The number of trainee graduates/young Black professionals (e.g. Candidate Attorneys, graduates doing Articles, Candidate Engineers, etc. as applicable in respective professions) as percentage of the whole Transaction Advisory team	<25% = 0 25% – 35% = 2 >35% = 4	4	
4. The percentage of proposed Transaction Advisor fee to Black Professionals (excluding trainees and administration resources in the project team)	<25% = 0 25% – 35% = 3 >35% = 4	4	
5. A credible plan for skills transfer within the team. The plan must have identified individuals, the areas of development or skills transfer, the timing linked to the project and anticipated outcome	No plan = 0 Incomplete plan = 2 Credible plan = 4	4	
TOTAL POINTS		**20**	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm…………………………………………………………………….

4.4. Company registration number: …………………………………………………………...

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company

- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering process;
(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
(d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
(e) forward the matter for criminal prosecution, if deemed necessary.

……………………………………….

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: ………………………………………………………

DATE: ………………………………………………………

ADDRESS: ………………………………………………………

………………………………………………………

………………………………………………………

………………………………………………………