REQUEST FOR PROPOSAL: PROVISION OF INVESTMENT CONSULTING SERVICES FOR A PERIOD OF 5 YEARS

Terms of Reference

REQUEST FOR PROPOSAL

ECIC07P-2021/22

PROVISION OF INVESTMENT CONSULTING SERVICES FOR A PERIOD OF 5 YEARS

CLOSING DATE: 24 AUGUST 2021

CLOSING TIME: 15H00 (SAST, OBTAINABLE FROM TELKOM BY DAILING 1026)

CONTRACT NUMBER: SLA07-2021/22

CONTENTS

1. Introduction

1.1 The Export Credit Insurance Corporation of South Africa (SOC) Ltd (ECIC)[1] is a self-sustained state-owned entity listed under Schedule 3B of the Public Finance Management Act 1 of 1999 (as amended) and established in terms of the Export Credit and Foreign Investments Insurance Act 78 of 1957 (as amended).

1.2 The mandate of ECIC is to facilitate and encourage South African export trade, by underwriting export credit loans and investments outside the country, to enable South African contractors to win capital goods and services contracts in countries outside South Africa. ECIC is a registered Financial Service Provider and is regulated by the Financial Sector Conduct Authority and Prudential Authority (FSP No: 30656). Currently exempted in terms of FAIS Notice 78 of 2019.

1.3 ECIC operates from offices at Block C7 Eco Origins Office Park, 349 Witch Hazel Avenue, Highveld Ext 79, Centurion, 0157, South Africa.

1.4 Bids are hereby invited for the appointment of a service providers to render investment consulting services for a period of five (5) years.

1.5 This bid is subject to the Preferential Procurement Policy Framework Act No. 5 of 2000 and the Preferential Procurement Regulations, 2017, the General Conditions of Contract (GCC) and, if applicable, any other special conditions of contract. Where, however, the special conditions of contract conflict with the general conditions of contract, the special conditions of contract prevail.

2. Briefing session (Virtual briefing session)

2.1 A non-compulsory briefing session will be held virtually on 6 August 2021 at 12H00 for a maximum of 1 Hour 30 Minutes at the following address:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZTNlMmVkNGUtYzlhMS00ODFkLWE5OTUtODljODE1ZTc3YzM2%40thread.v2/0?context=%7b%22Tid%22%3a%22bcc49292-184b-47c7-bb08-4467c490ca5c%22%2c%22Oid%22%3a%22b197eb60-f523-4755-b449-cb351227ae15%22%7d

2.2 **ECIC will not be compelled to repeat any issues already covered to latecomers, nor open the briefing session once the session has been completed.**

3. Background

3.1 ECIC's liabilities drive the determination of its investment strategy and asset management activities. As an insurer ECIC has an imperative to ensure its obligations are fulfilled whilst maintaining financial soundness. It makes use of an asset liability matching approach to determine its investment strategy set within the risk appetite and risk budget of the corporation.

[1] Further information on the ECIC can be found at www.ecic.co.za

3.2 ECIC seeks to appoint a suitable investment consulting firm that will provide investment consulting services for a period of five (5) years. The appointment will be subject to an annual review for continued service. The investment consulting firm should be adequately resourced and experienced to provide advice on both local and offshore investments. The funds are managed by both local and offshore fund managers through segregated mandates.

3.3 ECIC has an investment portfolio of R2.6 billion and US$366 million invested in rand and US dollar dominated assets respectively (market value as at 31 May 2021). The corporation's operational cashflow requirements is denominated and funded from the rand investment portfolio, while the majority of the corporation's liabilities are denominated in US dollars and matched by the US dollar investment portfolio. The assets are expected to remain stable in the rand portfolio, growing to R2.9 billion, while the US dollar portfolio is expected to grow to approximately $560 million over the next 5 years.

3.4 The corporation is in the process of converting its integrated strategic asset allocation approach to an investment tranching approach. Such an approach will segment each currency portfolio's objectives into a working capital, reserving and excess tranche. It is expected that the strategy will be fully implemented by March 2022 with the following tranche allocations:

Table 1

Tranche	Total Reserving Tranche			Excess
	Working Capital	Reserves	Capital Requirements	
Rand Portfolio				
% Allocation	10%	-	-	90%
Underlying Asset Classes	Cash	-	-	Multi-Asset
USD Portfolio				
% Allocation	10%	20%	40%	30%
Underlying Asset Classes	Cash	Fixed Income Duration Matched	Fixed Income Duration Matched	Multi-Asset

3.5 The investment strategy is implemented by appointing external fund managers. All contracts are currently managed on a segregated basis with bespoke investment guidelines. ECIC is currently in the process of appointing fund managers for the new investment strategy and expects all appointments to be effective by March 2022. The following types and number of managers are expected:

Table 2

Tranche	Working Capital	Reserving	Capital Requirements	Excess
Rand Portfolio				
Number of Managers	1 Cash	-	-	2 Gov Bond 2 Flexible Income 2 Multi-Asset
USD Portfolio				
Number of Managers	2 Fixed Income			3 Multi-Asset

3.6 Investment activities and decisions are governed by ECIC's Investment Policy Statement (IPS), set and approved by the corporation's Board as recommended by the sub-committee Finance, Insurance and Investment Committee (FIIC). The FIIC meets quarterly in January, April, July, and October every year and is responsible for approving changes to the investment strategy, portfolio construction, asset manager appointments and their investment guidelines.

3.7 The ECIC's internal investment unit comprises of three team members. The unit is responsible for setting and executing the investment strategy and day-to-day management and monitoring of the investment portfolio and external fund managers.

3.8 Fund reporting is currently conducted in-house by the corporation's investment, actuarial, risk and accounting units using instrument level data provided by its custodian, the appointed fund managers and sourced from Bloomberg.

4. Scope of services required by ECIC

4.1 The appointed bidder will be required to:

4.1.1 Provide input in setting, executing, implementing, managing and monitoring the corporation's investment strategy, investment portfolio and appointed external fund managers. The scope of the contract will be to provide independence, research, advice and oversight, while the day-to-day management and execution of the workflow sets are performed by the corporation's in-house investment unit. The internal investment unit is supported by other internal teams such as actuarial, legal, risk, procurement and finance. The contribution of these internal teams can be meaningful and must be considered in the pricing proposal. The related workflow sets are described below in three categories.

4.1.2 **Investment Strategy**

4.1.2.1 Investment Strategy: Provide advice and recommendations in setting the strategy such as objectives, size allocations, risk tolerances, performance and risk targets, benchmarks and credit limits. The strategy is set taking cognisance of the insurance liability profile, liquidity requirements and risk budget. Cashflow management, rebalancing and tactical asset allocation are integral components. Should also advise on the impact investment strategy changes might have on financial reporting.

4.1.2.2 Asset Modelling: Produce asset modelling, optimisation, analysis and recommendations in setting the underlying asset allocation and objectives of the investment strategy, expected risk and return parameters and market scenario studies. This will be done in conjunction with the internal investment and actuarial units.

4.1.2.3 Portfolio Construction: Provide advice and recommendations in executing the investment strategy and construct appropriate local and offshore portfolio tranches. This includes considering the optimal number of managers, risk and performance targets, benchmarks, investment guidelines, credit limits, style premia and investment vehicles.

4.1.2.4 Investment Policy: Review the investment policy which sets out the parameters guiding investment activities such as roles and responsibilities, strategy, objectives, cashflow management, risk management, manager selection and monitoring, socially responsible investment principles and fund manager transformation targets.

4.1.2.5 Governance Committees: Attend, participate and present recommendations at quarterly board investment committee meetings. Written submissions must accompany proposals and research reports.

4.1.3 External fund manager monitoring

4.1.3.1 Ongoing Monitoring and Evaluation: Provide analysis on the appointed fund managers in line with peers, selection criteria and objectives including transformation, proxy voting, defining events and socially responsible practices. Monitoring includes due diligence, report back and up to date evaluation scores in line with an effective manager scoring model. It also includes fund manager terminations, with proposed fund manager early-termination criteria and recommendations and plan for contract expiries by providing advice on project plans in replacing outgoing fund managers and transition of assets.

4.1.4 External fund manager new appointments

4.1.4.1 ECIC does not anticipate new fund manager tenders during the term of this investment consulting contract. This is because the new investment strategy's tranches and associated fund manager procurement is expected to be concluded by end of March 2022. Consultants have already been appointed to assist with the contracting, investment guidelines and transitioning of these appointments. These fund managers will be appointed for a contract term of 7 years.

4.1.4.2 The pricing proposal should set out the cost in providing services as set out below, should the need arise to procure a new fund manager(s). The pricing proposal should also be mindful that the ECIC's procurement process is run by ECIC internal staff in line with the Corporation's Procurement Policy. The consultant will provide oversight, research and advice should a new manager be procured. The sections below set out the typical elements applicable in new fund manager appointments.

4.1.4.3 Fund Manager Research: Provide recommendations on parameters to consider in identifying fund managers such as suitable vehicles, optimal number of managers, investment guidelines and qualitative and quantitative aspects essential in assessing a potential manager. A set of suitable managers based on the specifications should be provided to demonstrate the breadth and quality of the industry.

4.1.4.4 Fund Manager Selection: Participate in the evaluation and assessment of eligible bidders as a fund management specialist with other members of ECIC who forms the bid evaluation team.

The assessments consist of technical and proof of concept evaluations followed by due diligences.

4.1.4.5 Fund Manager Onboarding: Provide operational assistance in onboarding new managers following tender awards such as a project plan, account opening, Investment Management Agreements and transitioning of assets such as a transition project plan and post-transition reconciliation.

4.2 Provide written reports for research and advice rendered by the investment consultant and the provision of such reports must be included in the pricing proposal.

5. Bid/contract conditions

5.1 ECIC will enter into an agreement with the successful bidder which will detail the terms of engagement. The contract will be monitored annually.

5.2 The appointed bidder must ensure that they maintain their independence in providing advice to ECIC for the entire duration of the agreement.

6. Due diligence / site inspection

6.1 At the ECIC's discretion, a due diligence and/or site inspection may be conducted on the identified bidder *(the due diligence site visit may take place remotely)*. ECIC will visit the identified bidders' premises with the objective of verifying information as contained in their bid documents.

6.2 Where applicable, the ECIC will issue criteria for the due diligence review or site inspection beforehand to the applicable bidder(s). Should it be discovered during a due diligence visit or site inspection that the information submitted by the identified bidder is inconsistent with what is on their current premises of business, ECIC reserves the right to disqualify such bidder.

6.3 ECIC may identify another bidder using the next highest points obtained in the evaluation phase as stipulated in paragraph 7.1.4, taking into consideration the process followed under paragraphs 6.1 and 6.2.

7. Bid evaluation

7.1 The proposals will be evaluated in phases as highlighted below and detailed in paragraphs 8 to 11 of this document:

7.1.1 Phase One: Compliance

Compliance with administrative requirements stated in the Standard Bidding Documents requirements as listed in paragraph 11. In this evaluation phase, all bidders that fail to provide the required information and documentation may be disqualified from further evaluation.

7.1.2 **Phase Two: Functional evaluation (desktop evaluation)**

In this evaluation phase, bidders are expected to obtain a minimum of 80 out of 100 points to proceed to the next evaluation stage of the evaluation. Failure to obtain the prescribed minimum points will automatically disqualify the bid offer from proceeding to the next evaluation phase.

7.1.3 **Phase Three: Proof of concept evaluation (demonstration)**

In this evaluation phase, bidders are expected to obtain a minimum of 80 out of 100 points to proceed to the next evaluation stage of the evaluation. Failure to obtain the prescribed minimum points will automatically disqualify the bid offer from proceeding to the next evaluation phase.

7.1.4 **Phase Four: Preference point system**

The 80/20 preference point system shall be applicable to this phase, where 80 points represent maximum obtainable points for the lowest acceptable price and 20 points represents maximum obtainable points for the B-BBEE level status. Points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table as listed in the bid documentation (refer to paragraph 10).

8. Evaluation Phase Two: Functional

8.1 The proposal submitted by the bidder will be evaluated by the ECIC based on the following criteria and be rated as the factor score over 5 multiplied by the applicable points:

Factor scores: 0=Poor, 1=Below average, 2=Average, 3=Good, 4=Very Good, 5=Excellent

Table 3

EVALUATION CRITERIA	DESCRIPTION	FURTHER DETAIL	SUB		POINTS
			FACTOR	POINTS	
1. Firm's experience in providing investment consulting services	1.1. Demonstrate the firm's experience in consulting on setting an investment strategy and portfolio construction. Setting out relevant previous experience, specifically providing services on offshore portfolios, and to insurance companies.	1.1.1. Bidder has 5 years or less experience.	2	5	25
		1.1.2. Bidder has more than 5 years' experience.	3		
		1.1.3. Bidder has more than 5 years' experience, which includes consulting on offshore portfolios.	4		
		1.1.4. Bidder has more than 5 years' experience, which includes consulting on offshore portfolios, and consulting to insurance companies.	5		
	1.2. Demonstrate the firm's experience in **local** fund manager research, including having the necessary systems.	1.2.1. Bidder does not have the experience and/or systems to conduct **local** fund manager research.	0	7	
		1.2.2. Bidder has 5 years or less experience in conducting **local** fund manager research. This includes the necessary systems to conduct such research.	3		
		1.2.3. Bidder has more than 5 years' experience in conducting **local** fund manager research. This includes the necessary systems to conduct such research.	5		

EVALUATION CRITERIA	DESCRIPTION	FURTHER DETAIL	SUB FACTOR	SUB POINTS	POINTS
	1.3. Demonstrate the firm's experience in **offshore** fund manager research, including having the necessary systems.	1.3.1. Bidder does not have the experience and/or systems to conduct **offshore** fund manager research.	0	8	
		1.3.2. Bidder has 5 years or less experience in conducting **offshore** fund manager research. This includes the necessary systems to conduct such research.	3		
		1.3.3. Bidder has more than 5 years' experience in conducting **offshore** fund manager research. This includes the necessary systems to conduct such research.	5		
	1.4. Number of client references provided for whom the firm provided investment consulting services. Indicate what type of entity the client is if the appointment is current or when the appointment expired.	1.4.1. Bidder provided three or less contactable references and/or client's reference letters.	0-3	5	
		1.4.2. Bidder provided more than three contactable references and/or client's reference letters.	4		
		1.4.3. Bidder provided more than three contactable references and/or client's reference letters. And one of the references provided are for an insurance company.	5		
2. Corporate governance	2.1. Indicate the firm's governance and internal controls that are in place to strengthen the corporation's activities and assure independence on the services and advice provided to clients. Set out company/group structure and	2.1.1. Bidder did not provide indication of its governance and internal controls as required. And/or bidder did not address satisfactorily potential conflict of interest that might arise through other company/group activities.	0	10	10

EVALUATION CRITERIA	DESCRIPTION	FURTHER DETAIL	SUB FACTOR	SUB POINTS	POINTS
	highlight any potential conflict of interest across group activities / services / offerings and how it is managed. For example, asset management, multi-managed and brokerage products that the consultant could offer ECIC in rendering advice.	2.1.2. Bidder did provide indication of its governance and internal controls as required. And bidder addressed satisfactorily potential conflict of interest that might arise through other company/group activities. To score a factor 5 the bidder must provide detailed information, such as description of related processes or group structure.	1-5		
3. Team experience	3.1. Profile of proposed lead consultant. Setting out qualifications, years of experience and list of clients.	3.1.1. Bidder did not provide profile information of the proposed lead consultant.	0	10	25
		3.1.2. The lead consultant has less than 10 years of experience in providing investment consulting services.	1		
		3.1.3. The lead consultant has less than 10 years of experience in providing investment consulting services. And has provided such services to an insurance company.	3		
		3.1.4. The lead consultant has at least 10 years' experience in providing investment consulting services.	4		
		3.1.5. The lead consultant has at least 10 years' experience in providing investment consulting services. And has provided such services to an insurance company.	5		

EVALUATION CRITERIA	DESCRIPTION	FURTHER DETAIL	SUB FACTOR	SUB POINTS	POINTS
	3.2. Profile of proposed fund manager research specialist. Setting out qualifications, years of experience.	3.2.1. Bidder did not provide profile information of the proposed fund manager research specialist.	0	10	
		3.2.2. The fund manager research specialist has less than 5 years of experience in conducting manager research.	2		
		3.2.3. The fund manager research specialist has more than 5 years of experience in conducting manager research.	3		
		3.2.4. The fund manager research specialist has more than 5 years of experience in conducting manager research, of which at least three years has been with the bidder.	5		
	3.3. Back-up and continuity plan in respect of the nominated lead consultant to ensure continuity in services offered to ECIC.	3.3.1. No back up and/or continuity plan provided.	0	5	
		3.3.2. Bidder provided a backup, and/or continuity plan. The proposed back-up lead consultant has less than 10 years of experience in providing investment consulting services.	1		
		3.3.3. Bidder provided a backup, and/or continuity plan. The proposed back-up lead consultant has less than 10 years of experience in providing investment consulting services. And has provided such services to an insurance company.	3		
		3.3.4. Bidder provided a backup, and/or continuity plan. The proposed back-up lead consultant has at least 10 years of	4		

EVALUATION CRITERIA	DESCRIPTION	FURTHER DETAIL	SUB FACTOR	SUB POINTS	POINTS
		experience in providing investment consulting services.			
		3.3.5. Bidder provided a backup, and/or continuity plan. The proposed back-up lead consultant has at least 10 years of experience in providing investment consulting services. And has provided such services to an insurance company.	5		
4. Approach used to provide investment consulting services, as well as administration and reporting services	4.1. Bidder must provide the approach that will be followed in setting, implementing, managing and monitoring an investment strategy and investment portfolio. Including systems that bidder uses to support its recommendations in asset modelling and asset optimisation, stating how long systems have been in use and frequency of use.	4.1.1. Bidder did not provide detailed approach.	0	25	40
		4.1.2. The bidder provided a detailed approach, but it does not meet the requirements.	1-2		
		4.1.3. The bidder provided a detailed approach that meets the requirements of the bid. The score allocated depends on the quality of the approach and the extent to which it covers the scope of services.	3-5		
	4.2. Bidder must provide the approach followed and systems used to conduct **local and offshore** fund manager research, selection, manager blending and ongoing fund manager monitoring.	4.2.1. Bidder did not provide detailed approach.	0	15	
		4.2.2. The bidder provided a detailed approach, but it does not meet the requirements.	1-2		

EVALUATION CRITERIA	DESCRIPTION	FURTHER DETAIL	SUB FACTOR	SUB POINTS	POINTS
	Provide research process, asset class coverage, universe size and frequency of updates. Provide a descripting of your rating and ranking system. Provide details on the size of the manager research team.	4.2.3. The bidder provided a detailed approach that meets the requirements of the bid. The score allocated depends on the demonstrated capabilities and the approach and the extent to which it covers the scope of services.	3-5		
TOTAL				**100**	**100**

8.2 Kindly refer to Annexure B, which sets out the preferred structure for providing the required information.

8.3 Bidders who achieve minimum points of 80 out of 100 will be invited for presentation of their proposed solution to ECIC. The presentation will be on **21 September 2021** and/or **23 September 2021** for bidders that have passed the functional evaluation. Dates and times will be communicated to the bidders who have passed functionality during the week ending **10 September 2021**. Presentations may be handled remotely.

9. Evaluation Phase Three: Proof of concept (Demonstration)

9.1 The proof of concept presented by the bidder will be evaluated by ECIC based on the following criteria and be rated as follows:

Factor scores: 0=Poor, 1=Below average, 2=Average, 3=Good, 4=Very Good, 5=Excellent

Table 4

EVALUATION CRITERIA	POINTS
1. Demonstrate how the firm will apply modelling, research and utilise systems in advising on ECIC's investment strategy and portfolio construction.	35
2. Present on the process and systems used for fund manager research, selection and ongoing monitoring and evaluation on the appointed fund managers in line with peers and selection criteria. Demonstrate system capabilities on offshore assets and offshore fund manager parameters. Indicate for how long and how frequent the bidder has incorporated these offshore components.	35
3. Provide assurance on the lead consultant and support team's capacity and flexibility to consult to the ECIC in relation to the total number of clients consulted to, and how this available capacity will be managed and maintained throughout the duration of the contract.	10
4. Overall quality of the presentation and presenters.	10
5. Satisfactory response to questions.	10
TOTAL	**100**

9.2 Bidders are expected to obtain a minimum of 80 out of 100 points to proceed to the next evaluation stage of the evaluation. Failure to obtain the prescribed minimum points will automatically disqualify the bid offer from proceeding to the next evaluation phase.

9.3 In view of the Covid-19 during lockdown, the regulations will be adhered depending on each level in performing POC evaluation. To flatten the curve, the corporation will decide on the best way to conduct the due diligence/proof of concept and communicate with bidders who have achieved the minimum required points for functionality. It is anticipated that, the Proof of Concept will be conducted online using Microsoft Teams.

10. Evaluation Phase Four: Preference point system

10.1 The formula below will be used to calculate the preference procurement points for price if the 80/20 basis applies.

$$\mathrm{Ps} = 80\left(1 - \frac{\mathrm{Pt} - \mathrm{Pmin}}{\mathrm{Pmin}}\right)$$

Where

Ps = Points scored for comparative price of bid under consideration
Pt = Comparative price of bid or offer under consideration
Pmin = Comparative price of lowest acceptable bid

10.2 Depending on the bidder's level of broad-based black empowerment contribution, a maximum of 20 points may be allocated to a bidder. The points scored by a bidder for broad-based black economic empowerment contribution will be added to the preference procurement points allocated for price.

10.3 The table below reflects the number of points to be allocated to a bidder based on broad-based black economic empowerment contribution:

Table 5

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

10.4 The B-BBEE points will be awarded as per the rating certificate, the points for joint ventures (JV) or consortiums will be awarded based on the certificate of the JV or the consortium.

11. Standard bidding documents

11.1 The following compulsory additional information is required. Failure to complete and supply any of these documents may lead to disqualification from this bid:

Table 6

Invitation to bid	SBD 1
Declaration of Interest	SBD 4

Preference Points Claim Form for Preferential Procurement Regulations 2017 (including a valid B-BBEE Status Level Verification Certificate) **Should a bidder not complete and sign the SBD6.1, the bidder will be allocated 0.00 points for B-BBEE.**	SBD 6.1
Declaration: Abuse of Supply Chain Management Systems	SBD 8
Certificate of Independent Bid Determination	SBD 9

12. Instructions to respondents

12.1 Correspondence

12.1.1 No telephonic or any other form of communication with any other ECIC member of staff other than the named individual below, relating to this RFP will be permitted. All enquiries must be in writing only.

12.1.2 All questions relating to the contents of the tender (conditions, rules, terms of reference etc.) must be forwarded in writing via email to procurement@ecic.co.za by not later than 13 August 2021. Questions received after this date will not be entertained.

12.1.3 All questions must reference specific paragraph numbers, where applicable.

12.1.4 All enquiries (received on or before the closing date for enquiries) will be consolidated and ECIC will publish one response document on the ECIC website (www.ecic.co.za) within two working days after the date in indicated in paragraph 12.1.2.

12.1.5 No requests for information shall be made to any other person or place and in particular not to the existing provider of this service.

12.2 Submission of the proposals

12.2.1 Bid documents must be clearly marked for ease of reference.

12.2.2 In view of the applicable Regulations issued in terms of the Disaster Management Act. 2002 (Act No 57 of 2002) (generally known as Covid-19 Regulations) and to comply with the Covid-19 Regulations, particularly on movement and social distancing, bid documents must be submitted on PDF format on/or before the closing date and time to the following email address:

procurement@ecic.co.za

12.2.3 The following email submission procedures or protocols must be adhered to ensure safe and secure submission of the tender documents and supporting documents:

12.2.3.1 The tender document, including the supporting or returnable documents should be submitted via email in PDF format.

12.2.3.2 If the PDF tender document, including the supporting or returnable documents is less than 20 Megabytes (MB), it should be submitted as one document. If the electronic bid document is more than 20MB, the electronic tender document should be split in order to adhere to the 20MB email capacity.

12.2.3.3 Bidders are also encouraged to submit a USB detailing their tender proposals.

12.2.4 Only if bidders are experiencing challenges with emailing documents, tenders can be delivered at the ECIC Offices on/or before the closing date and time at Block C7 Eco Origins Office Park, 349 Witch Hazel Avenue, Highveld Ext 79, Centurion, 0157, South Africa.

12.2.5 **Notwithstanding** the **method of submission, any bid received after the closing date and time will not be accepted.**

12.2.6 All bids and all subsequent information received from respondents will not be returned. The proposals should be addressed to the Head of Procurement of ECIC.

13. Timeline of the bid process

13.1 The period of validity of the tender and the withdrawal of offers, after the closing date and time are 160 days, expiring on 31 January 2022. The project timeframes of this bid are set out below:

Table 7

STAGE	DESCRIPTION OF STAGE	ESTIMATED COMPLETION DATE (OR WORK WEEK ENDING)
1.	Advertisement of bid on Government e-tender portal / ECIC Website	29 July 2021
2.	Non-compulsory briefing session (virtual)	6 August 2021
3.	Questions relating to bid from bidder(s)	13 August 2021
4.	Bid closing	24 August 2021
5.	Compliance	3 September 2021
6.	Functional Evaluation	10 September 2021
7.	Proof of concept (demonstration)	24 September 2021

STAGE	DESCRIPTION OF STAGE	ESTIMATED COMPLETION DATE (OR WORK WEEK ENDING)
8.	Preference Points	1 October 2021
9.	Bid Adjudication	29 October 2021
10.	Notification of the outcome to the bidders	12 November 2021

13.2 All dates and times in this bid are in South African Standard Time.

13.3 Any time or date in this bid is subject to change at the discretion of ECIC. The establishment of a time or date in this bid does not create an obligation on the part of ECIC to take any action or create any right in any way for any bidder to demand that any action be taken on the date established. The bidder accepts that, if ECIC extends the deadline for bid submission (the Closing Date) for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

14. Bid rules

14.1 Documents/information required as a condition of award

14.1.1 Proof of registration valid registration on the National Treasury Central Supplier Database (CSD) (only applicable if claiming B-BBEE points in the adjudication process).

14.1.2 All SBDs signed and completed, SBD1, SBD4, SBD6.1; SBD8 and SBD9.

14.2 Broad-Based Black Economic Empowerment and Socio-Economic Obligations

14.2.1 As prescribed in terms of the Preferential Procurement Policy Framework Act (PPPFA), Act 5 of 2000 and its Regulations, bidders are to note that ECIC will allow a “preference” to companies who provide a valid BEE Certificate or Sworn Affidavit. It is noted that international asset managers will not be able to meet the B-BBEE requirements.

14.2.2 Where applicable, bidders are required to complete SBD 6.1 and submit it together with proof of their B-BBEE Status as stipulated in the bidding form in order to obtain preference points for their B-BBEE status.

14.3 B-BBEE Joint Ventures or Consortiums

14.3.1 Bidders who would wish to respond to this bid as a Joint Venture [JV] or consortium with B-BBEE entities, must state their intention to do so in their bid submission. Such Respondents must also submit a signed JV or consortium agreement between the parties clearly stating the percentage [%] split of business and the associated responsibilities of each party.

14.3.2 If such a JV or consortium agreement is unavailable, the partners must submit confirmation in writing of their intention to enter into a JV or consortium agreement should they be awarded business by ECIC through this bid process. This written confirmation must clearly indicate the percentage [%] split of business and the responsibilities of each party. In such cases, award of business will only take place once a signed copy of a JV or consortium agreement is submitted to ECIC.

14.3.3 Bidders are to note the requirements for B-BBEE compliance of JVs or consortiums as stipulated in the bidding form in order to obtain preference points for their B-BBEE status and submit it together with proof of their B-BBEE Status.

14.4 **Sub-contracting**

14.4.1 ECIC fully endorses the South African Government's transformation and empowerment objectives and in awarding the tender or contract, preference may be given to bidders (Generics) who are willing to subcontract not less than 30% of the contract to a company which is Black Owned, Black Women Owned, Black Youth Owned, owned by Black People with Disabilities, an EMEs and QSE. EME's and QSE's are allowed to bid without subcontracting.

14.4.2 If contemplating subcontracting, please note that a bidder will not be awarded points for B-BBEE if it is indicated in its Proposal that such bidder intends subcontracting more than 30% (thirty percent) of the value of the contract to an entity/entity that do not qualify for at least the same points that the bidder qualifies for, unless the intended subcontractor is a company which is Black Owned, Black Women Owned, Black Youth Owned, owned by Black People with Disabilities, an EME and QSE , with the capability to execute the subcontract.

14.4.3 A person awarded a contract may not subcontract more than 25% (twenty five) of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

14.4.4 Respondents are required to indicate the percentage of the contract that will be sub-contracted as well as the B-BBEE status of the sub-contractor/s on the SBD6.1.

14.5 **ECIC's rights**

14.5.1 ECIC reserves the right to:

14.5.2 Amend any bid conditions, bid validity period, bid specifications, or extend the bid closing date, all before the bid closing date. Such amendments will be posted on the ECIC's website under the relevant tender information. All prospective bidders must therefore ensure that they visit the website of ECIC (www.ecic.co.za) regularly before they submit their bid response to ensure that they are kept updated on any amendments in this regard.

14.5.3 Cancel or withdraw this bid at any time, as a whole or in part without reasons and without attracting any liability.

14.5.4 Award this bid to more than one bidder.

14.5.5 Negotiate with all or some of the shortlisted bidders.

14.5.6 Not accept the lowest priced bid or award the bid to a bidder other than the highest scoring bidder.

14.5.7 Conduct site visits at bidder's offices and / or at client sites if so required.

14.5.8 Request any relevant information and/ or documents to verify or clarify information supplied in the bid response in relation, but not limited, to the structure of the bidding entity, bidder's capacity, proposed solution, proposed timelines etc.

14.6 Contract fees

14.6.1 Where a bidder indicates that its prices are subject to confirmation, or are in any way conditional, such pricing will not be considered.

14.7 Confidentiality

14.7.1 Any information relating to the submissions, through the process or otherwise shall be treated in strict confidence. In submitting a response, a Service provider agrees that it shall not be entitled to any information disclosed by another respondent to ECIC, which ECIC has determined to be of a confidential nature. The content and details of the evaluation of submissions will remain confidential to ECIC.

14.8 Other matters

14.8.1 If the ECIC does not accept any proposal, it will declare this bid process closed and may then elect to:

14.8.1.1 Proceed on a completely different basis; and/or

14.8.1.2 Not to appoint any respondent (in the event it deems all or any of the proposals not appropriate).

14.8.2 The ECIC reserves the right to engage in any processes required to validate all claims made in the proposal.

14.8.3 The ECIC has the right to enter into negotiation with a prospective Service provider regarding any terms and conditions, including fees, of a proposed contract.

14.8.4 Bidders are allowed to submit joint proposals to allow different companies/entities to undertake different components of the work under one single proposal. In such event however, each bidder is required to provide a B-BBEE certificate.

14.9 Disclaimer

14.9.1 The ECIC has produced this bid in good faith. However, the ECIC, its agents and its employees and associates, do not warrant its accuracy or completeness. The ECIC will not be liable for any claim whatsoever and howsoever arising (including, without limitation, any claim in contract, negligence or otherwise) for any incorrect or misleading information contained in this bid due to any misinterpretation of this bid.

14.9.2 This bid is a request for proposals only and not an offer document; answers to it must not be construed as acceptance of an offer or imply the existence of a contract between the ECIC and the bidder.

14.10 Terms of engagement

14.10.1 The ECIC's engagement of the service provider will be documented in a contract between the ECIC and the appointed bidder.

Annexures

Annexure A: Format for pricing proposal

1. **It is important to note that paragraph 4 of the terms of reference must be read and considered when completing the pricing proposal as it specifies the scope of services that will be.**
2. Bidders are required to submit their fee schedule in the format prescribed below. The proposed fee must include all costs for providing services to the ECIC as described in this bid. The quotation must be in the letterhead of the bidder.
3. The provided fees must be the full and total fees that will be incurred by the ECIC over the contract term. And no fee escalations will be allowed over the contract period e.g. inflation linked increases.

	Year 1	Year 2	Year 3	Year 4	Year 5
	Rand amounts				
Fees based on an annual retainer basis **Investment Strategy:** Investment Strategy, Asset Modelling, Portfolio Construction, Investment Policy, Governance Committees **External fund manager monitoring:** Ongoing Monitoring and Evaluation					
Services priced for one new local manager appointment per year **External local fund manager new appointment:** Fund Manager Research, Fund Manager Selection, Fund Manager Onboarding [2]					
Services priced for one new offshore manager appointment per year **External offshore fund manager new appointment:** Fund Manager Research, Fund Manager Selection, Fund Manager Onboarding [3]					
TOTAL INCLUDING VALUE ADDED TAX					

[2] Provide fee for appointment of new local external fund manager, should this service be required, assume one local fund manager appointment in each of the years 1 to 5.

[3] Provide fee for appointment of new offshore external fund manager, should this service be required, assume one offshore fund manager appointment in each of the years 1 to 5.

Annexure B: **Information required from all bidders**

Important: Bidders are encouraged to follow the following submission structure and numbering in support of their bid to demonstrate their competency in meeting the functional evaluation phase.

1. Firm's experience in providing investment consulting services

1.1. Setting out relevant previous experience, specifically providing services on offshore portfolios, and to insurance companies. Specify years of related experience.

1.2. Setting out the firm's experience in local fund manager research, including the necessary systems used. Specify years of related experience.

1.3. Setting out the firm's experience in offshore fund manager research, including the necessary systems used. Specify years of related experience.

1.4. Setting out the firm's experience in providing administration and reporting services (such as independent valuation, investment accounting and holdings reporting). Specify years of related experience. Also describe the necessary systems to provide such services.

1.5. Provide three or more client references for whom the firm provided investment consulting services. Need to indicate what type of entity the client is if the appointment is current or when the appointment expired. Preference for refences from insurance.

2. Corporate governance

2.1. Provide details on the firm's governance and internal controls that are in place to strengthen the corporation's activities and assure independence on the services and advice provided to clients. Describe related processes. Provide company/group structure and highlight any potential conflict of interest across group activities / services / offerings and how this conflict is managed. For example asset management, multi-managed and brokerage products that the consultant could offer ECIC in rendering advice.

3. Team experience

3.1. Provide CV/profile of proposed lead consultant. Setting out qualifications, years of experience and list of clients.

3.2. Provide CV/profile of proposed fund manager research specialist. Setting out qualifications, years of experience.

3.3. Provide back-up / continuity plan in respect of the nominated lead consultant to ensure continuity in services offered to ECIC.

4. Approach used to provide investment consulting services

4.1. Provide the approach that will be followed in setting, implementing, managing and monitoring an investment strategy and investment portfolio. Including systems that bidder uses to support its recommendations in asset modelling and asset optimisation, stating how long systems have been in use and frequency of use.

4.2. Provide the approach followed and systems used to conduct local and offshore fund manager research, selection and ongoing fund manager monitoring. Provide research process, asset class coverage, universe size and frequency of updates. Describe the fund manager rating and ranking system. Provide size of manager research team.

Annexure C: Protection of personal information

1. ECIC recognises that when the Bidder submits its proposal in response to this bid, it will provide personal information, which ECIC will process for the sole purpose of evaluating the Bidder's proposal. By submitting its proposal in responding to this Request for Quotations, the Bidder hereby provide its consent to the processing of its Personal Information by ECIC.

2. The following terms shall have the meaning ascribed to them:

   2.1. "**Personal Information**" shall bear the same meaning as ascribed to it under POPI;

   2.2. "**POPI**" means Protection of Personal Information Act, No. 4 of 2013;

   2.3. "**Responsible Party**" shall bear the same meaning as ascribed to it under POPI; and

   2.4. "**bid**" means this Request for Quotations.

3. ECIC as the Responsible Party undertakes to:

   3.1. comply with the provisions of POPI as well as all applicable legislation as amended or substituted from time to time;

   3.2. treat all Personal Information strictly as defined within the parameters of POPI;

   3.3. process Personal Information only in accordance with the consent it was obtained for, for the purpose agreed, as permitted by law;

   3.4. secure the integrity and confidentiality of any Personal Information in its possession or under its control by taking appropriate, reasonable technical and organisational measures to prevent loss, damage, unauthorised destruction, access, use, disclosure or any other unlawful processing of Personal Information;

   3.5. not transfer any Personal Information to any third party in a foreign country unless such transfer complies with the relevant provisions of POPI regarding trans-border information flows; and

   3.6. not retain any Personal Information for longer than is necessary for achieving the purpose in terms of bid or in fulfilment of any other lawful requirement.

4. ECIC will ensure that all reasonable measures are taken to:

   4.1. identify reasonably foreseeable internal and external risks to the Personal Information in its possession or under its control;

4.2. establish and maintain appropriate security safeguards against the identified risks;

4.3. regularly verify that the security safeguards are effectively implemented;

4.4. ensure that the security safeguards are continually updated in response to new risks or deficiencies in previously implemented safeguards;

4.5. provide immediate notification to the Bidder if a breach in information security or any other applicable security safeguard occurs; provide immediate notification to the Bidder where there are reasonable grounds to believe that the Personal Information has been accessed or acquired by any unauthorised person;

4.6. remedy any breach of a security safeguard in the shortest reasonable time and provide the Bidder with the details of the breach and, if applicable, the reasonable measures implemented to address the security safeguard breach;

4.7. provide immediate notification to the Bidder where the Bidder has, or reasonably suspects that, Personal Information has been processed outside of the purpose agreed to or consented to;

4.8. provide the Bidder, upon request, with all information of any nature whatsoever relating to the processing of the Personal Information for the purpose of the bid and any applicable law; and

4.9. notify the Bidder, if lawful, of receipt of any request for access to Personal Information, in its possession and relating to the Bidder.

5. The Bidder has the right to inspect the Personal Information processing operations, as well as the technical and organisational information security measures employed by the ECIC to ensure compliance with the provisions of this Annexure.

Annexure D: Relevant Standard Bidding Documents

SBD 1

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE EXPORT CREDIT INSURANCE CORPORATION OF SOUTH AFRICA (SOC) LIMITED					
BID NUMBER:	**ECIC07P-2021/22**	**CLOSING DATE:**	24 AUGUST 2021	**CLOSING TIME:**	**15H00**
DESCRIPTION	PROVISION OF INVESTMENT CONSULTING SERVICES FOR A PERIOD OF 5 YEARS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*					
Preferably via email: procurement@ecic.co.za					
or					
Block C7 Eco Origins Office Park 349 Witch Hazel Avenue Highveld Ext 79 Centurion 0157					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	**Ayanda Mdunge**	CONTACT PERSON	**Ayanda Mdunge**
E-MAIL ADDRESS	procurement@ecic.co.za	E-MAIL ADDRESS	procurement@ecic.co.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
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ No

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]			
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]	**ARE YOU A FOREIGN BASED SUPPLIER FOR** THE GOODS /SERVICES /WORKS 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, 2017, 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: ……………………………………………...

SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state[4], or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

   - the bidder is employed by the state; and/or
   - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

2.1. Full Name of bidder or his or her representative: …………………………………

2.2. Identity Number: …………………………………………………………………

2.3. Position occupied in the Company (director, trustee, shareholder[5]): …………………………………

2.4. Company Registration Number: ………………………………………………

2.5. Tax Reference Number: ……………………………………………………

2.6. VAT Registration Number: ……………………………………………………

2.6.1. The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: ……....………………………………

Name of state institution at which you or the person connected to the bidder is employed : ………………………………………

[4] "State" means –

a. any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
b. any municipality or municipal entity;
c. provincial legislature;
d. national Assembly or the national Council of provinces; or
e. Parliament.

[5] Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

Position occupied in the state institution: ……………………………………

Any other particulars:
………………………………………………………………

………………………………………………………………

………………………………………………………………

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

…………………………………………………………………….
…………………………………………………………………….
…………………………………………………………………….
…………………………………………………………………….

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:
…………………………………………………………………..
…………………………………………………………………..
…………………………………………………………………...
…………………………………………………………………….

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

If so, furnish particulars.
…………………………………………………………………...
…………………………………………………………….……
…………………………………………………………….……
………………………………………………………………

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1 If so, furnish particulars**.**
………………………………………………………………
………………………………………………………………
………………………………………………………………
………………………………………………………………
…………………………………………………………………………

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:
………………………………………………………………………….
………………………………………………………………………….
………………………………………………………………………….

3. Full details of directors / trustees / members / shareholders.

Full Name	**Identity Number**	**Personal Tax Reference Number**	**State Employee Number / Persal Number**

4. DECLARATION

I, THE UNDERSIGNED (NAME)………………………………………………………

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

…………………………………..
Signature

………………………………………………
Date

………………………………….
Position

………………………………………………
Name of bidder

May 2011

SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

---

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- 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

(a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable.

1.3 Points for this bid shall be awarded for:

(a) Price; and

(b) B-BBEE Status Level of Contributor.

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	**100**

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

(a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

(b) "**B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

(d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black

Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

(g) **“prices”** includes all applicable taxes less all unconditional discounts;

(h) **“proof of B-BBEE status level of contributor”** means:

1) B-BBEE Status level certificate issued by an authorized body or person;

2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;

3) Any other requirement prescribed in terms of the B-BBEE Act;

(i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

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

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 **or** **90/10**

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right) \quad \text{or} \quad Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . = ………(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(***Tick applicable box***)

YES		NO	

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted............………….……………%

ii) The name of the sub-contractor…………………………………………………………..

iii) The B-BBEE status level of the sub-contractor......................................……………..

iv) Whether the sub-contractor is an EME or QSE

(***Tick applicable box***)

YES		NO	

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		

Designated Group: An EME or QSE which is at last 51% owned by:	**EME** √	**QSE** √
OR		
Any EME		
Any QSE		

8. **DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:…………………………………………………………………………….

8.2 VAT registration number:……………………………………..…………………………………

8.3 Company registration number:…………….……………………….…………………………….

8.4 TYPE OF COMPANY/ FIRM
- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES
………
………
………
………………………………………………………………………..

8.6 COMPANY CLASSIFICATION
- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[*TICK APPLICABLE BOX*]

8.7 Total number of years the company/firm has been in business:……………………………

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES	
1. ……………………………………	SIGNATURE(S) OF BIDDERS(S)
	DATE: ………………………………………
	ADDRESS ………………………………….
2. …………………………………….	………………………………….
	………………………………….

SBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1 This Standard Bidding Document must form part of all bids invited.

2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-

a. abused the institution's supply chain management system;

b. committed fraud or any other improper conduct in relation to such system; or

c. failed to perform on any previous contract.

4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? **(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the *audi alteram partem* rule was applied).** The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? **or Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.**	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		

Item	Question	Yes	No
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)…………………………………………………………………….… CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

………………………………………...
Signature

…………………………..
Date

……………………………………….
Position

…………………………..
Name of Bidder

Js365bW

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Standard Bidding Document (SBD) must form part of all bids[6] invited.

2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging)[7]. Collusive bidding is a pe se prohibition meaning that it cannot be justified under any grounds.

3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:

a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.

b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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[6] **Includes price quotations, advertised competitive bids, limited bids and proposals.**

[7] **Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.**

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

____

(Bid Number and Description)

in response to the invitation for the bid made by:

____

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of:____that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;

2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;

3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;

4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;

5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

   (a) has been requested to submit a bid in response to this bid invitation;

   (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and

   (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. 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 consortium[3] [8] will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

   (a) prices;

   (b) geographical area where product or service will be rendered (market allocation)

   (c) methods, factors or formulas used to calculate prices;

[8] **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.**

(d) the intention or decision to submit or not to submit, a bid;

(e) the submission of a bid which does not meet the specifications and conditions of the bid; or

(f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. 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.

10. 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.

…………………………………………………	…………………………………
Signature	Date
…………………………………………………	…………………………………
Position	Name of Bidder

Js914w 2

Annexure E: Administrative Checklist

Hereunder is a checklist to ensure that the bid document is complete in terms of administrative compliance. Please ensure that the following forms have been completed and signed and that all documents, as requested, are attached to the tender document.

ITEM	DOCUMENT REFERENCE		ACTION TO BE TAKEN	YES/ NO
1.	SBD 1	Invitation to bid	Is the form duly competed and signed?	
2.	SBD 4	Declaration of Interest	Is the form duly competed and signed?	
3.	SBD 6.1	Preference Points Claim Form for Preferential Procurement Regulations 2017	Is the form duly competed, B-BBEE points claimed and form signed?	
4.	B-BBEE status level verification certificate or Sworn Affidavit		Is proof of B-BBEE Status level of contributor attached? Bidder must attach copy of BEE Certificate or copy of Sworn Affidavit, whichever is applicable. Bidders must ensure that, where applicable, the proof submitted is in the name of the bidder, or in instances where the bidder is a subsidiary of a holding entity, the bidder must ensure that, the name of the bidder appears on the document provided (including any supporting Annexure).	
5.	SBD 8	Declaration: Abuse of Supply Chain Management Systems	Is the form duly completed and signed?	
6.	SBD 9	Certificate of Independent Bid Determination	Is the form duly completed and signed?	
7.	Copy of CSD Report or MAAA Number (if applicable)			
8.	Tender submission (**if the bidder is submitting physical information/ documents**)		Two (2) printed copies (one original and one copy) submitted? **(if submitting physical copies)**.	
			One (1) electronic copy submitted?	

ITEM	DOCUMENT REFERENCE	ACTION TO BE TAKEN	YES/ NO
9.	Copy of proposed service level agreement		

I, the undersigned (name) ……………………………………………………. certify that the information furnished on this checklist is true and correct.

Signature…………………………………………….

Date: …………………………………………………

Position …………………………………………….

Name of Bidder: ……………………………………