

Project title:	REQUEST FOR A QUOTATION(APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP BUSINESS MODEL FOR A MERGED ENTITY)		
Quotation or Proposal no:	SENT/MERGED-ENTITY/2021		
Issue date:	30-July-2021		
Closing date:	10-August- 2021		
Closing time:	12h00pm.	Validity period:	30 days

1.1. BACKGROUND

SENTECH is a state-owned company and is the largest broadcasting signal distributor in Africa. SENTECH is a licensed Electronic Communications Network Service provider in South Africa, currently operates a number of communication networks from which Internet access is provided for customers and internal use.

APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP BUSINESS MODEL FOR A MERGED ENTITY

Scope of Services Required

The Scope of Services requires the successful Service Provider to provide services as per the Scope of Work. Responding bidders are invited to submit their Proposals and to indicate their professional capabilities and experience in providing the required services. Responding bidders are welcome to elaborate on other value-added services or capabilities they may possess and bring to bear on the Project. Sentech would like to appoint an external service provider to deliver a business model for a merged entity in line with the 2021/22 Corporate Plan APP target.

Scope of Work	
The outcome of the project plan should culminate into a viable Business Model that clearly articulates how the SDIC will deliver value to its customers and Shareholders. The process should include the application of tried and tested methodologies.	
Topic	Description
1) Project Plan for delivering the Business Model for the SDIC as per timelines stated in the Scope of Work.	i. Project Plan with clear resource requirements and timelines
2) Industry research and insights into the broadband, signal distribution and broadcasting markets covering customers, partners, competition, market overview and size, trends and other relevant data to inform the process of developing the Business Model up to and including applicable and enabling legislation.	i. This includes recent, relevant existing research into the various topics ii. Demonstrate the impact of the research insights on the future SDIC iii. Outline current and future opportunities for the SDIC iv. Provide insights into developing and exploiting current synergies between BBI and Sentech
3) Industry analysis of State Digital Infrastructure Companies to understand the funding structures, business models, and insights that can be extracted for the South African SDIC	i. Business case studies of implemented SDICs globally and possible lessons that can be incorporated into the SA SDIC

Scope of Work	
4) Facilitate the Business Modelling sessions for the Executive and Management Teams	i. Provide an outline of the engagements necessary in large/small groups taking into account the current remote working realities of both SOEs .
5) Develop draft Business Model within two weeks. - A comprehensive and viable Business Model that includes, self-sustaining financial model that includes estimated revenue and cost drivers, value proposition, key metrics, partnerships, customer segments and channels that will demonstrate self-sustainability over the short, medium and long term (20 years). - The efficient corporate form of the SDIC and the recommended scheduling in terms of the PFMA. - Gap analysis to efficient operation in Day 1 - Recommendations.	i. Develop draft Business Model for the SDIC
6) Present draft Business Model to the Executive Committees of both entities	ii. Present Business Model for refinement and/or receipt of further inputs
7) Submit final Business Model for sign-off by both Executive Committees	i. Present final Business Model for sign-off
8) Present final Business Model to the Boards of both entities	ii. Present final Business Model to the Boards of both entities
9) Present final Business Model to the Shareholders	iii. Present final Business Model to the Shareholders
10) Deliver all IP and materials pertaining to the Project	iv. Delivery and handover final Business Model documentation

Terms and Conditions	SENTECH reserves the right to - Extend the closing date. - Verify any information contained in your response. - Request documentary proof - Cancel or withdraw the requirement - Communication will be limited to only those Service Providers who meets the requirements. - This request will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the SCC conflict with the GCC, the SCC shall prevail. - The successful Service Provider may only enter into a subcontracting arrangement with the approval of SENTECH. The successful Service Provider may not subcontract more than 30% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the Service Provider concerned, unless the
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	contract is subcontracted to an EME that has the capability and ability to execute the subcontract. • SENTECH reserves the right to request a BBBEE transformation plan with clearly defined timelines and milestones if the recommended Service Provider does not meet SENTECH's transformation goals. These milestones must be achieved over the term of the contract. This transformation plan shall be submitted within 10 working days from the written request, failing which SENTECH reserves the right to withdraw its appointment of the preferred recommended Service Provider. • SENTECH shall have the right, at its sole and exclusive discretion, upon written notice to the Service Provider, to terminate this Agreement, in whole or in part should the Service Provider fail to perform any of its obligations or deliver any deliverable timeously or should SENTECH not be satisfied with the quality of any service/s in terms of this Agreement, to the satisfaction of SENTECH. • SENTECH shall furthermore have the right, as a result of such termination, to appoint a third party to perform the obligations of the Service Provider in terms of the Agreement and the Service Provider indemnifies SENTECH against all costs incurred by SENTECH in appointing such third party to fulfil the obligations of the Service Provider. • SENTECH shall have the right, at its sole and exclusive discretion, to terminate this Agreement, at any time, upon 30 (thirty) days' written notice to the Service Provider. • SENTECH reserves the right to conduct supplier due diligence at any time pre, during and post the contract period. This may include announced or unannounced site visits. • Key resource provided in response should be engaged in the project, should there be resource changes the resource levels must be equivalent to the resources in the proposal, with notice and acceptance by SENTECH be understood as special condition of contract. • Service Level Agreement will be signed with the successful Service Provider.
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STAGE 1

Functional Evaluation: Must be comprehensive and supported by evidence

Functional criteria	Points
Bidders must have 15 years' experience in ICT developing business models Evaluation indicators • 15 years of experience with emphasis on ICT business model development=20 points • Between 10 and 14 years of experience =10 points • Less than 10 years of experience =0 points •	20
Demonstrate knowledge and experience in the ICT industry with 3 or more testimonials of successful development of business models for a merged entity Evaluation indicators • 3 or more business models developed for merged entities within the ICT industry =20 points • Between 1 and 2 business models developed for merged entities within the ICT industry =10 points • Less than 1 business model developed for a merged entity within the ICT industry =0 points	20
Team Lead with 10 years' experience in business model development for merged entities. Team qualifications to include but not be limited to: Bachelor's degree in either Accounting, Finance, Engineering (ICT), Economics, or Business Administration and or post graduate degree level. Evaluation indicators • 10 years of experience =20 points • Between 7 and 9 years of experience =15 points • Less than 7 years of experience =5 points	

Functional criteria	Points
Provide a proposal which covers the steps undertaken in developing a Business Model for a merged entity. The proposal must include: 3.1.1. Project Plan with the following milestones: • Group sessions for the Exco and Management Teams on or before week 1 September 2021. • 1st Draft Business Model on or before week 4 September 2021 (then circulated to the ExcOs for inputs) • Presentation to both ExcOs on or before week 1 October 2021 (approval prior to board presentations) • Final presentation to both Boards on or before week 4 October 2021 (followed by final Business Model) • Presentation to the Shareholders' representatives where dates will be advised within the FY 2021/22. • Handover of final Business Model before end of FY 2021/22 3.1.2. Business model approach to be applied • Specific activities to be performed • Timeframes for each activity including milestones and critical path • Workflow chart 3.1.3. Research insights into broadband, signal distribution and broadcasting and Platform business trends, outlook, and relevance of its impact on the merged entity. 3.1.4. A comprehensive and viable Business Model: • That provides for qualitative reasons and benefits, self-sustainable financial model that includes estimated revenue and cost drivers, value proposition, key metrics, partnerships, customer segments and channels that will demonstrate self-sustainability over the short, medium and long term (20 years). • The efficient corporate form of the SDIC and the recommended listing in terms of the PFMA. • Recommendations. Evaluation indicators: • Excellent methodology – Comprehensive end- to-end process proposed. This is covering over and above the minimum specifications =40 points • Good methodology – End-to-end process in line with the minimum defined Scope of Work =20 points • Average methodology – End-to-end process with one or more critical activities missing or no methodology provided =0 points	40]
Total Points:	100

Minimum Score under for Functional Evaluation is 80 points

Suppliers must score have a positive score on each criterion when meeting the Minimum Score of 80 points

PRICING DATA
Price List

Description	Rate	Total
	Sub Total	
	Total (Including vat)	

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 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 National Treasury after the <i>audi alteram partem</i> rule was applied).	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)? To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.	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:		
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.

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Signature

.....

Date

.....

Position

.....

Name of Bidder

Js365bW

SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, 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, shareholder²):

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.

¹"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.

²"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.

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 :

Position occupied in the state institution:

Any other particulars:

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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:

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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:

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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

2.9.1 If so, furnish particulars.

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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.

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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:

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

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