

REFERENCE: RFP 10/2020

REQUEST FOR PROPOSAL

DESCRIPTION:

PROVISION OF PRE-EMPLOYMENT SCREENING AND RELATED SERVICES

DATE ISSUED: 25 September 2020

CLOSING DATE: 22 October 2020

TENDER BOX:

GROUND FLOOR, LINTON HOUSE

BROOKLYN BRIDGE

570 FEHRSEN STREET

BROOKLYN

PRETORIA

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1. INTRODUCTION

The South African Revenue Service (SARS) is uniquely placed to contribute to government's plan of action to address socio-economic growth and development, poverty alleviation and job creation. Through the vital role of providing the revenue to fund the full spectrum of initiatives, plans, programmes and strategies of national and provincial government departments, SARS plays a crucial enabling role for government delivery.

2. OVERVIEW OF SARS

Our Mandate

The SARS Act, 1997, enables SARS to:

- Collect all revenue due;
- Ensure optimal compliance with Tax and Customs legislation; and
- Provide a Customs service that optimises revenue collection, protect our borders and facilitate legitimate trade.

The primary legislation that SARS administers includes:

- Income Tax Act, 1962;
- Customs and Excise Act, 1964;
- Value-Added Tax Act, 1991;
- Tax Administration Act, 2011; and
- Employment Tax Incentive Act, 2013.

SARS Higher Purpose

Our work enables Government to build a capable State, to foster sustainable economic growth and social development that serves the wellbeing of all South Africans.

Our Strategic Intent

Our mandate is to collect all revenue due; ensure optimal compliance with tax and customs legislation; provide a customs service to optimise revenue, border protection and facilitate legitimate trade. To give effect to our mandate, our Strategic Intent is to develop a Tax & Customs system based on Voluntary Compliance.

Our Vision

It is our Vision to build a smart modern SARS with unquestionable integrity that is trusted and admired.

Our Mission

To optimise revenue yield, to facilitate trade and to enlist new tax contributors by promoting awareness of the obligation to comply with tax and customs laws, and to provide a quality, responsive service to the public.

Our Strategic Objectives

In support of our Strategic Intent and to give effect to our compliance philosophy, we have identified and committed to achieving nine (9) Strategic Objectives to guide and inform our efforts and decisions and focus our resources over the course of this planning cycle. Our nine (9) Strategic Objectives are as follows:

- Provide Clarity and Certainty for taxpayers and traders of their obligations;
- Make it easy for taxpayers and traders to comply with their obligations;
- Detect taxpayers and traders who do not comply, and make non-compliance hard and costly;
- Develop a high performing, diverse, agile, engaged and evolved workforce;
- Increase and expand the use of data within a comprehensive knowledge management framework to ensure integrity, derive insight and improve outcomes;
- Modernise our systems to provide digital and streamlined online services;
- Demonstrate effective resource stewardship to ensure efficiency and effectiveness in delivering quality outcomes and performance excellence;
- Work with and through stakeholders to improve the tax ecosystem; and
- Build public trust and confidence in the tax administration system.

Our Values

Endeared by a sense that we serve a Higher Purpose in the service of South Africans, and committed to the fulfilment of our Mission & Mandate, we hold the following values dear:

- Uncompromising regard for Taxpayer Confidentiality;
- Unquestionable Integrity, Professionalism and Fairness;
- Exemplary Public Service; and
- Incontestable insights from Data & Evidence.

Our Core Outcomes

Increased Customs and Excise compliance
Increased tax compliance
Increased ease and fairness of doing business with SARS
Increased cost effectiveness and internal efficiencies
Increased public trust and credibility

3. PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)

The purpose of this Request for Proposal (RFP) is to solicit proposals from potential Service Provider(s) with **minimum B-BBEE status level 4** for the provision of pre-employment screening and related services.

This RFP document details and incorporates, as far as possible, the tasks and responsibilities of the potential Service Provider required by SARS.

This RFP does not constitute an offer to do business with SARS, but merely serves as an invitation to bidders to facilitate a requirements-based decision process.

4. LEGISLATIVE METHODOLOGY OF THE BID

4.1. TAX LEGISLATION

When submitting a bid to SARS, Service Provider(s) must be compliant and remain compliant with all applicable tax legislation for the entire contract term, including but not limited to the Tax Administration Act, 2011 (Act No. 28 of 2011), Income Tax Act, 1962 (Act No. 58 of 1962) and Value-Added Tax Act, 1991 (Act No. 89 of 1991).

4.2. PROCUREMENT LEGISLATION

SARS has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), the Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000) and its regulations, as well as the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).

4.3. TECHNICAL LEGISLATION AND/OR STANDARDS

Service Provider(s) should be cognisant of all legislation and/or standards specifically applicable to the services.

5. BRIEFING SESSION

There will be no briefing session.

6. DURATION OF CONTRACT

The successful bidder will be appointed for a period of sixty (60) months on an “as and when required” basis. The annual renewal of the contract will be subject to funds availability.

7. TIMELINE OF THE BID PROCESS

The **validity period** of the tender and the withdrawal of offers, after the closing date and time, is one hundred and eighty (180) days.

The project timeframes of this Bid are set out below:

| Activity | Date Due |
|---|--------------------------|
| Advertisement of Bid in the: - Government Tender Bulletin; and - National Treasury Tender Portal. | 25 September 2020 |
| Distribution of Bid documents on SARS website | 28 September 2020 |
| Questions relating to the bid from Service Provider(s) | 13 October 2020 |
| Bid Closing Date | 22 October 2020 at 11H00 |
| Notice to Service Provider(s)* | 12 March 2021 |
| Contract commencement date* | 03 July 2021 |

*Dates subject to change

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

Any time or date in this bid is subject to change at SARS's sole discretion. The establishment of a time or date in this bid does not create an obligation on the part of SARS 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 Service Provider accepts that, if SARS extends the deadline (the Closing Date) for bid submissions for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

8. CONTACT

A nominated official of the Service Provider(s) can make enquiries in writing, to the specified person, Mr Andre Taljaard (Procurement Tender Office) via email at tenderoffice@sars.gov.za and cc rft-professionalservices@sars.gov.za. Service Providers must reduce all telephonic enquiries to writing and send them to the above email addresses.

9. SCOPE OF WORK/SPECIFICATION/BUSINESS REQUIREMENTS

9.1. BACKGROUND

SARS' Vetting, Screening and Conflict of Interest (VSC) Office is responsible for conducting pre-employment screening for purposes of vetting and recruitment of internal and external candidates. The screening process focuses on criminal record, citizenship status, tax compliance, qualification verification, as well as credit worthiness, drivers' license, and directorships and company checks, where applicable.

9.2. OBJECTIVES

The objectives of standard and compulsory pre-employment checks are to ensure that a candidate:

- is who they say they are;
- is legally entitled to work in the Republic of South Africa;
- has nothing in their employment history that would make them unsuitable for a role; and
- has the qualifications and skills they have claimed to have and which are required for a role.

9.3. SCOPE OF SERVICES

The Service Provider should be able to supply an extensive range of services to screen all applicable personnel to the highest standards, avoiding risks and costs to the organisation.

9.3.1. The Service Provider should be able to verify / confirm:

- a) Qualifications and Professional Membership
 - Matric and equivalent international qualifications (symbols to be verified as well); national and international;
 - Tertiary academic qualifications (national and/or international); and
 - Membership of professional associations (national and/or international).
- b) A candidate's identity
 - ID number validation; and
 - ID number verification.
- c) Citizenship status including work permit, temporary residence permit, permanent residence, refugees and/or asylum seeker status.
- d) Driver's license, where applicable.
- e) Credit record, where applicable.
- f) Directorship and company checks, where applicable.
- g) Social media risk assessment.
- h) Employment history.

The above mentioned verifications need to be finalised within three (3) working days. However, qualifications obtained pre-1992 need to be finalised within fifteen (15) working days and international qualifications should be verified within four (4) calendar months.

9.3.2. The services provided have to be consistent and should be provided in line with the turn-around times (TAT) highlighted in paragraph 0 above and should not be influenced by external factors.

9.3.3. The Service Provider should be able to process large volumes of requests without any delay - at times more than three hundred (300) individual verifications are requested within a period of one (1) month.

9.3.4. The Service Provider should offer a user-friendly and paperless process that includes:

- a) Submission of electronic forms enabling paperless completion and submission.
- b) Provision of a consolidated personal credential verification (PCV) in an electronic format (mailed to the VSC Office as pdf Files).
- c) Provision of direct and full access of the SARS' VSC personnel to the Service Provider's system. The VSC personnel must be able to monitor each individual request's progress, and the process should also allow SARS to contact the Service Provider telephonically or via e-mail to enquire about candidates' screening statuses.

- 9.3.5. The Service Provider's personnel should be highly trained and be continually trained in the latest legislation affecting pre-employment screening requirements, and should inform the SARS VSC Office on any changes relating to the pre-employment screening requirements.

9.4. General Requirements

- 9.4.1. All written deliverables must be phrased in terms and language that can be easily understood by non-technical personnel (e.g. laypersons without subject matter expertise).
- 9.4.2. All document deliverables must be in formats (hard copy and electronic) that are industry accepted standards (e.g., MS Word, MS PowerPoint, MS Project).
- 9.4.3. All submitted personal information must be protected in line with the necessary provisions of the Protection of Personal Information Act, 2013 (Act No. 4 of 2013).
- 9.4.4. Should any aspect relating to pre-employment screening be sourced from another service provider, this should be indicated in the proposal including the relevant Service Level Agreement/s (SLA).
- 9.4.5. In an event the Service Provider indicates a discrepancy between information submitted by the candidate and what it has verified, the Service Provider should avail themselves for any disciplinary process that may unfold and provide the necessary assistance and support to SARS including but not limited to an affidavit, as required.
- 9.4.6. Key Personnel assigned to render the services must be screened at the cost of the Service Provider. The PCV report of each employee, including the Key Account Manager(s), must be submitted to SARS prior to the personnel rendering the services.

The PCV report must contain the following information:

- Criminal record;
- Qualifications;
- Credit record; and
- Citizenship status.

SARS will conduct tax compliance verification on personnel and grant approval of employees rendering the services.

- 9.4.7. The company and its directors, as well as Key Personnel to be assigned to render the services, may also be required to undergo a security vetting process which may include but not be limited to criminal record, credit record, company check, citizenship status and all relevant checks that may be required. The associated costs will be borne by SARS.

9.5. SERVICE PROVIDERS RESPONSES/BID SUBMISSIONS

Service Providers are required to submit their responses to all the requirements in this paragraph.

9.5.1. Company Profile and Resources

Provide:

- 9.5.1.1. A company profile detailing service offering, structure, turnover, date established, alliances and partnerships with regards to screening;
- 9.5.1.2. Indicate a range of in-house services provided specific to screening, including services that are insourced by the bidder from other service providers; proof of service level agreements in place with outsourced services must be provided;
- 9.5.1.3. Disaster Recovery Plan and Business Continuity Plan to ensure a seamless or uninterrupted delivery of service;
- 9.5.1.4. One (1) page Curriculum Vitae (CV) indicating the level of expertise of Key Personnel that will be assigned to SARS. Each CV should include: level of expertise, number of years of experience, their accessibility, qualifications and competencies relevant to the scope of services; and
- 9.5.1.5. Full name and contact details (landline, cell-phone and email address) of a Key Account Manager with technical expertise that the bidder recommends to SARS. Please elaborate on how the Key Account Manager played a key role in at least two (2) projects similar to the scope of work of this bid.

9.5.2. Testimonials

Service Providers must provide written testimonials from three (3) current and/or recent finance, banking or government (not older than 36 months) clients to whom screening services are / were provided. The testimonials must include but not be limited to:

- A brief description of services rendered;
- Quality of service; and
- Performance, including turn-around times (TAT).

NB: Please note that SARS will sample and reserves the right to contact the Service Provider's clients for a reference check. It is important to ensure that the clients listed on the Service Provider's schedule are contactable.

9.5.3. **Capability**

9.5.3.1. Service Providers must illustrate how they are implementing the Protection of Personal Information Act, 2013 (Act No. 4 of 2013) including but not limited to how they source, use, collate, disseminate and store personal information.

9.5.3.2. Service Providers must also clearly illustrate how they handle discrepancies between screening check results and submitted information.

9.5.3.3. Service Providers will be required to conduct a live demonstration of an automated and integrated system that will be used for screening purposes. The Service Provider must demonstrate that the system has the following minimum capabilities but not limited to:

- Role specific access to facilitate access for different role players;
- Direct interface between SARS employees and the relevant systems;
- Paperless completion and submission of forms and documents, as applicable;
- Uploading capability;
- Tracking and monitoring capability;
- Dashboard;
- Consolidated personal credential verification (PCV) report; and
- Capacity and capability to deal with batch recruitment of three hundred (300) individuals and above.

Note: The live demonstration of an automated and integrated system that will be used for screening purposes will be conducted via Webex or Zoom during the pandemic. SARS will contact bidders to schedule a virtual presentation.

9.5.4. **Turnaround Times**

Service Providers must provide service level agreements indicating turnaround times, in instances whereby they rely on other service providers for the required information, and dependencies for all screening services that are applicable to this tender. This must cover how those services are managed in cases of interference by external forces, such as lockdowns, outside both parties control. The delays must be quantified in number of days.

10. INSTRUCTIONS TO SERVICE PROVIDER(S)

10.1. Registration on Central Supplier Database

Foreign Suppliers who have no presence in South Africa currently are not required to register on CSD however should such entities be successful in winning the award, they will be expected to register on the Central Supplier Database. All other local suppliers or foreign suppliers that have local presence at the time of tendering are expected to abide by the following provisions. CSD can be accessed via the following link:

<https://secure.csd.gov.za/>

Service Provider(s) who wish to render services to SARS will no longer register at SARS directly. Service Providers will have to register on National Treasury Central Supplier Database (CSD) as per National Circular No. 4A of 2016/2017 – Central Supplier Database.

National Treasury will maintain the database for all suppliers for Government and its institutions; and all existing and prospective suppliers are requested to register on the CSD by accessing the National Treasury website at www.CSD.gov.za.

10.2. Bids must be properly packaged and deposited in the below mentioned tender box on or before **Closing Date** and **time** at the SARS Tender Office situated at:

Linton House - Ground Floor
Brooklyn Bridge
570 Fehrsen Street
Brooklyn
Pretoria

10.3. Bid documents may also be posted to the Tender Office - SARS Procurement Department, Linton House, Brooklyn Bridge, 570 Fehrsen Street, Brooklyn, Pretoria, 0181.

10.4. Bid documents will only be considered if received by SARS before the Closing Date and time, regardless of the method used to send or deliver such documents to SARS.

10.5. Late bids will not be accepted and shall be returned to Service Provider(s).

10.6. The Service Provider(s) are required to submit one (1) copy of each file (original and duplicate) and one (1) CD-

ROM/USB with the contents of each file by the Closing Date and time.

- 10.7. Each file and CD-ROM / USB must be **marked correctly and sealed separately** for ease of reference during the evaluation process. Pricing information should not be included in the Technical file. Furthermore, the file and information in the CD-ROM must be labelled and submitted in the following format:

| FILE 1 (ONLY TECHNICAL PROPOSAL) | |
|--|---|
| Exhibit 1 <ul style="list-style-type: none"> Pre-qualification documents (SBD documents) | Exhibit 2 <ul style="list-style-type: none"> Service Provider Compliance Checklist for the Technical Evaluation Response to Technical Requirements as per paragraph 9.5 of the RFP document. Supporting documents for the technical responses as per paragraph 9.5 of the RFP document. |
| Exhibit 3 <ul style="list-style-type: none"> General Conditions of Contract (GCC) Draft Services Agreement | |
| FILE 2 (ONLY PRICE AND B-BBEE PROPOSAL) | |
| Exhibit 1 <ul style="list-style-type: none"> SBD 6.1 Preference Point Claim Form B-BBEE Certificate Financial Statements (3 years audited annual statements) | Exhibit 2 <ul style="list-style-type: none"> Pricing Schedule |
| Note: SARS request that bidders use Lever Arch files to package their proposals. | |

11. EVALUATION AND SELECTION CRITERIA

SARS has set minimum standards (Gates) that Service Provider(s) must meet in order to be evaluated and selected as a successful Service Provider.

The minimum standards consist of the following:

- Pre-Qualification Criteria (Gate 0)** – Service Provider(s) must submit all documents, as outlined in paragraph 11.1 below.

- **Technical Evaluation Criteria (Gate 1)** – Service Provider(s) will be evaluated out of 100 points for functionality. The detailed process for the technical evaluation is outlined in paragraph 11.2 below.
- **Price and B-BBEE Evaluation (Gate 2)** – This will be evaluated out of 100 points. Price will be evaluated out of 80 and B-BBEE 20 points. The process is outlined in paragraph 11.3 below.

11.1. PRE-QUALIFICATION CRITERIA – GATE 0

Without limiting the generality of SARS's other critical requirements for this bid, a Service Provider(s) must submit the documents listed in **Table 11A** below. All documents must be completed and signed by the duly authorised representative of the prospective Service Provider(s). A Service Provider's proposal may be disqualified for non-submission of any of the documents.

Table 11A: Documents that must be submitted for Pre-qualification

| Name of the document that must be submitted | Non-submission may result in disqualification |
|--|---|
| Central Registration Report (Central Database System) from National Treasury | YES – Service Providers must register on Central Database System and submit the Report as confirmation of registration. |
| Tax Compliance status pin | YES – Submit Tax Compliance status pin. |
| SARS' s Oath / Affirmation of Secrecy | YES – Complete and sign the supplied pro forma document in the presence of a Commissioner of Oaths and initial every page. Date of signature must be the same as the date of the Commissioner's signature |
| Invitation to Bid – SBD 1 | YES – Complete and sign the supplied pro forma document. |
| Pricing Schedule | YES – Submit full details of the pricing proposal to SARS in Annexure B. |
| Declaration of Interest – SBD 4 | YES – Fully complete or answer the questions accurately and sign. Add a supplementary document in the event that the SBD form does not provide adequate space. This is where we require Shareholding, Directorship, Management and Key |

| Name of the document that must be submitted | Non-submission may result in disqualification |
|--|--|
| | Personnel. If there is a Holding Company and/or Trusts etc. all persons including beneficiaries must be disclosed. |
| Preference Point Claim Form – SBD 6.1 | NO – Non-submission will lead to a zero score on B-BBEE. |
| General Conditions of Contract (GCC) | YES – Sign the supplied GCC. |
| Declaration of Bidder's Past Supply Chain Management Practices – SBD 8 | YES – Complete and sign the supplied pro forma document. |
| Certificate of Independent Bid Determination – SBD 9 | YES – Complete and sign the supplied pro forma document. |
| Service Provider Compliance checklist for Technical Evaluation – Annexure A2 | NO – Complete to assist with ease of reference during evaluation. |
| A complete set of audited / reviewed annual financial statements for three (3) most recent financial periods in the name of the bidding entity | YES – Please submit. |

Only Bidder(s) that have met the pre-qualification criteria mentioned in Table 11A will be evaluated for compliance with the Mandatory Requirement.

In line with the Government's objectives for the advancement of SMMEs and certain designated groups, pre-qualification criteria have been introduced for preferential procurement. The pre-qualification criteria may stipulate that only one or more of the following tenderers may respond to this bid:

- a) A tenderer having a stipulated minimum B-BBEE status level of contributor;
- b) An EME or QSE;
- c) A tenderer subcontracting a minimum of 30% to-
 - i. An EME or QSE which is at least 51% owned by black people;
 - ii. An EME or QSE which is at least 51% owned by black people who are youth;
 - iii. An EME or QSE which is at least 51% owned by black people who are women;
 - iv. An EME or QSE which is at least 51% owned by black people with disabilities;
 - v. An EME or QSE which is at least 51% owned by black people living in rural or underdeveloped areas or townships;
 - vi. A cooperative which is at least 51% owned by black people;
 - vii. An EME or QSE which is at least 51% owned by black people who are military veterans; and

viii. An EME or QSE.

A tender that fails to meet any qualifying criteria stipulated in the tender documents is **NOT** an acceptable tender and will result in the **immediate disqualification** of a Bidder.

In respect of this RFP, the minimum B-BBEE status level of contributor must be **level 4**, as appears in Table 11B.

Table 11B: Mandatory Requirements

| Mandatory Requirement | Non-submission WILL result in disqualification |
|--------------------------------------|--|
| Minimum B-BBEE status level 4 | YES – Submit a valid B-BBEE status level verification certificate or sworn affidavit (whichever applicable according to SBD 6.1) with minimum B-BBEE status level 4. |

11.2. TECHNICAL EVALUATION (GATE 1) = 100 POINTS

Only bidders that have met the Pre-Qualification Criteria in Gate 0 will be evaluated in Gate 1 for functionality / technical. Functionality will be evaluated as follows:

- Desktop Technical Evaluation – All bidders will be evaluated out of **65** points during Desktop Evaluations.
- System Capability Evaluation – All bidders will be invited to demonstrate the system capability and will be evaluated out of **35** points.

The criterion is outlined Annexure A1: Technical Evaluation Criteria. Bidders that achieve a minimum threshold of **75** points out of **100** points for the technical evaluation will proceed to Gate 2: Price and BEE evaluations.

The bidders' information will be scored according to the following points system:

Table 11C: Breakdown for Technical Evaluation points

| Functionality | Maximum Points Achievable | Minimum |
|--|---------------------------|---------|
| Desktop Technical Evaluation Details found in Annexure A1 - Technical Scorecard | 65 | 75 |
| System Capability Evaluation Details found in Annexure A1 - Technical Scorecard | 35 | |

11.3. PRICE AND B-BBEE EVALUATION (GATE 2) (80 + 20) = 100 POINTS

11.3.1. Stage 1 – Price Evaluation (80 points)

Note: The bidders must take note that the price quoted will take effect from July 2021 and should hold their prices as such. Bidders must note that the next price escalation will be on the anniversary of the contract, on an annual basis.

Table 11D: Price evaluation formula

| Adjudication Criteria | Maximum Points |
|---|----------------|
| Price Evaluation $P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$ | 80 |

Where

| | | |
|------------|---|--|
| P_s | = | Points scored for price of Bid under consideration |
| P_t | = | Rand value of Bid under consideration |
| P_{\min} | = | Rand value of lowest acceptable Bid |

11.3.2. Stage 2 – B-BBEE Evaluation (20 points)

a. B-BBEE Requirements

In line with the requirements of the Preferential Procurement Regulations, 2017 (Government Gazette No. 40553) to the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) [the “PPPFA”] tenders that have achieved the minimum qualifying score for functionality will be evaluated further in terms of the prescribed preference point systems:

- (i) Regulation 6 - 80/20: A maximum of 20 points may be allocated to a bidder; or
- (ii) Regulation 7 - 90/10: A maximum of 10 points may be allocated to a bidder.

b. Bid Evaluation Process Gate 2: B-BBEE EVALUATION

B-BBEE points may be allocated to bidders on submission of the following documentation or evidence:

| Adjudication Criteria | Maximum Points |
|--|----------------|
| A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1), including paragraph 7 thereof relating to the subcontracting of the services, and a B-BBEE certificate. | 20 |

The checklist below indicates the B-BBEE documents that must be submitted for this tender. Failure to submit the required documents will result in bidders scoring zero for B-BBEE.

| Classification | Turnover | Submission Requirement |
|-----------------------------------|--|---|
| Exempted Micro Enterprise (EME) | Below R10 million p.a. | Sworn affidavit or a certificate from the Companies and Intellectual Property Commission (“CIPC”) or a certified copy of a B-BBEE Rating Certificate from a SANAS accredited rating agency. |
| Qualifying Small Enterprise (QSE) | Between R10 million and R50 million p.a. | Sworn affidavit – Only 51% Black Owned (BO) and above, or certified copy of a B-BBEE Rating Certificate |

| Classification | Turnover | Submission Requirement |
|-----------------------|------------------------|--|
| | | from a SANAS accredited rating agency. |
| Large Enterprise (LE) | Above R50 million p.a. | Certified copy of a B-BBEE Rating Certificate from a SANAS accredited rating agency. |

Bidders who do not claim Preference Points will be scored zero for B-BBEE, but will not be excluded from the tender process. Bidders who do not fill SBD 6.1 in its entirety will not be awarded points for B-BBEE.

SARS will accept B-BBEE Certificates issued under the revised B-BBEE Codes.

c. Use and acceptance of sworn affidavits

All bidders will need to provide information which proves Black Ownership and turnover, in addition to the sworn affidavit, or request that their EME/QSE suppliers be verified and have this confirmed in the affidavit.

SARS reserves the right to request that Service Providers submit their Black Ownership and turnover information in support of their affidavits.

d. Joint Ventures (JVs) and Consortiums

Incorporated JVs must submit the B-BBEE status of the entity. Unincorporated JVs must submit a consolidated B-BBEE scorecard as if they were a group structure for every separate tender.

e. Subcontracting

Bidders who want to claim preference points will have to comply fully with regulations 12(1) and (3) of the Preferential Procurement Regulations, 2017 with regard to subcontracting:

Regulation 12(1)

A person awarded a contract may only enter into a subcontracting arrangement with the approval of the organ of state.

Regulation 12(3)

A person awarded a contract may not subcontract more than 25% 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 person concerned, unless the contract is subcontracted to an Exempted Micro Enterprise that has the capability and ability to execute the subcontract.

f. Proof of Existence: Joint Ventures and/or Subcontracting

Bidders must submit concrete proof of the existence of joint ventures and/or subcontracting arrangements. SARS will accept signed agreements as acceptable proof of the existence of a joint venture and/or subcontracting arrangement.

The joint venture and/or subcontracting agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or subcontracting party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or subcontracting arrangement.

11.3.3. Stage 3 – Consolidation of scores (80 + 20 = 100 points)

The Price and B-BBEE points will be consolidated to determine the successful bidder.

12. FINANCIAL STATEMENTS

Bidders are required to submit complete sets of audited / reviewed annual financial statements for the three (3) most recent financial periods in the name of the bidding entity. The financial statement analysis will be conducted on the shortlisted bidders.

12.1. The annual financial statements must contain:

- Statement of Profit and Loss and Other Comprehensive Income;
- Statement of Financial Position;
- Statement of Cash Flows; and
- Accompanying Notes.

12.2. Entities which are trading for less than three (3) financial periods should provide:

- A letter detailing that fact, signed by a duly authorised representative of the entity; and
- Any other information or documentation which would provide more clarity on the financial history of the bidder.

- 12.3. In the event that the subsidiary is the bidding entity and submits the financial statements of the holding company for financial evaluation purposes, the holding company must furnish a Performance Guarantee that is signed by a duly authorised representative of the entity.
- 12.4. In the event of the bid being in the form of a JV, the following is required:
- Annual financial statements of the JV; and
 - A JV legal agreement detailing the percentage ownership of each entity.

SARS reserves the right to request further information with regards to the annual financial statements of a bidder at a later stage.

13. AGREEMENTS

13.1 General Conditions of Contract

Any award made to a Service Provider under this bid is conditional, amongst others, upon –

- 13.1.1 The Service Provider accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which SARS is prepared to enter into a contract with the successful bidder.
- 13.1.2 The Service Provider submitting the General Conditions of Contract to SARS together with its bid, duly signed by an authorised representative of the Service Provider.

13.2 Services Agreement

- 13.2.1 Upon award, SARS and the successful bidder will conclude a supplementary agreement regulating the specific terms and conditions applicable to the services being procured by SARS, more or less in the format of the draft Services Agreement included in this tender pack.
- 13.2.2 SARS reserves the right to vary the proposed terms and conditions of the draft Services Agreement during the course of negotiations with the successful bidder by amending or adding thereto (including for purposes of better giving effect to the objectives in paragraph 2 above).
- 13.2.3 Bidders are requested to:
- 13.2.3.1 Comment on the terms and conditions set out in the Services Agreement and where necessary, make proposals to the terms and conditions;
 - 13.2.3.2 Each comment and/or amendment must be explained; and
 - 13.2.3.3 All changes and/or amendments to the Services Agreement must be in an easily identifiable colour font and tracked for ease of reference.

- 13.2.4 SARS reserves the right to accept or reject any or all amendments or additions proposed by the successful bidder if such amendments or additions are unacceptable to SARS or pose a risk to the organisation.

13.3 Insurance

The successful bidder will be required, on or before the effective date of the Services Agreement and for the duration thereof, to have and maintain in force adequate insurance cover consistent with acceptable and prudent business practices and acceptable to SARS, which shall include, without limitation, professional indemnity insurance cover.

14. SPECIAL CONDITIONS OF THIS BID

14.1 SARS reserves the right:

- 14.1.1 Not to award or cancel this bid at any time and shall not be bound to accept the lowest or any bid.
- 14.1.2 To negotiate with one or more preferred Service Provider(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other Service Provider(s) who has not been awarded the status of the preferred Service Provider(s).
- 14.1.3 To accept part of a bid rather than the whole bid.
- 14.1.4 To cancel and/or terminate the bid process at any stage, including after the Closing Date and/or after presentations have been made, and/or after Bids have been evaluated and/or after the preferred Service Provider(s) have been notified of their status as such.
- 14.1.5 To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the Service Provider(s), whether before or after adjudication of the bid.
- 14.1.6 To correct any mistakes at any stage of the bid that may have been in the bid documents or occurred at any stage of the bid process.
- 14.1.7 To disqualify a bidder whose bid contains a misrepresentation which is materially incorrect or misleading.

14.2 SARS requires bidder(s) to declare:

By submitting the bid, the bidder(s) hereby declare the following:

14.2.1 Confirm that the bidder(s) shall:

- 14.2.1.1 Act honestly, fairly and with due skill, care and diligence, in the interests of SARS;
- 14.2.1.2 Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
- 14.2.1.3 Act with circumspection and treat SARS fairly in a situation of conflicting interests;

- 14.2.1.4 Comply with all applicable statutory or common law requirements applicable to the conduct of business;
- 14.2.1.5 Make adequate disclosures of relevant material information, including disclosures of actual or potential own interests, in relation to dealings with SARS;
- 14.2.1.6 Avoid fraudulent and misleading advertising, canvassing and marketing;
- 14.2.1.7 Conduct their business activities with transparency and consistently uphold the interests and needs of SARS as a client before any other consideration; and
- 14.2.1.8 Ensure that any information acquired by the bidder(s) from SARS will not be used or disclosed unless the written consent of SARS has been obtained to do so.

14.3 CONFLICT OF INTEREST, CORRUPTION AND FRAUD

SARS reserves its right to disqualify any Service Provider who either itself or any of whose members (save for such members who hold a minority interest in the Service Provider through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a fifteen percent (15%) interest in the Service Provider other than in the context of shares listed on a recognised stock exchange), directors or members of senior specialist/management, whether in respect of SARS or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity"):

- 14.3.1 Engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other Service Provider in respect of the subject matter of this bid;
- 14.3.2 seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- 14.3.3 makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of SARS's officers, directors, employees, advisors or other representatives;
- 14.3.4 makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- 14.3.5 accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- 14.3.6 pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- 14.3.7 has in the past engaged in any matter referred to above; or
- 14.3.8 has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such Service Provider, member or director's name not specifically appearing on

the List of Tender Defaulters kept at National Treasury.

14.4 BIDDER'S OWN TERMS AND CONDITIONS OR BID QUALIFICATIONS

This document contains the terms and conditions of this bid and bidders must not qualify the specifications or come up with their own terms and conditions. SARS reserves the right to disqualify a bid which seeks to modify or depart from the specified conditions.

14.5 MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

The successful Service Provider should note that the terms of its bid will be incorporated in the proposed contract by reference and that SARS relies upon the bidder's bid as a material representation in making an award to a successful Service Provider and in concluding an agreement with the Service Provider.

It follows therefore that misrepresentations in a bid may give rise to service termination and a claim by SARS against the Service Provider notwithstanding the conclusion of the Services Agreement between SARS and the Service Provider for the provision of the services in question. In the event of a conflict between the Service Provider's proposal and the Services Agreement concluded between the parties, the Services Agreement will prevail.

14.6 PREPARATION COSTS

The Service Provider will bear all its costs in preparing, submitting and presenting any response or tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing SARS, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the Service Providers in the preparation of their response to this bid.

14.7 INDEMNITY

If a Service Provider breaches the conditions of this bid and applicable legislation, and as a result of that breach, SARS incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the Service Provider indemnifies and holds SARS harmless from any and all such costs which SARS may incur and for any damages or losses SARS may suffer.

14.8 PRECEDENCE

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

14.9 LIMITATION OF LIABILITY

A Service Provider participates in this bid process entirely at its own risk and cost. SARS shall not be liable to compensate a Service Provider on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Service Provider's participation in this bid process.

14.10 TAX COMPLIANCE

No tender shall be awarded to a Service Provider who is not tax compliant. SARS reserves the right to withdraw an award made, or cancel a contract concluded with a successful Service Provider in the event that it is established that such Service Provider was in fact not tax compliant at the time of the award. SARS further reserves the right to cancel a contract with a successful Service Provider in the event that such Service Provider does not remain tax compliant for the full term of the contract.

14.11 NATIONAL TREASURY

No tender shall be awarded to a Service Provider whose name (or any of its members, directors, partners or trustees) appears on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. SARS reserves the right to withdraw an award, or cancel a contract concluded with a Service Provider should it be established, at any time, that a Service Provider has been blacklisted with National Treasury by another government institution.

14.12 GOVERNING LAW

South African law governs this bid and the bid response process. The Service Provider agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

14.13 RESPONSIBILITY FOR SUBCONTRACTORS AND BIDDER'S PERSONNEL

In the event that a Service Provider is awarded a contract, the Service Provider may only enter into a

subcontracting arrangement with the approval of the SARS. Where such approval has been granted, a Service Provider is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its subcontractors (if any) and personnel of its subcontractors comply with all terms and conditions of this bid and in particular the provisions of paragraph 11.3.2 (e) above. In the event that SARS allows a Service Provider to make use of subcontractors, such subcontractors will at all times remain the responsibility of the Service Provider and SARS will not under any circumstances be liable for any losses or damages incurred by or caused by such subcontractors.

14.14 CONFIDENTIALITY

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's bid proposal(s) will be disclosed by any Service Provider or other person not officially involved with SARS's examination and evaluation of a bid.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a bid. This bid and any other documents supplied by SARS remain proprietary to SARS and must be promptly returned to SARS upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, Service Providers must secure SARS's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

No confidential information relating to the process of evaluating or adjudicating bids or appointing a Service Provider will be disclosed to a Service Provider or any other person not officially involved with such process.

14.15 SARS PROPRIETARY INFORMATION

Service Provider will on their bid covering letter make declaration that they did not have access to any SARS proprietary information or any other matter that may have unfairly placed that Service Provider in a preferential position in relation to any of the other Service Providers.



15. TECHNICAL EVALUATION CRITERIA

15.1 ANNEXURE A1 – Technical Evaluation Scorecard – 100 points

15.2 ANNEXURE A2 – Compliance checklist

Service Provider must complete the technical compliance checklist as outlined in Annexure A2.

16. ANNEXURE B – PRICING SCHEDULE

See attached Pricing Schedule.