

SOUTH AFRICAN REVENUE SERVICE

REQUEST FOR PROPOSAL

RFP59/2018

PROVISION OF BESPOKE SOFTWARE DEVELOPMENT, MAINTENANCE AND SUPPORT SERVICES

RFP MAIN DOCUMENT

SUMMARY, GUIDELINES, INSTRUCTIONS AND CONDITIONS

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Summary, Guidelines, Conditions and Instructions

The South African Revenue Service (“**SARS**”) invites certain qualified persons (“**Bidders**”) to submit tenders and proposals (“**Tenders**”) in accordance with the rules set out in this RFP for the:

- **Provision of Bespoke Software Development, Maintenance and Support Services to SARS during the term of the agreement**

1 SUMMARY OF THE SCOPE

The purpose of this request for proposal is to solicit bids from suitably qualified bidder(s) with a B-BBEE Status Level 1 or 2 to submit proposals in accordance with the rules set out in this RFP for the provision of Bespoke Software Development, Maintenance and Support Services to Sars. The Scope of service is defined in more detail in the Business Requirements Specification (BRS) and other documents forming part of this RFP.

2 STRUCTURE OF THE RFP PACK

2.1 Structure

This RFP Pack is organised in 5 (five) sections consisting of one or more documents in each section..

Section	Description of section contents
1	Documents outlining the RFP background, conditions, instructions and documents necessary for a Bidder attend the non-compulsory Briefing Session.
2	Standard Bid Documents (SBDs). These documents are required by SARS Procurement and National Treasury to be read and to be returned as part of the Bidder's Tender response.
3	Documents outlining the business requirements, technical requirements and other information required by the Bidder to submit a Tender response.
4	The proposed agreement under which SARS wishes to contract the services.
5	Response templates. Templates that are required to form part of the Bidder's Tender response.

Each document in the RFP pack is identified by the following naming convention

SARS RFP 59-2018 <s>-<n> <document name>

Where: <s> is the section number (as above) and <n> is an identifying number within the section. <document name> is a name describing the document contents.

2.2 RFP Pack Contents

Section	Document name	Document filename
1	RFP Main Document	SARS RFP 59-2018 1-1 Provision of Bespoke Software Development, Maintenance and Support Services Summary, Guidelines, Conditions and Instructions
2	Invitation to Bid (SBD1)	SARS RFP 59-2018 2-1 Invitation to Bid (SBD 1)
	Declaration of Interest (SBD 4)	SARS RFP 59-2018 2-2 Declaration of Interest (SBD 4)
	Preference Points Claim Form (SBD 6.1)	SARS RFP 59-2018 2-3 Preference Points Claim Form (SBD 6.1)
	Declaration of Past SCM Practices (SBD 8)	SARS RFP 59-2018 2-4 Declaration of Past SCM Practices (SBD 8)
	Certificate of Independent Bid Determination (SBD 9)	SARS RFP 59-2018 2-5 Certificate of Independent Bid Determination (SBD 9)
	Supplier Cost and Risk Assessment Questionnaire	SARS RFP 59-2018 2-6 Supplier Cost and Risk Assessment Questionnaire
	SARS Oath / Affirmation of Secrecy	SARS RFP 59-2018 2-7 SARS Oath – Affirmation of Secrecy
3	Business Requirements Specification	SARS RFP 59-2018 3-1 Business Requirements Specification
4	Provision of Bespoke Software Development, Maintenance and Support Services SARS Agreement	SARS RFP 59-2018 4-1 Provision of Bespoke Software Development, Maintenance and Support Services SARS Agreement
	Provision of Bespoke Software Development, Maintenance and Support Services SARS Service Level Agreement	SARS RFP 59-2018 4-2 Provision of Bespoke Software Development, Maintenance and Support Services SARS Service Level Agreement
5	Pre-Technical Mandatory Response	SARS RFP 59-2018 5-1 Pre-Technical Mandatory Response Template
	Technical Response Template	SARS RFP 59-2018 5-2 Technical Response Template
	Pricing Response Template	SARS RFP 59-2018 5-3 Pricing Response Template
6	Proposal Checklist	SARS RFP 59-2018 6-1 Proposal Response Checklist

3 KEY DATES AND ACTIVITIES

The table below lists certain key dates and activities relevant from time of issuance of the RFP up to and until the Closing Date:

No	Description	Start Date/Time	End Date/Time
1.	RFP published on Government Gazette.	05 October 2018	13 November 2018
2.	RFP published on National Treasury and SARS websites	05 October 2018	
3.	Bidders compulsory briefing session	16 October 2018 at 13:00	16 October 2018 at 15:00
4.	Bidders Site Visit	17 October 2018 from 10:00 to 15:00 excluding weekends.	25 October 2018 at 15:00
5	Bidders to submit written questions	18 October 2018	26 October 2018
6	SARS response to Bidders questions	23 October 2018	30 October 2018
7.	Tenders due (the “Closing Date”)	Date & Time	13 November 2018 at 11:00

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

Any time or date in this RFP is subject to change at SARS's discretion. The establishment of a time or date in this RFP 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, or on any other date. The Bidder accepts that; if SARS extends the deadline for RFP submission for any reason, the requirements of this RFP otherwise apply equally to the extended deadline.

3.1 Compulsory briefing Session instructions

Bidders should refer to Section 6 of this RFP document for instructions on the Compulsory Briefing Session and viewing of of SARS current system functional specifications as well as availability of other supporting documentation.

4 OVERVIEW OF SARS

SARS's mandate under the South African Revenue Service Act 34 of 1997 includes the collection of all revenues that are due, ensuring maximum compliance with revenue legislation and providing a customs service that will maximise revenue collection, facilitate trade and protect the borders of South Africa. SARS's vision is to be an innovative revenue and customs agency that enhances economic growth and social development and supports South Africa's integration into the global economy in a way that benefits all citizens. SARS strives to exercise its mandate in an efficient and cost effective manner.

5 SUMMARY OF THE SCOPE

The purpose of this request for proposal is to solicit bids from suitably qualified bidder(s) to submit proposals for the provision of Bespoke Software Development, Maintenance and Support Services to Sars in accordance with the rules set out in this RFP. The Scope of service is defined in more detail in the Business Requirements Specification (BRS) and other documents forming part of this RFP.

5.1 Duration of Contract

The successful bidder will be appointed for a period of approximately seven (7) years at SARS discretion and subject to SARS terms and conditions.

5.2 Background

In 2007, SARS appointed and concluded a Master Service Agreement (“MSA”) with Barone, Budge & Dominick (Pty) Ltd (BBD) as a strategic partner to assist in the development and design of bespoke integrated enterprise systems and functionality roll-out of the SARS Modernisation Programme for enhanced productivity, efficiency and improvement of SARS customer service delivery and monitoring. Over the duration of the contract, systems, subsystems, solutions and processes were developed and implemented within SARS IT environment. Details of the existings functional landscape and groupings of system functionality per system component and other supporting documents will be made available following the compulsory briefing session.

The objective of this RFP is to solicit bids from suitably qualified bidder(s) with a minimum BBBEE Status Level 1 or 2 to submit proposals for the continued provision of Bespoke Software Development, Maintenance and Support Services to SARS as well as assuming ongoing overall maintenance and support services of the existing systems, solutions, processes & subsystems to SARS in accordance with industry best practice and SARS Standards.

5.3 SARS Requirements from the Bidders/ Bidders’ Response

The successful bidder should demonstrate its technical capability to provide continued provision of Bespoke Software Development, Maintenance and Support Services to SARS as well as assuming ongoing overall maintenance and support services of the existing systems, solutions, processes & subsystems in accordance with industry best practice and SARS Standards. The successful bidder is required to perform the services of providing Bespoke Software Development, Maintenance and Support Services to SARS. The successful bidder will be required to take into account the time and resource allocation on this contract as well as demonstrating technical capability to participating in complex contract transitioning.

The bidders shall in their response demonstrate and provide clear evidence to justify their technical capability to render the services to SARS as articulated in the Business Requirements Specifications (BRS) document. Below is a summary of scope the capability for the *Bespoke Software Development, Maintenance and Support Services* for which SARS requires bidder response:

- Project Management
- Analysis
- Development
- Implementation/Deployment
- Quality Assurance
- Maintenance and Support

The bidder is required to demonstrate organizational experience in the following IT Systems

- Telephony
- Interactive Voice Response
- CRM/Case Management/Workflow
- Fat Client Development
- Biometric Integration
- SOA Integration and Orchestration
- Business Rules Engine
- Mobile Applications Development
- Previous Transitional Experience

Bidders are requested to refer to Section 3 and 5 of the BRS for details pertaining to Scope of Work/ business requirements specifications and the technical capability requirements required for this RFP.

6 COMPULSORY BRIEFING SESSION

A compulsory briefing session shall be held at SARS offices on 16 October 2018 from 13:00 to 15:00 at the address below:

Office SARS
Boardroom 2.2
Brooklyn Bridge, Linton House - Second Floor
570 Fehrsen Street
Brooklyn, Pretoria.

Bidders should note that the following documents shall be made available for bidder consumption and will be provided at the tender briefing session with SARS and further made available online during a specified period in a controlled SARS secure environment.

Document Name	Description
<i>SARS System and Technical Overview</i>	<i>This document provides the potential Service Providers with context and scope. It lists the functional modules within an application boundary. It further describes the function and technology used in the bespoke development of the respective components. In addition, it provides details of the SARS Integration landscape, standards and source repository.</i>
<i>SARS Respective Bespoke System Landscape</i>	<i>Standalone diagram of the application, components and functions as contained in the overview document</i>
<i>Overview documents</i>	<i>Specific documents per application component as per the overview document</i>

<i>ICC Channel API Specification</i>	<i>This document provides the interface specification for integrating applications across SARS and between SARS and its development partners following a Service Oriented Architecture (SOA) standard approach. The specification aims to eliminate point-to-point based integration in favour of a robust integration layer consisting of an Enterprise Service Bus (ESB), supported by reliable and traceable Communication Protocols and consistent Message Formats.</i>
<i>SARS - ESB Conceptual View</i>	<i>Diagram of the various consumers and provides of the SARS Enterprise Service Bus</i>
<i>Git Usage Standard</i>	<i>The purpose of this document is to provide the potential Service Providers with the standard for using the SARS' enterprise Git repository. The document also guides the prospective Service Providers on the processes that govern the usage of Git.</i>
<i>Service Registry</i>	<i>SARS ESB Service Registry Extract</i>
<i>Source Code Line Summary</i>	<i>A compressed file that contains text file summaries of the lines of code per component categorised by language type</i>

6.1 Bidders Viewing of SARS Current System Functional Specifications

Bidders should take note that the current functional specifications will be available for viewing from 17 October - 25 October 2018 [10H00 - 15H00] *excluding weekends at **the venue to be communicated at the compulsory briefing session.*** The purpose of the viewing is to afford all prospective bidders an opportunity to peruse and familiarize themselves with the SARS current system functional specifications. For this reason, a collective of Functional Requirement documents providing the full scope of systems and the respective components and functions developed and introduced on the SARS IT Environment over a period of 11 years shall be made available for electronic viewing by bidders in a secure access controlled SARS boardroom environment. Bidders will not be allowed to bring any electronic devices within this environment except for pen and paper for notetaking.

6.2 Registration for Viewing

All serious prospective bidders will be required to indicate their willingness to participate in the viewing by registering the bidder's names immediately after the compulsory briefing session. The viewing is not compulsory, however, bidders will only be required a maximum of three (3) representatives to attend the viewing sessions to be held 17 October - 25 October 2018 [10H00 - 15H00] excluding weekends at the venue to be communicated at the briefing session.

6.3 Technical Compliance Checklist

Bidder(s) are required to complete the technical compliance checklist as outlined in SARS RFP 59-2018 5-2 Technical Response Template in order to guide the SARS evaluators where to find the bidders technical responses.

7 SARS'S APPROACH TO THIS RFP

7.1 Objectives

SARS's primary objective in issuing this RFP is to conclude one or more service agreements with successful Bidders that will achieve the following:

- 7.1.1 best value for money;
- 7.1.2 the sustainable supply of Services; and
- 7.1.3 the meeting of SARS's current requirements (at a minimum) and providing for flexibility to meet SARS's future needs related to the scope.

8 BIDDING QUALIFICATION

8.1 Introduction

SARS has a detailed evaluation methodology premised on Treasury Regulation 16A3 of the Public Finance Management Act 1 of 1999, which prescribes that SARS's procurement processes be:

- 8.1.1 economical, efficient, fair, equitable, transparent, competitive and cost effective;
- 8.1.2 consistent with the Preferential Procurement Policy Framework Act 5 of 2000, read together with the Preferential Procurement Regulations, 2017; and
- 8.1.3 consistent with the Broad-Based Black Economic Empowerment Act 53 of 2003.

In furtherance of this evaluation methodology, the following bidding qualifications set out further in this paragraph 8 will apply.

8.2 Central Supplier Database ("CSD")

- 8.2.1 Service Providers and suppliers who wish to render services to SARS will no longer register at SARS directly. Suppliers will have to register on National Treasury Central Supplier Database ("CSD") as per National Treasury Circular No 3 of 2015/6 – Central Supplier Database.
- 8.2.2 National Treasury will maintain the database for all suppliers for Government and its institutions.
- 8.2.3 All existing and prospective suppliers are requested to self- register on the CSD by accessing the National Treasury website at www.CSD.gov.za.
- 8.2.4 As part of the bid submission, bidders are required to submit their CSD number with their submission.

9 CONTACT PERSONS

All communication to SARS must be addressed to Tender Office:

- Name: Vuyokazi Ntshinga
- Email: tenderoffice@sars.gov.za
- Tel Number: (012) 647 9569

Communication sent by SARS regarding this tender will only be regarded as official communication if sent from tenderoffice@sars.gov.za, or a communication accompanied by a letter of authorisation signed by the SARS Group Executive: Procurement.

9.1 Pre-Qualification

9.1.1 Prospective Bidders who cannot, or do not, satisfy all of the conditions contained in paragraphs 9.1.1.1 to 9.1.1.34 should not submit bid proposals. If a Bidder is found not to meet any one of the requirements listed below then that Bidder's Tender will be rejected without any further consideration, at SARS's sole discretion.

9.1.1.1 SARS is only interested in organisations that take accountability for service delivery. To avoid issues encountered where a single entity cannot provide the warranties of performance required or be held accountable for performance, SARS will not consider Tenders submitted by a **consortium** or a **special purpose vehicle** constituted only for the purpose of responding to this RFP.

9.1.1.2 A Bidder must be a South African entity (Company, Close Corporation, Sole Proprietor or individual) or have a local branch office in South Africa.

9.1.1.3 The Bidder must be fully tax compliant and must submit a valid and original Tax Clearance Certificate as part of its Tender. The Bidder's attention is further drawn to the requirement that the successful Bidder must ensure that it remains compliant with all South African Tax and Customs laws and regulations throughout the Term, and a failure to do so will be a material breach of the Agreement.

9.1.1.4 The Bidder must comply with all applicable legislation in the Republic of South Africa in the performance of its daily activities, including but not limited to labour legislation and bargaining council agreements, health and safety regulations and environmental laws.

9.1.2 Subject to sub-paragraph 9.1.3 above, SARS will disqualify any Bidder who either itself or any of whose members (save for such members who hold a minority interest in the Bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the Bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior 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"):

- 9.1.2.1 engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other Bidder in respect of the subject matter of this RFP;
- 9.1.2.2 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;
- 9.1.2.3 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;
- 9.1.2.4 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;
- 9.1.2.5 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;
- 9.1.2.6 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;
- 9.1.2.7 has in the past engaged in any matter referred to in sub-paragraphs 9.1.2.1 to 9.1.2.6 foregoing; or
- 9.1.2.8 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 Bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.
- 9.1.3 SARS in its sole discretion will be entitled (but not obliged) to exempt, in writing, a Bidder from disqualification in terms of sub-paragraph 9.1.2.7 foregoing. A Bidder that stands to be disqualified in terms of sub-paragraph 9.1.2.7 foregoing may, prior to submitting a Tender, approach SARS in writing for an exemption as foresaid, in which event:
 - 9.1.3.1 the Bidder is required to provide SARS with full information to enable SARS to consider such application for exemption; and
 - 9.1.3.2 SARS will not be obliged to consider any such application or to grant any exemption, such consideration or granting of exemption being solely within SARS's discretion.
- 9.1.4 By submitting a Tender the Bidder represents to SARS that it does not stand to be disqualified in terms of paragraph 9.1.1 foregoing, unless it has otherwise applied for exemption or been exempted in terms of paragraph 9.1.3 foregoing.
- 9.1.5 SARS will reject a Bidder's Tender without any further consideration where that Bidder makes culpable misrepresentation to SARS in its Tender or at any stage during this RFP process.

9.1.6 SARS may disqualify a Bidder:

- 9.1.6.1 whose Tender contains a negligent misrepresentation which is materially incorrect or misleading;
- 9.1.6.2 in respect of whom any of the members (save for such members who hold a minority interest in the Bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the Bidder other than through shares listed on a recognised stock exchange), directors or members of senior management are not in full compliance with all applicable laws relating to taxation in South Africa, in which regard SARS further reserves the right to require the Bidder to submit a valid tax clearance certificate in respect of any one or more such persons;
- 9.1.6.3 whom SARS considers to be directly or indirectly owned, controlled or managed by persons who are not acceptable to SARS from an ethical, business or governance perspective;
- 9.1.6.4 who fails to attend for the full duration of a Bidders' briefing session or information session;
- 9.1.6.5 who had access to any of SARS's proprietary information or any other matter that may have unfairly placed that Bidder in a preferential position in relation to any of the other Bidders;
- 9.1.6.6 who materially fails to comply with any conditions or requirements of this RFP;
- 9.1.6.7 who in SARS's opinion has either materially failed to comply with any of the conditions of any existing or past agreement between such Bidder and SARS or who has performed unsatisfactorily under any such agreement; or
- 9.1.6.8 who fails to respond as required to written notices given by SARS in connection with its Tender under this RFP.
- 9.1.6.9 Where there is conflict between the Specification and/or any documentation published along with this document. The Provision of this document take precedence overall.

10 BID SUBMISSION

- 10.1.1** Bids must be properly received and deposited in the below mentioned tender box on or before the closing date and before the closing time at the Tender Submission Office situated at:

**Sars Procurement Centre
Brooklyn Bridge
Linton House - Ground Floor
570 Fehrsen Street
Brooklyn, Pretoria**

- 10.1.2** Bid documents may either be posted to The Tender Office - SARS Procurement Department, Linton House, 570 Fehrsen Street, Brooklyn Bridge, Brooklyn, Pretoria, 0181 OR placed in the tender box at the main entrance at the aforesaid address
- 10.1.3** Tender documents will only be considered if received by the Tender Office before the Closing Date and time, regardless of the method used to send or deliver such documents to SARS.
- 10.1.4** Late tenders will not be accepted and shall be returned to bidders, after being recorded by the Tender Office as such.

- 10.1.5** In this RFP document the terms “shall” and “must” indicate a mandatory requirement. Bidder compliance with mandatory requirements are essential. Failure to comply with such requirements can lead to the disqualification of a Bidder. The terms “should” or “may” indicate desirable or advisory requirements. Bidder compliance with such terms may lead to an increase in a Bidder's technical score.
- 10.1.6** All tenders and supporting documentation must be submitted in English.
- 10.1.7** All costs incurred during the preparation and compilation of a Bidder's proposal, as well as the delivery of a Bidder's tender documents to SARS will be borne exclusively by the Bidder.
- 10.1.8** Tender must be valid for a minimum period of **180 days** from the closing date of the tender.

10.2 TENDER COMPLIANCE

10.2.1 Administrative Compliance Documents

The Bidder's attention is drawn to the following documents which are required as part of a Bidder's Tender and which, if omitted, may at SARS's sole discretion result in that Tender being disqualified:

Table 1 – Checklist of Administrative Compliance Documents

No	Name of the document that must be submitted	Non-submission may result in disqualification?
1	Invitation to bid – SBD 1	YES – Please complete and sign the supplied pro forma document.
2	Pricing Schedule – SBD 3.3	YES – Please submit full details of pricing proposal to SARS on Annexure B.
3	Declaration of Interest – SBD 4	YES - Please complete and sign the supplied pro forma document.
4	SBD 6.1 – Preference Point Claim Form	No–Non-submission will lead to a zero score on BEE.
5	Declaration of Bidder's Past Supply Chain Management Practices – SBD 8	YES - Please complete and sign the supplied pro forma document.
6	Certificate of Independent Bid Determination – SBD 9	YES - Please complete and sign the supplied pro forma document
7	SARS' s Oath of Secrecy	YES – Please complete and sign the supplied pro forma document in the presence of Commissioner of Oaths and initial every page.
8	BEE certificate	No–Non-submission will lead to a zero score on BEE.
9	Audited/reviewed financial statements for the past 3 (three) financial years. The Financial Statements must be submitted in the name of the company that tenders. If Financial Statements are only available for the holding company, the holding company must also	Yes – the bidder must comply

No	Name of the document that must be submitted	Non-submission may result in disqualification?
	provide a letter confirming that their Financial Statements can be used on their official letter head and signed off by their financial representative.	

10.2.2 Mandatory Requirements Compliance Documents

The bidder must comply with all the mandatory compliance requirements listed in Table 2 below:

Table 2: List of Mandatory Requirements Compliance Documents

	Name of the document that must be submitted	Non-submission will result in disqualification?
1	The bidder(s) must have a Minimum B-BBEE status level 1 or 2	YES
2	The bidder(s) must have a Minimum of three (3) years experience in bespoke software development, maintenance and support services.	YES
3	The bidder(s) must have attended the compulsory briefing session	YES
4	The bidder(s) must subcontract a minimum of 30% of the value of the contract to an EME or QSE which is at least 51% owned by black people	YES

11 EVALUATION AND SELECTION

11.1 Process after Closing Date

After the Closing Date in paragraph 3:

- 11.1.1 SARS may request additional information, clarification or verification in respect of any information contained in or omitted from a Bidder's Tender, which SARS may do either in writing or at a meeting convened with the Bidder for that purpose;
- 11.1.2 SARS may conduct a due diligence on any Bidder, which may include interviewing customer references or performing other activities to verify a Bidder's submitted or other information and capabilities (including visiting the Bidder's various premises and/or production sites to verify certain stated facts or assumptions) and in which regard the Bidder will be obliged to provide SARS with all such access, assistance and/or information as SARS may reasonably request. The Bidder shall respond within the timeframes set by SARS, failing which SARS reserves the right not to consider the Bidder's Tender any further;
- 11.1.3 no material amendment/s may be made to a Tender, unless specifically permitted or requested by SARS;
- 11.1.4 SARS may shortlist Bidders and may request presentations from such short-listed Bidders. All costs relating to the preparation of such presentations will be borne by the Bidders;
- 11.1.5 SARS may enforce whatever measures it considers necessary to ensure the confidentiality and

integrity of the contents of the respective Tenders;

- 11.1.6 SARS will evaluate the Tenders with reference to SARS's Evaluation Criteria. SARS reserves the right to employ subject matter experts to assist in performing such evaluations.

12 EVALUATION METHODOLOGY

SARS has set minimum standards (Gates) that a Bidder(s) needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following Gates:

- **Pre-Qualification Criteria (Gate 0)** – bidder(s) must submit all documents, as outlined in paragraph 12.1 below.
- **Pre-Technical Mandatory Evaluation Criteria (Gate 1)** – Bidder(s) must comply with all mandatory requirements failing which will result in the bidder(s) being disqualified from further evaluation on (Gate 2) Technical functional evaluation criteria. The evaluation process is outlined in paragraph 12.2.
- **Technical Evaluation Criteria (Gate 2)** – Bidder(s) will be evaluated out of 100 points during Technical Evaluations, which comprises of Desktop evaluations. The minimum threshold for Technical Evaluations is 65%. The evaluation process is outlined in paragraph 12.3.
- **Price and B-BBEE Evaluation (Gate 3)** – This will be evaluated out of 100 points. Price will be evaluated out of 90 and B-BBEE 10 points. The process is outlined in paragraph 12.4.

12.1 SARS's Pre-qualification Criteria – Gate 0

- 12.1.1 SARS has defined minimum pre-qualification criteria that must be met by the Bidder in order for SARS to accept a Tender for evaluation. In this regard a pre-evaluation verification will be carried out by SARS in order to determine whether a Tender complies with the provisions of Section 9.1.
- 12.1.2 Where there is a failure to comply fully with any of the pre-qualification criteria, or SARS is for any reason unable to verify whether the pre-qualification criteria are fully complied with, SARS will have the right to either:
- 12.1.3 reject the Tender in question and not to evaluate it at all;
- 12.1.4 give the Bidder an opportunity to supplement the information and/or documentation provided by it under its Tender so as to achieve full compliance with the pre-qualification criteria, provided that such information and/or documentation can be provided within a period of 7 (seven) days and is purely administrative in nature;
- 12.1.5 in any event permit the Tender to be evaluated, subject to the outstanding information and/or documentation being submitted prior to the award of the tender.
- 12.1.6 Without limiting the generality of SARS' other critical requirements for this bid, bidder(s) must submit administrative compliance documents listed paragraph 10.2.1 above. All documents must be completed and signed by the duly authorised representative of the prospective bidder(s). A bidder(s)

proposal may be disqualified for non-submission of any of the listed documents.

12.2 Pre-Technical Mandatory Evaluation Criteria (Gate 1)

Bidder(s) must comply and submit all the documentary evidence for the mandatory requirements stipulated in Section 10.2.2 above, failing which the bidder(s) will be instantly disqualified from further evaluation on (Gate 2) Technical functional evaluation criteria. A summary of the Mandatory requirements for which the Main bidder must comply with are listed below.

No.	Mandatory Requirements
1	The bidder(s) must have a Minimum B-BBEE level status 1 or 2.
2	The bidder(s) must have a Minimum of three (3) years experience in bespoke software development, maintenance and support services.
3	The bidder(s) must have attended the compulsory briefing session
4	The bidder(s) must subcontract a minimum of 30% of the contract value to an EME or QSE which is at least 51% owned by black people

12.3 Subcontracting

12.3.1 One of SARS' objectives in issuing this RFP is to encourage participation of Small Medium and Micro-sized Enterprises ("SMME's") and ensure development of EMEs or QSEs in this Sector during the subsistence of this Agreement. To achieve, this objective, The bidder(s) must subcontract a minimum of 30% of the contract value to an EME or QSE which is at least 51% owned by black people. Bidders must submit proof of a subcontracting arrangement between the main Bidder and the subcontractor. Proof of the subcontracting arrangement may include a subcontracting agreement between the main Bidder and the subcontractor

12.3.2 Although Bidders will be required to subcontract certain areas of scope of the services, it should be noted that the successful Bidder must, at all times, be solely and entirely accountable to SARS for the performance of its contractual obligations in terms of the provision of Bespoke Software Development, Maintenance and Support Services Agreement. The successful Bidder may not subcontract more than 50% (fifty percent) of the contract by value during the Term as measured over any contact year.

12.3.3 Without diminishing the Service Provider's accountability in any way for the delivery of the Services, including the performance standards, SARS may promote this objective by requiring: access to and transparency in the SMME agreements; monitoring and reporting of SMME's participation and performance to SARS; direct participation of SMME's in the account and project planning activities; and SMME's representation in account governance structures and committees. SARS will, at all times, demand fair dealing in the relationship between the Bidder and its SMME's subcontractor(s).

12.3.4 SMME's wishing to participate as subcontractor(s) in the RFP should engage with suitably qualified

Bidders to participate in the submission of a Proposal.

- 12.3.5** Where a Bidder proposes to appoint a Subcontractor, the Bidder must in its Proposal in submit Subcontractor's full details and confirmation of formal subcontracting agreement, including the full details of the functions which the Subcontractor will fulfil in terms of the Provision of Bespoke Software, Maintenance and Support Services Agreement. This should include details of the delimitations of scope within the services to be assigned to such a Subcontractor. SARS may disqualify a Bidder's Proposal in which the Bidder proposes to appoint a Subcontractor whose Tax compliance status are not up date.

12.4 SARS's Technical Evaluation Criteria – Gate 2

Bidder(s) must achieve a minimum threshold of 65% for technical evaluations to proceed to Gate 2: Price and BEE evaluations stage. The table below illustrate the summary for the technical evaluation criterion and sub-criteria. Functionality will be evaluated as follows:

Capability Area	Capability	Sub Capability	Capability Area Weighting	Sub-Capability Weighting
Project Management	Integration Management	n/a	8,00%	8,00%
	Scope Management	n/a		
	Time Management	n/a		
	Cost Management	n/a		
	Quality Management	n/a		
	Human Resource Management	n/a		
	Stakeholder Management	n/a		
	Communications Management	n/a		
	Risk Management	n/a		
	Procurement Management	n/a		

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Capability Area	Capability	Sub Capability	Capability Area Weighting	Sub-Capability Weighting
	Documentation Management	n/a		
	Change Management	n/a		
Analysis	Requirements Analysis	Requirement Gathering	27%	3%
		Function Point Counting		1%
	Functional Specifications	n/a		5%
	Non-Function Specifications	n/a		2%
	Design Analysis	Solution Architecture		2%
		Data Modeling		2%
		Database design		2%
		Integration Design		3%
		Technical Specification		4%
		User Interface Design		3%
Development	Programming	.Net (C#)	24%	3%
		Java		2%
		Python		3%
		C++		2%

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Capability Area	Capability	Sub Capability	Capability Area Weighting	Sub-Capability Weighting
		SQL		1%
		XML		1%
		Json		1%
		SOAP		0,50%
		xsd		0,50%
		HTML 5/CSS		1%
		Javascript		0,50%
		AJAX		0,50%
		Node.JS		0,50%
		GUI Development		0,50%
	Testing	Unit Testing		2%
		Integration Testing		1%
		Regression Testing		2%
		Performance Testing		1%
		Security Testing		1%
Implementation/Deployment	Source Control	Git	3%	3%

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Capability Area	Capability	Sub Capability	Capability Area Weighting	Sub-Capability Weighting
	Environments	Development		
		Common Build		
Quality Assurance	Testing	Functional Testing	6%	6%
		Integration Testing		
		Performance Testing		
Maintenance and Support	Maintenance	Corrective Maintenance	15%	15%
		Emergency Maintenance		
		Minor Enhancements		
	Support	Incident Management		
		Root Cause		
		Application Monitoring		
		Reporting		
	Service level management	Service Level Management		
Experience	Telephony	n/a	2%	0,25%
	Interactive Voice Response	n/a		0,25%
	CRM/Case Management/Workflow	n/a		0,25%

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Capability Area	Capability	Sub Capability	Capability Area Weighting	Sub-Capability Weighting
	Fat Client Development	n/a		0,25%
	Biometric Integration	n/a		0,25%
	SOA Integration and Orchestration	n/a		0,25%
	Business Rules engine	n/a		0,25%
	Mobile Application	n/a		0,25%
Experience	# Enterprise class (more than 5 000 employees)	n/a	9%	9%
	Transitioning an existing service provider	n/a	5%	5%
Experience	Organisational Certifications	n/a	1%	1%
			100%	

Note: Please note that the Capability and sub- capability weight is made up of a combination of both the *Bidder's Number of years experience and the Bidder's Number of Clients.*

Experience Rating	Derived Final Range for Year + Clients (weighted)
0	<=3
1	>3 ; <=5
2	>5 ; <=10
3	>10 ; <=20
4	>20 ; <35
5	>=35

Number of Certificates	Certificate Rating
0	0
1	1.25
2	2.5
3	3.75
4	5

Enterprise Class /Transition Rating	Number of Enterprise Clients
0	0
5	>=1

- Bidders must fully complete the *SARS RFP 59-2018 5-2 Technical Response Template* and attach

support documentation /evidence in order to substantiate the claims for the scores.

- The points obtained for technical functionality must be a minimum of 65%. Bidders who obtain less than 65% will be declared non-responsive and therefore disqualified to proceed for further evaluations on Gate 3: Price and BEE evaluations stage.
- In the event that no Proposals qualify to proceed to the next stage of evaluation, at SARS sole discretion, SARS may consider the Proposal scoring the highest number of points for functionality and all other Proposals scoring higher than 95% (ninety-five percent) of that Proposal to proceed to the second stage of evaluation.

12.5 Pricing Requirements

The bidders are required to provide their Pricing Proposal for a Seven (7) year period in accordance with guidelines as stipulated in the SARS RFP 59-2018 Pricing Schedule.

12.5.1 Tender Validity Period

Bidders tender submission and pricing must be valid for a minimum period of **180 days** from the closing date of the tender.

12.6 SARS's Pricing and BEE Evaluation – Gate 3

- 12.6.1** In the second stage of the evaluation, Tenders that passed the prescribed technical threshold will be evaluated in terms of the 90/10 preference points system under section 2 of the Preferential Procurement Policy Framework Act, 2000, read with the Preferential Procurement Regulations, 2017.

Criterion	Points
BBBEE status	10
Price	90

Stage 1 – Price Evaluation (90 points).

Adjudication Criteria	Points
Price Evaluation $P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	90

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

Stage 2 – BEE Evaluation (10 points)

Adjudication Criteria	Points
BEE Evaluation (BEE Certificate and/or submission of SBD 6.1)	10

B-BBEE BID REQUIREMENTS**Article I. B-BBEE**

In line with the requirements of 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 5 - 80/20 : A maximum of 20 points may be allocated to a bidder
- (ii) Regulation 6 - 90/10 : A maximum of 10 points may be allocated to a bidder

Article II. Bid Evaluation Process: B-BBEE Evaluation**Stage 2 – B-BBEE Evaluation (10/20 points)**

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

Adjudication Criteria	Points
A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1) and a B-BBEE Certificate	10

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

Classification	Turnover	Submission Requirement
Exempted Micro Enterprise (EME)	Below R5 million p.a.	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by IRBA or a letter from an Accounting Officer as contemplated in the CCA.
Qualifying Small Enterprise (QSE)	Between R5 million and R35 million p.a.	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by IRBA
Large Enterprise (LE)	Above R35 million p.a.	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by IRBA

Bidders who do not claim Preference Points will be scored zero for B-BBEE and cannot be excluded from the tender process.

Article III. Joint Ventures 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.

Article IV. Sub-contracting

Bidders/ tenderers who want to claim Preference points will have to comply fully with regulations 11(8) and 11(9) of the PPPFA Act with regard to sub – contracting.

The following is an extract from the PPPFA Act:

- 11(8) “A person must not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer intends sub- contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.”
- 11(9) “A person awarded a contract may not sub-contract 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 than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.”

12.7 Acceptance of RFP conditions

The Bidder's participation in the RFP process is deemed to constitute acknowledgement and acceptance by the Bidder of the terms and conditions contained in this RFP.

12.8 Reservation of rights

SARS reserves the right in its discretion to:

- 12.8.1** make no award
- 12.8.2** withdraw, suspend or cancel this RFP or the RFP process at any time and without providing reasons;
- 12.8.3** not provide reasons for its rejection or the failure of any Bidder or Tender, save on application and in terms of applicable legislation;
- 12.8.4** change any of its requirements as set out in this RFP by giving Bidders reasonable notice;
- 12.8.5** change any condition, procedure or rule of the RFP by giving Bidders reasonable notice;
- 12.8.6** amend, vary, or supplement any of the information, terms or requirements contained in this RFP, any information or requirements delivered pursuant to this RFP, or the structure of the RFP process;
- 12.8.7** re-advertise for Tenders;
- 12.8.8** provide further information in respect of, and modify the provisions of, this RFP at any time prior to the Closing Date by notice to all prospective Bidders;

- 12.8.9** conduct site visits and/or perform audits whenever SARS deems it prudent to do so;
- 12.8.10** undertake further checks on Bidders, which may include information on public record or in the public domain, information contained in internal SARS records or information received from other government institutions;
- 12.8.11** no longer consider a Bidder's Tender where adverse information about the Bidder or its Tender submission has come to the attention of SARS, provided that such Bidder is informed accordingly and invited to comment;
- 12.8.12** to award a Tender based on which Bidder is offering the best value for money, even if such Tender is not the lowest priced tender; and
- 12.8.13** to make the award subject to the successful Bidder entering into a duly signed contract with SARS.

12.9 Validity of information

SARS has made reasonable efforts to ensure the accuracy of the information contained in this RFP. However, neither SARS, nor its employees, officers, advisers or agents will be liable to the Bidder or any third party for any inaccuracy, the omission of any information in the RFP or in respect of any additional information SARS may provide to the Bidder as part of the RFP process.

The Bidder is deemed to have examined this RFP and any other information supplied by SARS to the Bidder and to have satisfied itself before submitting any of its responses as to the correctness and sufficiency of such information.

12.10 RFP not an offer

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.

Nothing in this RFP or any other communication made between SARS (including its officers, directors, employees, advisers and representatives) is a representation that SARS will offer, award or enter into a contract with the Bidder.

12.11 Preparation Costs

The Bidder will bear all its costs in preparing, submitting and presenting any response or Tender to this RFP and all other costs incurred by it throughout the RFP process. Furthermore, no statement in this RFP 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 Bidders in the preparation of their response to this RFP.

12.12 Conflict of Interest

If at any time the Bidder identifies an actual or potential conflict of interest, the bidder must immediately notify SARS in writing. SARS reserves the right to exclude the Tender submitted by such Bidder from further consideration, unless the Bidder is able to resolve the conflict.

12.13 Indemnity

If a Bidder breaches the conditions of this RFP 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 RFP process and/or enforcement of intellectual property rights or confidentiality obligations), then the Bidder indemnifies and holds SARS harmless from any and all such costs which SARS may incur and for any damages or losses SARS may suffer.

12.14 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.

12.15 Responsibility for sub-contractors and Bidder's personnel

A Bidder is responsible for ensuring that its sub-contractors (if any), personnel (including officers, directors, employees, advisors and other representatives of a Bidder) and personnel of its sub-contractors comply with all terms and conditions of this RFP and in particular the provisions of paragraph 12.16 below. In the event that SARS allows a Bidder to make use of sub-contractors, such sub-contractors will at all times remain the responsibility of the Bidder and SARS will not under any circumstances be liable for any losses or damages incurred by such sub-contractors,

12.16 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 RFP or a Bidder's Tender(s) will be disclosed by any Bidder or other person not officially involved with SARS's examination and evaluation of a Tender.

No part of the RFP 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 Tender. This RFP 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 therefrom.

Throughout this RFP process and thereafter, Bidders 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 RFP relates; or (ii) the process which follows this RFP. Failure to adhere to this requirement may result in disqualification from the RFP process and civil action.

After the Closing Date, no confidential information relating to the process of evaluating or adjudicating Tenders or appointing a Bidder will be disclosed to a Bidder or any other person not officially involved with such process.

12.17 Intellectual Property

SARS retains ownership of all Intellectual Property Rights in the tender information documents that form part of this RFP. Bidders will retain the Intellectual Property Rights in their tender responses, but grant SARS the right to make copies of, alter, modify or adapt their responses, or to do anything which in its sole discretion is necessary to do for reasons relating to the RFP process.

12.18 Limitation of Liability

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

12.19 Tax Compliance

12.20 No tender shall be awarded to a Bidder who is not tax compliant. SARS reserves the right to withdraw an award made, or cancel a contract concluded with a successful Bidder in the event that it is established that such Bidder was in fact not tax compliant at the time of the award, or has submitted a fraudulent Tax Clearance Certificate to SARS. SARS further reserves the right to cancel a contract with a successful Bidder in the event that such Bidder do not remain tax compliant for the full term of the contract.

No tender shall be awarded to a Bidder (or any of its members, directors, partners or trustees) whose names appear 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 Bidder should it be established, at any time, that a Bidder has been blacklisted with National Treasury by another government institution.

12.21 Screening and Vetting of Service Provider

Acceptance of this tender/quotation is subject to the condition that both the contracting firm and its personnel providing the service must be screened and cleared by the appropriate authorities to the grade of clearance in line to classified information, intelligence in the possession of SARS and areas designated as National Key points that they may have. Obtaining a positive recommendation is the responsibility of the contracting firm concerned. If the principal contractor appoints a subcontractor, the same provisions and measures will apply to the subcontractor.

12.22 Governing Law

South African law governs this RFP and the RFP response process. The Bidder 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 RFP, the RFP itself and all processes associated with the RFP.

13 INSTRUCTIONS FOR SUBMITTING A RESPONSE TO THIS RFP

This paragraph 13 details the instructions to Bidders for preparing a Tender response to RFP 59/2018. These instructions must be followed in detail to ensure that the information contained in the Bidder's Tender is correct, complete and well structured. All Tenders must comply with the requirements and instructions as set out in the RFP. Bidders must ensure that information and documentation supplied can be easily understood and thus, evaluated in a fair and consistent manner.

Should a Tender be received that is not in the correct format, SARS reserves the right to reject the entire Tender or portions of the Tender depending on the extent of the deviation from the format described in this document. Information that has not been requested must not be submitted in the Bidder's Tender.

13.1 Organisation of a Tender response

13.1.1 Irrespective of whether the Bidder is responding to portions of the Tender, or the Tender as a whole, the Bidder will be required to submit the following:

<p>FILE 1</p> <p>TECHNICAL RESPONSE FILE</p> <p>(Pre-qualifications / Pre-Qualification Mandatory / Technical Responses and Signed Agreement)</p>	<p>Section 1</p> <ul style="list-style-type: none"> • Pre-qualification documents (SBD documents) <p>Section 2</p> <ul style="list-style-type: none"> • Pre-Technical Mandatory Requirements Documentation <p>Section 3</p> <ul style="list-style-type: none"> • Technical Responses • Supporting documents for technical responses • References/testimonials • Three (3) years audited /reviewed Financial statements <p>Section 4</p> <ul style="list-style-type: none"> • Company profile • Supplementary information <p>Section 5</p> <ul style="list-style-type: none"> • Signed SARS Agreement and Service Level Agreement
<p>FILE 2</p> <p>Pricing & B- BBEE Certificate</p>	<p>Section 1</p> <ul style="list-style-type: none"> • B- BBEE Certificate including the Subcontractor's B-BBEE Certificate • SBD 6.1 <p>Section 2</p> <ul style="list-style-type: none"> • Signed Pricing Response Template

14 DEFINITIONS

14.1 Definitions (Glossary table)

Bidder	is a prospective Service Provider who submits a Proposal for this RFP.
Briefing Session	means meeting to be held with prospective Bidders, the details of which are set out in Section 6 of this RFP document.
B-BBEE	means Broad-Based Black Economic Empowerment
CSD	Central Supplier Database
Closing Date	means the date set forth in the table of dates in Section 3 of this document.
Proposal	is a response submitted by a Bidder to this RFP.
RFP	means this Request for Proposal, including all documents in the RFP Pack.
RFP Pack	means the collection of documents making up this RFP as listed in paragraph 2.2.
SARS	means an organ of the State established in terms of the South African Revenue Service Act, 1997 (Act No 34 of 1997) with its registered address located at its Pretoria Head Office, 299 Bronkhorst Street, Nieuw Muckleneuk, 0181, the Republic of South Africa.
SBD	means standard bid documents prescribed by National Treasury as listed in section 10.2

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	of the table set out in paragraph 10.2.1
Service Provider	is a Bidder who is awarded within this RFP and with whom SARS would enter into a service agreement for the provision of Bespoke Software Development, Maintenance and Support Service to SARS.
Services	means the provision of Bespoke Software Development, Maintenance and Support Service to SARS in respect of in terms of the capability scope covered in the Business Requirements Specification as contemplated in this RFP 59-2018 including functions or responsibilities not specifically mentioned herein but which are reasonably and necessarily required for the proper performance and provision of the Services.
Contract Duration	means the contract duration to be entered into between SARS and the Service provider for the Provision of Bespoke Software Development, Maintenance and Support Service to SARS as set out in paragraph 5.1 of this RFP document.