



**T03/02/19**

**REQUEST FOR PROPOSAL TO  
DEVELOP A MARKET DEVELOPMENT  
PLAN FOR SOUTH AFRICAN  
MANUFACTURED CHEMICALS**

**BID CLOSING DATE: TUESDAY,  
12 MARCH 2019 AT 12:00 NOON**

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**SECTION 1: GENERAL CONDITIONS OF BID**

## 1. Proprietary Information

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Industrial Development Corporation of SA Ltd (IDC) considers this Request for Proposal (RFP) and all related information, either written or verbal, which is provided to the respondent, to be proprietary to IDC. It shall be kept confidential by the respondent and its officers, employees, agents and representatives. The respondent shall not disclose, publish, or advertise this RFP or related information to any third party without the prior written consent of IDC.

## 2. Enquiries

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- 2.1 All communication and attempts to solicit information of any kind relative to this RFP should be channelled **in writing** to:

Name:	<u>Mr Joseph Phiri</u>
Telephone Number:	<u>+27 11 269 3810</u>
Email address:	<u><a href="mailto:josephp@idc.co.za">josephp@idc.co.za</a></u>

- 2.2 Enquiries in relation to this RFP will not be entertained after **16h00 on 05 March 2019**.
- 2.3 The enquiries will be consolidated and IDC will issue one response and such response will be posted, within two days after the last day of enquiries, onto the IDC website ([www.idc.co.za](http://www.idc.co.za)) under tenders i.e. next to the same RFP document.
- 2.4 The IDC may respond to any enquiry in its absolute discretion and the bidder acknowledges that it will have no claim against the IDC on the basis that its bid was disadvantaged by lack of information, or inability to resolve ambiguities.

## 3. Bid Validity Period

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Responses to this RFP received from bidders will be valid for a period of 120 days counted from the bid closing date.

## 4. Instructions on submission of Bids

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Bids should be submitted in duplicate (2 hard copies) and one electronic copy (on CD) in PDF format all bound in a sealed envelope endorsed, **T03/02/19: Request for proposal to develop a Market Development Plan for South African Manufactured Chemicals**. The sealed envelope must be placed in the bid box at the Main Reception area of the IDC Building, 19 Fredman Drive Sandton by no later than 12:00 noon on **Tuesday, 12 March 2019**.

- 4.1 Bids must be submitted in the prescribed response format, herein reflected as Response Format.
- 4.2 The bid closing date, bidder name and the return address must also be endorsed on the envelope.
- 4.3 If a courier service company is being used for delivery of the bid response, the bid description must be endorsed on the delivery note/courier packaging and the courier must ensure that documents are placed / deposited into the bid box. The IDC will not be held responsible for any delays where bid documents are handed to the IDC Receptionist.

- 4.4 No bid response received by telegram, telex, email, facsimile or similar medium will be considered.
- 4.5 Where a bid response is not in the bid box at the time of the bid closing, such a bid document will be regarded as a late bid. It is the IDC's policy not to consider late bids for tender evaluation.
- 4.6 Amended bids may be sent in an envelope marked "Amendment to bid" and should be placed in the bid box before the closing time.

## **5. Preparation of Bid Response**

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- 5.1 All the documentation submitted in response to this RFP must be in English.
- 5.2 The bidder is responsible for all the costs that it shall incur related to the preparation and submission of the bid document.
- 5.3 Bids submitted by bidders which are, or are comprised of companies must be signed by a person or persons duly authorised thereto by a resolution of the applicable Board of Directors, a copy of which Resolution, duly certified, must be submitted with the bid.
- 5.4 The bidder should check the numbers of the pages of its bid to satisfy itself that none are missing or duplicated. No liability will be accepted by IDC in regard to anything arising from the fact that pages of a bid are missing or duplicated.
- 5.5 Bidder's tax affairs with SARS must be in order (tax compliant status) and bidders must provide written confirmation to this effect as part of their tender response.

## **6. Supplier Performance Management**

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Supplier Performance Management is viewed by the IDC as a critical component in ensuring value for money acquisition and good supplier relations between the IDC and all its suppliers.

The successful bidder shall upon receipt of written notification of an award, be required to conclude a Service Level Agreement (SLA) with the IDC, which will form an integral part of the supply agreement. The SLA will serve as a tool to measure, monitor and assess the supplier performance and ensure effective delivery of service, quality and value-add to IDC's business.

Successful bidders will be required to comply with the above condition, and also provide a scorecard on how their product / service offering is being measured to achieve the objectives of this condition.

## **7. Enterprise and Supplier Development**

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The IDC promotes enterprise development. In this regard, successful bidders may be required to mentor SMMEs and/ or Youth-Owned businesses. The implications of such arrangement will be subject to negotiations between the IDC and the successful bidder.

## 8. IDC's Rights

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- 8.1 The IDC is entitled to amend any bid condition, bid validity period, RFP specification, or extend the bid closing date, all before the bid closing date. All bidders, to whom the RFP documents have been issued and where the IDC have record of such bidders, may be advised in writing of such amendments in good time and any such changes will also be posted on the IDC's website under the relevant tender information. All prospective bidders should therefore ensure that they visit the website regularly and before they submit their bid response to ensure that they are kept updated on any amendments in this regard.
- 8.2 The IDC reserves the right not to accept the lowest priced bid or any bid in part or in whole. It normally awards the contract to the bidder who proves to be fully capable of handling the contract and whose bid is functionally acceptable and/or financially advantageous to the IDC.
- 8.3 The IDC reserves the right to award this bid as a whole or in part.
- 8.4 The IDC reserves the right to conduct site visits at bidder's corporate offices and / or at client sites if so required.
- 8.5 The IDC reserves the right to consider the guidelines and prescribed hourly remuneration rates for consultants as provided in the **National Treasury Instruction 01 of 2013/2014: Cost Containment Measures**, where relevant.
- 8.6 The IDC reserves the right to request all relevant information, agreements and other documents to verify information supplied in the bid response. The bidder hereby gives consent to the IDC to conduct background checks, including FICA verification, on the bidding entity and any of its directors / trustees / shareholders / members.
- 8.7 The IDC reserves the right, at its sole discretion, to appoint any number of vendors to be part of this panel of service providers.

## 9. Undertakings by the Bidder

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- 9.1 By submitting a bid in response to the RFP, the bidder will be taken to offer to render all or any of the services described in the bid response submitted by it to the IDC on the terms and conditions and in accordance with the specifications stipulated in this RFP document.
- 9.2 The bidder shall prepare for a possible presentation should IDC require such and the bidder will be required to make such presentation within five (5) days from the date the bidder is notified of the presentation. Such presentation may include a practical demonstration of products or services as called for in this RFP.
- 9.3 The bidder agrees that the offer contained in its bid shall remain binding upon him/her and receptive for acceptance by the IDC during the bid validity period indicated in this RFP and its acceptance shall be subject to the terms and conditions contained in this RFP document read with the bid.
- 9.4 The bidder furthermore confirms that he/she has satisfied himself/herself as to the correctness and validity of his/her bid response; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid response documents; and that the price(s) and rate(s) cover all his/her obligations under a resulting contract for the services contemplated in this RFP; and that he/she accepts that any mistakes regarding price(s) and calculations will be at his/her risk.

- 9.5** The successful bidder accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under the supply agreement and SLA to be concluded with IDC, as the principal(s) liable for the due fulfilment of such contract.
- 9.6** The bidder accepts that all costs incurred in the preparation, presentation and demonstration of the solution offered by it shall be for the account of the bidder. All supporting documentation and manuals submitted with its bid will become IDC property unless otherwise stated by the bidder/s at the time of submission.

## **10. Reasons for disqualification**

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- 10.1** The IDC reserves the right to disqualify any bidder which does any one or more of the following, and such disqualification may take place without prior notice to the offending bidder, however the bidder will be notified in writing of such disqualification:
- 10.1.1 bidders who do not submit an original valid Tax Clearance Certificate and / or proof of application of such as endorsed by SARS on the closing date and time of the bid submission and / or failure to provide the IDC with its SARS issued Tax Verification PIN code giving access to the IDC to electronically verify tax compliance;
- 10.1.2 bidders who submit incomplete information and documentation according to the requirements of this RFP document;
- 10.1.3 bidders who submit information that is fraudulent, factually untrue or inaccurate information;
- 10.1.4 bidders who receive information not available to other potential bidders through fraudulent means;
- 10.1.5 bidders who do not comply with any of the **mandatory requirements** as stipulated in the RFP document;
- 10.1.6 bidders who fail to comply with FICA requirements

## **11. Local Production and Content**

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The IDC promotes Local Production and Content. In the case of designated sectors, only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered. IDC reserves the right at its sole discretion to set minimum thresholds for sectors which may not have been declared as designated sectors by the dti in an effort to stimulate local production and content where relevant.

Bidders are required to assess their product and /or service offering against the designated sector lists as published by the Department of Trade and Industry (the **dti**) and to ensure full compliance to the minimum local content threshold, if relevant, before submitting its response to this tender. The **dti's** latest list of designated sectors can be accessed on: [http://www.dti.gov.za/industrial\\_development/ip.jsp](http://www.dti.gov.za/industrial_development/ip.jsp).



## 12. Response Format (Returnable Schedules)

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Bidders shall submit their bid responses in accordance with the response format specified below (each schedule must be clearly marked):

**12.1 Cover Page:** (the cover page must clearly indicate the RFP reference number, bid description and the bidder's name)

**12.2 Schedule 1:**

12.2.1 Executive Summary (explaining how you understand the requirements of this RFP and the summary of your proposed solution)

12.2.2 Annexure 1 of this RFP document (duly completed and signed)

**12.3 Schedule 2**

12.3.1 Valid Tax Clearance Certificate(s) (TCC) and /or proof of application as endorsed by SARS and / or SARS issued tax verification pin code;

12.3.2 Originally certified copies of bidder's CIPC company registration documents listing all members with percentages, in case of a CC.

12.3.3 Copy of Board Resolution, duly certified;

12.3.4 Originally certified copy of ID document for the Company Representative

12.3.5 Annexure 2 of this RFP document (duly completed and signed);

12.3.6 Annexure 3 of this RFP document (duly completed and signed);

12.3.7 Annexure 4 of this RFP document (duly completed and signed);

12.3.8 Annexure 5 of this RFP document (duly completed and signed);

12.3.9 Annexure 6 of this RFP document (duly completed and signed);

12.3.10 Annexure 7 of this RFP document (duly completed and signed);

12.3.11 Response to Annexure 8: BEE Commitment Plan

12.3.12 B-BBEE verification certificate indicating the contribution level of the bidding entity. An Exempted Micro Enterprises (EME) with an annual turnover less than R10 million, is only required to obtain a sworn affidavit confirming the annual total revenue and level of black ownership. A Qualifying Small Enterprise (QSE) that has 51% or more black beneficiaries may obtain a sworn affidavit confirming the annual total revenue and level of black ownership. If a bidder is a Joint Venture or Consortium, the bidder must submit a consolidated B-BBEE scorecard as if they were a group structure. Any misrepresentation in terms of the declaration constitutes a criminal offence as set out in the B-BBEE Act as amended.

**Note: If a bidder is a Consortium, Joint Venture or Prime Contractor with Subcontractor(s), the documents listed above (12.3.1-12.3.8) must be submitted for each Consortium/JV member or Prime Contractor and Subcontractor(s).**

12.3.13 Annexure 9 of this RFP document (duly completed and signed, **if relevant**);

12.3.14 Statement of Financial Position of the Bidder: Latest Audited Financial Statements (where applicable in terms of the Company's Act) and/or independently reviewed financial statements and/or Cashflow Budget for new entities with no financial records.

12.3.15 Copy of Joint Venture/ Consortium/ Subcontracting Agreement duly signed by all parties (if applicable)

**12.4 Schedule 3:**

12.4.1 Response to Section 3 of this document, in line with the format indicated in this RFP document.

12.4.2 Annexure 7 of this RFP document, duly completed and signed

**12.5 Schedule 4: Price Proposal (response to Section 4 of this RFP document) (Must be submitted in a separate envelope within the sealed envelope of the bid)**

**12.6 One (1) CD with all Schedules listed above, also included in the sealed envelope of the bid**

## 13. Evaluation Criteria and Weightings

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Bids shall be evaluated in terms of the following process:

**13.1 Phase 1: Initial Screening Process:** During this phase, bid responses will be reviewed for purposes of assessing compliance with RFP requirements including the general bid conditions and also the Specific Conditions of Bid, which requirements include the following:

- Submission of a valid Tax Clearance Certificate as referenced in 12.3.1 above
- Submission of Company Registration Forms as referenced 12.3.2 above
- Submission of ID copy for the Company Representative as referenced in 12.3.4 above
- BEE Status Certification as referenced in 12.3.12 above and the consideration of the Specific Bid Conditions as referenced in Section 2
- Completion of all Standard Bidding Documents and other requirements, as reflected in this RFP, which covers the following:
  - Section 3: Statement of compliance with the Functional Evaluation Criteria for this RFP
  - Section 4: Cost Proposal and Price Declaration Form
  - Annexure 1: Acceptance of Bid Conditions
  - Annexure 2: Tax Compliance Requirements
  - Annexure 3: Supply Chain Management Questionnaire
  - Annexure 4: Declaration of Interest
  - Annexure 5: Certificate of Independent Bid Determination
  - Annexure 6: Shareholders' Information/ Group Structure
  - Annexure 7: Bidders Experience & Project Team
  - Annexure 8: BEE Commitment Plan
  - Annexure 9: Disclosure Statement
  - Annexure 10: Local Content Declaration (If Relevant)

Failure to comply with the requirements assessed in Phase 1 (compliance), may lead to disqualification of bids.

**13.2 Phase 2: Technical/ Functionality Evaluation**

Bid responses will be evaluated in accordance with the Functional criteria as follows:

### 13.2.1 Other Functional/ Technical Requirements

With regards to the other Functional Requirements, the following criteria (set out in more detail in section 3 of this RFP document) and the associated weightings will be applicable:

ELEMENT	WEIGHT
BIDDER'S EXPERIENCE	20%
PROPOSED METHODOLOGY AND RESEARCH MODELS	20%
QUALIFICATIONS, SKILLS AND EXPERIENCE OF THE PROPOSED TEAM AND TEAM LEADER	30%
SKILL TRANSFER PLAN	5%
PROJECT PLAN	5%
PRESENTATIONS	20%
<b>TOTAL</b>	<b>100%</b>

**Note: Bidders who score 56 points out of 80 points (70%) or more in total for the functional/technical requirements, will be shortlisted for presentations.**

**All bids that fail to achieve the minimum overall qualifying score of 70% on functional/technical requirements, including the presentation, will not be considered for further Price and BEE evaluation.**

### 13.3 Phase 3: Preference Point System

All bids that achieve the minimum qualifying score for Functionality (acceptable bids) will be evaluated further in terms of the preference point system, as follows:

CRITERIA	POINTS
Price	80
B-BBEE	20
<b>TOTAL</b>	<b>100 points</b>

## 14. Promotion of Emerging Black owned Service Providers

It is the IDC's objective to promote transformation across all industries and/ or sectors of the South African economy and as such, bidders are encouraged to partner with a black owned entity (being 50%+1 black owned and controlled). Such partnership may include the formation of a Joint Venture and/ or subcontracting agreement etc., where a portion of the work under this tender would be undertaken by black owned entities. To give effect to this requirement, bidders are required to submit a partnership / subcontracting proposal detailing the portion of work to be outsourced, level of involvement of the black owned partner and where relevant, submit a consolidated B-BBEE scorecard in-line with the provisions of the PPPFA Regulations which will be considered as part of the B-BBEE scoring listed in 13.3.

## **SECTION 2: SPECIFIC CONDITIONS OF BID**

## **1. Bid Pre-qualification criteria**

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- 1.1 In terms of Regulation 4 of the 2017 PPPFA Regulations, the IDC requires that bidders meet the following pre-qualification criteria:
  - (a) Bidders must have a minimum B-BBEE contributor status level of 8 or better.
- 1.2 The IDC will only consider a bid if the relevant bidder meets these pre-qualification criteria. Where a bidder fails to meet these pre-qualification criteria, the bid will be considered an unacceptable bid and will be disqualified from further evaluation.

## **SECTION 3: FUNCTIONAL REQUIREMENTS SPECIFICATION**

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### **1. Special instructions to bidders**

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- 1.1 Should a bidder have reason to believe that the Functional Requirements are not open/fair and/or are written for a particular service provider; the bidder must notify IDC Procurement within five (5) days after publication of the RFP.
- 1.2 Bidders shall provide full and accurate answers to the questions posed in this RFP document, and, where required explicitly state either "Comply/Not Comply" regarding compliance with the requirements. Bidders must substantiate their response to all questions, including full details on how their proposal/solution will address specific functional/ technical requirements; failure to substantiate may lead to the bidder being disqualified. All documents as indicated must be supplied as part of the bid response.
- 1.3 Failure to comply with Mandatory Requirements may lead to the bidder being disqualified.

### **2. Purpose**

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The IDC administers the Industrial Policy Support Fund (IPSF) on behalf of the Department of Trade and Industry ("**the dti**"). This tender is therefore facilitated by the IDC on behalf of **the dti**.

The Chemicals sector desk within the Department of Trade and Industry (**the dti**) seeks the services of independent consultants with extensive and proven experience and knowledge of the South African chemicals sector, firm-level competitiveness and drivers of South African chemical firm-level performance, and industrial development programmes, to develop a market development plan to support the growth of the South African chemicals manufacturing sector.

### **3. Background Information**

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In 2017, **the dti** commissioned the development of a chemicals sector strategy which serves to define the strategic direction of South Africa's chemicals sector and priority activities to support its long-term sustainability. Analysis undertaken as part of the Chemicals Sector Strategy identified the important role that economies of scale play in supporting the development of competitive manufacturing capability, particularly in the highly capital intensive upstream sub-sectors of the chemicals value chain. The South African chemicals market is small, constrained by low economic growth and has limited economies of scale. In this regard, a clear market development plan that is developed as a collaboration of government and industry is required to address the blockages, and unlock the enablers to developing scale in local, regional and international markets, and to frame opportunities for leveraging core-capabilities for growth into export markets.

### **4. Problem Statement**

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The chemicals sector is an important contributor to the national GDP and manufacturing. It is one of the largest contributors to manufacturing GDP with 21, 9% contribution and it is a significant employer with approximately 104,000 people employed in the sector (excluding plastics and rubber). Despite its meaningful contribution to South Africa's manufacturing output, the local chemicals sector has been under significant pressure as sluggish local economic growth constrains local market opportunities and the industry contends with increased competition from imported products. This together with challenges relating to the limited availability of competitively priced local feedstock, weak linkages between



participants in the local value chain, aging production technology and infrastructure, and a lack of meaningful R&D capability together present a barrier to the industry's growth.

The chemicals sector strategy sets an ambitious 2035 vision of developing **a competitive, growing, and transformed chemical manufacturing industry that contributes positive to economic growth and delivers robust returns to investors, employees, and society more broadly**. In support of the vision, the strategy defines 6 key objectives:

- Chemicals manufacturing growth at a CAGR 6% to 2035;
- Employment growth;
- Increase in local content;
- Develop industry competitiveness to levels of leading international competitors;
- Transformation of the chemicals value chain;
- R&D in support of sustainable competitive advancement.

A major constraint in achieving these objectives is the lack of scale and growth of local and regional chemicals markets. Chemicals manufacturing output is closely tied to economic performance and the performance of primary and secondary industrial sectors such as mining, agriculture, and manufacturing. Weak economic growth in South Africa has therefore limited the growth and prospects of the South African chemicals manufacturing industry. In this regard, an intentional and practical plan is required to frame a proactive and collaborative response between industry and government to supporting the development of the local and regional (SSA) chemicals markets. In addition to this, the plan needs to give consideration to opportunities to support the development of export markets linked to globally competitive local capability in select products and value chains.

### **Local markets**

South African chemicals sector sales have shown consistent growth over the past 10 years. According to the 2017 Chemicals Sector Strategy, local chemicals sales grew at CAGR 8.8% over the period 2001 to 2016. In contrast, local chemicals production grew at CAGR 3.7% over the same period. The degree to which local producers are losing ground to global competitors represents a concern, and the Sector Strategy identifies the need to for local market development as a sector priority. Local market development must aim to identify and unlock local market supply opportunities with both scale and growth prospects. From a private sector perspective, this has two key components: 1) developing greater levels of integration between upstream and downstream sub-sectors to deepen local content within the South African chemicals value chain, and 2) securing a greater share of local chemicals sales by promoting local production capability and the benefits it offers customers. From a government sector perspective, opportunity exists to designate certain chemicals products in line with the Revised Preferential Procurement Regulations (2017).

### **Regional markets**

African markets represent an important potential opportunity that South African producers are well positioned to explore. The continent is a logical market for expanded South African chemical exports, supported by the industry's position as the largest in Africa.

SADC is an important market, accounting for 46% of South African chemicals exports in 2016. The Sector Strategy defines regional market development as the need to define interventions to grow the volume (and associated value) of South African produced chemicals in SADC markets. A comprehensive regional market development plan must consider opportunities to a) grow sales of chemicals products which South African producers already supply into SADC, and b) identify new growth opportunities for local producers. The top South African manufactured chemicals exports to SADC are: polymers (HS3902), explosives (HS3602), soap (HS3401), and beauty/make-up (HS3304). These represent a clear starting point in respect of addressing (a), although a more detailed analysis of trade flows must be undertaken to identify additional product categories that may represent opportunities for growth. Trade analysis must also be used to identify new growth opportunities for local producers. An initial high-level analysis of trade flows undertaken as part of the 2017 Chemicals Sector Strategy identified large volumes of downstream chemicals products flowing through South Africa into SADC. More specifically, high volumes of specialty chemicals, bulk chemicals, consumer chemicals, and pharmaceuticals are imported into South Africa and then exported to SADC. These sub-sectors represent an opportunity for local producers in the SADC market and must be given consideration in identifying new regional growth opportunities for local producers.

### **International markets**

South Africa's local and regional markets are comparatively small which limits economies of scale in production, a key competitiveness variable. International market opportunities therefore represent an important avenue of growth for local producers. Global chemicals production increased at a CAGR of 6% over the 10-year period 2006 to 2016. With a CAGR of 3.7% between 2001 and 2016, growth in local chemicals production has fallen well short of international competitors. Trade analysis undertaken as part of the Chemicals Sector Strategy indicates that South Africa is globally competitive in several product categories: the primary export destinations for 8 of the 10 largest trade surplus items are outside SADC<sup>1</sup>. International market access needs to unpack the drivers behind local producers' competitiveness in these product categories and how to support export growth in these areas (including to new markets). It also needs to undertake a more detailed analysis of trade flows and local capabilities to define potential new product export opportunities.

## **5. Objectives**

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The overall objective of the project is to develop a practical and implementable plan to develop local, regional, and international markets for South African produced chemicals. The plan must directly support the attainment of the 2017 Chemicals Sector Strategy growth objectives of:

- Chemicals manufacturing growth at real CAGR of 6% per annum – resulting in local chemical production (excluding plastic and rubber products) of R1,150 billion by 2035 (from a 2016 base of R330 billion);
- Increasing local value addition at a real CAGR of 8% per annum

The project must consider 3 primary elements:

- Local market development – local market supply opportunities with scale and growth. The objective of the local market development plan is to support growth in

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<sup>1</sup> Top chemicals exported internationally (outside Africa): HS2901, HS3902, HS3815, HS2712, HS2804, HS2914, HS2833, HS2849

chemicals manufacturing output that exceeds growth in local chemicals sales. The plan must define focus areas and activities that will support:

- Deepening local content through greater integration of supply from upstream to downstream subsectors. Key upstream subsectors to support greater local content include organic and inorganic chemicals, bulk chemicals, and specialty chemicals;
  - Increased local chemicals market demand being met by local chemicals production. Specifically, the study must identify opportunities for import substitution in collaboration with private sector partners;
  - Designating relevant chemicals for public procurement. This must include identifying specific chemicals for public procurement and unpacking and addressing the blockages that have led to failures in implementing designation in this sector.
- Regional market development – regional market supply opportunities with scale and growth. Through rigorous trade analysis, the plan must identify specific chemicals products / categories that offer opportunity for growth in SADC. These chemical products must encompass a) products that are currently selling well in SADC markets, and b) potential new products for supply into SADC. In considering products that are currently selling well in SADC, the plan must evaluate the 4 primary opportunities identified in the 2017 Chemicals Sector Strategy – polymers (HS3902), explosives (HS3602), soap (HS3401), and beauty/make-up (HS3304). In considering potential new products for supply, it will be important to identify opportunities for import replacement. Once products and markets have been defined, a clear and implementable plan must be developed to frame the activities required to deliver on the opportunities.
  - International market development – export market growth, leveraging areas of competitive strength. This plan must identify specific chemicals for promotion into specific international markets. Chemicals that must be considered include both current successful exports (as defined in the previous section) and potential new product export categories. Product opportunities must each be mapped to priority potential markets, and activities defined to promote and grow chemicals sales to these markets.

The outcome of these three elements is a clear plan with activities, responsibilities, timelines, and KPIs, which is developed as a collaboration between industry and government and has the commitment of both stakeholders, to support the necessary growth of the local chemicals manufacturing industry.

## **6. Methodology**

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- The service provider is required to define a clear methodology for the creation of a market development plan. The defined methodology will be required to deliver a quality output, taking cognisance of the effectiveness of various research methodologies, and time commitments required by stakeholders to build meaningful insights and recommendations.
- The service provider is required to identify and use quantitative and qualitative methods, as appropriate. Bidders are expected to propose a comprehensive technical and methodological approach that they will adopt to collect information and conduct required analyses for the development of the business plan. Methodologies

may include face to face interviews, case studies, modelling exercises, desk top research, value chain analysis, benchmarking, and cost benefit analysis.

- The use of appropriate research techniques or approaches based on the need to involve and achieve the appropriate sampling rates of individual companies/industry associations into the process.
- The service provider will also identify stakeholders to engage in the process. Review workshops will be held with stakeholders and industry experts to verify bidder's findings and to obtain feedback on the proposed business plan.

## **7. Scope of Work**

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The chemicals sector comprises multiple and inter-linked value chains that cut across many product and process types. **The dti** defines the chemicals sector as comprising 11 sub-sectors. The project scope will include 8 of these sub-sectors: liquid fuels, organic chemicals, inorganic chemicals, primary polymers and rubbers, fine chemicals, speciality chemicals, bulk chemicals, and consumer chemicals. Plastic products, rubber products, and pharmaceuticals have been excluded as these value chains have very different drivers which will not be covered within the scope of the market development plan.

### **ACTIVITY 1 – LOCAL MARKET DEVELOPMENT**

Local market development requires a multi-pronged approach that sets out to leverage a range of mechanisms to frame a plan to support the development of the local market for South African produced chemicals. In this regard, local market development must be considered from two primary perspectives:

- Public sector market development – unlock blockages and leverage opportunities to grow public procurement of locally produced chemicals. This activity must identify specific chemicals for public procurement, and unpack and address the blockages that have led to failures in implementing designation in this sector.
- Private sector market development – support private market growth by increasing levels of local content in the SA chemicals value chain and reducing the import-reliance on upstream imports. This activity must engage industry to identify opportunities for increasing supply between sub-sectors within the chemicals value chain, and specific plans to unlock these opportunities. Additionally, a rigorous trade analysis is required to identify products that offer opportunity for import replacement.

### **ACTIVITY 2 – REGIONAL MARKET DEVELOPMENT**

Regional market development must undertake rigorous trade analysis to define opportunities to promote South African production capability in the SADC and SSA markets with the objective of achieving consistent and growing exports to these markets. In this regard, consideration must be given to:

- Identifying specific chemicals products that represent opportunities for SADC/SSA sales growth;
- Identifying prospective SADC/SSA markets for these products;
- Defining blockages to and enablers of regional chemicals trade, and associated market development opportunities and mechanisms;
- Opportunities to promote specific chemicals products into specific markets;
- Opportunities to provide chemicals-specific inputs into relevant regional trade negotiations / regulation platforms;
- Opportunities relating to the reduction or elimination of non-tariff barriers (NTBs).

### ACTIVITY 3 – INTERNATIONAL MARKET DEVELOPMENT

Research conducted during the Chemicals Sector Strategy revealed that the primary export destinations for SA's top trade-surplus chemicals products lie outside SADC. This implies that SA producers are globally competitive in these products<sup>2</sup>. International market development must undertake rigorous trade analysis to identify opportunities for growing international markets for locally produced chemicals that are deemed to be internationally competitive. In this regard, consideration must be given to factors influencing competitiveness in international markets, and mechanisms to better support growth to these and other potential markets. International market development must explore opportunities for growing international markets for locally produced chemicals that are deemed to be internationally competitive. In this regard, consideration must be given to factors influencing competitiveness in international markets, and mechanisms to better support export growth to these and other potential markets.

Consideration must be given both to products and markets currently being supplied, as well as potential new international products and markets. The outcome of the three activities defined above is a practical and realistic plan which defines the initiatives that must be undertaken to deepen market penetration at the local, regional, and international levels, and boost demand for locally manufactured chemicals. The plan must be implementable through public-private collaboration and have the capability to demonstrate results in the short to medium term. The plan must define clear objectives, activities, timelines, responsible stakeholders, and budget requirements. Importantly activities must be framed in respect of their planned impact on local chemicals production growth to ensure a direct link between market development activities, and the growth objectives defined in the Sector Strategy.

#### 8. Deliverables

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The service provider will be required to produce:

Phases	Activities	Outputs	Timeframes
<b>Phase 1.</b>	Inception Report	<p>Upon appointment, the service provider will be expected to draft an inception report and submit to the project management team (PMT) responsible for overseeing the project. The PMT may require a meeting with the service provider to engage with the content of the inception report in more detail. The inception report must include:</p> <ul style="list-style-type: none"> <li>• Project objective</li> <li>• Project approach and methodology</li> <li>• Activities, including proposed schedule</li> </ul>	1 Month upon signing of SLA

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<sup>2</sup> Top chemicals exported internationally (outside Africa): HS2901, HS3902, HS3815, HS2712, HS2804, HS2914, HS2833, HS2849

Phases	Activities	Outputs	Timeframes
		<p>of engagement with stakeholders</p> <ul style="list-style-type: none"> <li>• Milestones and deliverables</li> <li>• Detailed project plan</li> </ul> <p>The inception report is an interim deliverable that is expected to be completed within 3 weeks from the time that the Service Level Agreement (SLA) is signed with the service provider.</p>	
<b>Phase 2.</b>	Project status reports	Timely submission of periodic status reports to the PMT in line with time frames to be defined at the inception of the project. Based on the status reports, the PMT may request other ad hoc status meetings to provide specific guidance / input to the project.	6 Months
<b>Phase 3.</b>	Final deliverable: Market development plan	A report detailing specific initiatives to develop local, regional, and export markets for South African manufactured chemicals, with the objective of achieving above-inflation growth in chemical sales.	3 Months
<b>Phase 4</b>	Review workshops with stakeholders and industry experts	It is expected that the service provider will engage with public and private industry stakeholders to verify bidder's findings and to obtain feedback on the proposed business plan.	2 Months

### Submission of the final report

The format in which the final deliverables are required:

- Final report (Market development plan)
- Executive summary in Word
- PowerPoint presentation of the report
- Three (3) hard copies of the final report
- Three (3) copies of CD version of the Executive Summary and final report.

## 9. Skills Transfer Plan

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As part of this tender, the service provider is required to provide skills-transfer to build **the dti** human resource capacity. As a minimum, this should involve providing research training for nominated staff member(s) of **the dti**.

**the dti** will closely monitor the implementation and progress of skills transfer to **the dti** employees. This is to adhere to the circular “Findings of the Auditor-General’s report on the use of consultants at selected National Departments” issued by the Department of Public Service and Administration (DPSA). It is stated in the circular that “contracts for the use of consultants should be tied to training and transfer of skills from consultants to departmental staff and that this provision should be optimally applied and monitored.”

The service provider is required to outline the skills transfer plan as part of this proposal.

**the dti** will nominate two employee(s) and the individuals to receive skills-transfer, and to attend major engagements with stakeholders.

## 10. Technical Evaluation Criteria

### 10.1 Technical Requirements

The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

10.1.1. BIDDER'S EXPERIENCE	Comply	Partially Comply	Not Comply
<p>The bidder must demonstrate relevant experience in: local and international industrial development mechanisms and policies; local and international tariff instruments and frameworks; formulating market development policy; facilitation of multi-stakeholder projects. As well as knowledge of South African chemicals industry and value chains; South African chemicals sector strategy and linked priorities; local chemicals industry support institutions, programmes, and incentives; firm-level competitiveness and drivers of South African chemical firm-level performance; blockages and enablers to South African chemicals sector growth.</p> <p>Reference letters from former clients will be an added advantage.</p> <p>The bidder must provide <b>three (3)</b> references of any work done for and/ or within chemical industry in the past <b>ten (10)</b> years e.g. developing strategy, industrial policy, techno-economic research, developing market development plans etc.</p> <p>Please refer to <b>Table (a) of Annexure 7</b> of this document for the format in which the required information must be provided.</p>			
<p><b>Substantiate / Comments</b></p>			



<b>10.1.2. BIDDER'S PROPOSED METHODOLOGY</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder must demonstrate thorough understanding of the objectives and deliverables of this project. The bidders proposals should outline amongst other things the following:</p> <ul style="list-style-type: none"> <li>• The bidder is required to define a clear methodology for the creation of a market development plan and clearly demonstrating how the study objectives and deliverables will be achieved. The defined methodology will be required to deliver a quality output, taking cognisance of the effectiveness of various research methodologies, and time commitments required by stakeholders to build meaningful insights and recommendations.</li> <li>• The service provider is required to identify and use quantitative and qualitative methods, as appropriate. Bidders are expected to propose a comprehensive technical and methodological approach that they will adopt to collect information and conduct required analyses for the development of the business plan. Methodologies may include face to face interviews, case studies, modelling exercises, desk top research, value chain analysis, benchmarking, and cost benefit analysis</li> <li>• The use of appropriate research techniques or approaches based on the need to involve and achieve the appropriate sampling rates of individual companies/industry associations into the process.</li> <li>• The service provider will also identify stakeholders to engage in the process.</li> <li>• Review workshops will be held with stakeholders and industry experts to verify bidder's findings and to obtain feedback on the proposed market development plan.</li> </ul>			
<b>Substantiate / Comments</b>			

10.1.3 QUALIFICATIONS AND SKILLS OF THE PROPOSED PROJECT TEAM AND TEAM LEADER	Comply	Partially Comply	Not Comply
<p><b>Project Team:</b> The project team is required to collectively have a minimum of fifteen (15) years' relevant experience in the chemicals industry and industrial development, development of strategic action plans and market development plans.</p> <p><b>Team Leader:</b> The project leader is expected to have a minimum of an Honours (or equivalent) qualification in a relevant field and at least five (5) years' experience in industrial development, strategy formulation and market development policy. A Masters qualification will be an added advantage.</p> <p><b>The proposed key staff</b> for this project should comply with the following requirements:</p> <ul style="list-style-type: none"> <li>• Should be in possession of a Bachelor's (or equivalent) qualification in a relevant field, at least 5 years' experience each in the following combination of fields: industrial development and strategy development, extensive knowledge of the chemical sector, value chains and formulating market development policy. And the ability to develop a market plan.</li> </ul> <p>The bidder must demonstrate capacity and capabilities in the following: (including but not limited to education, skills, research experience, and industry knowledge):</p> <ul style="list-style-type: none"> <li>• The leading team members</li> <li>• The overall project investigator or leader</li> <li>• Education qualifications of the projects leaders and key team members</li> <li>• Clear understanding of <b>the dti</b> objectives and its role and focus on human capital development;</li> <li>• Good knowledge and understanding of the Industrial Policy;</li> <li>• Demonstrate ability in stakeholder mobilisation and management, including mediation by referring to projects reports written and presentations conducted by the company (team).</li> </ul> <p>The bidders must submit, as part of its proposal, the following:</p> <ul style="list-style-type: none"> <li>• The structure and composition of the proposed team and team leader, clearly outlining the main disciplines/specialties of this project and the key personnel responsible for each specialty. Please refer to <b>Table (b)</b> and <b>Table (c) Annexure 7</b> of this document for the format in which the required information must be provided.</li> <li>• CVs of all key personnel; and the CVs must clearly highlight qualifications, areas of experience/competence relevant to the tasks and objectives of this project as outlined above.</li> <li>• Cases studies detailing the type of project, the period of the project, the magnitude of the project and the result of the project.</li> </ul>			
<b>Substantiate / Comments</b>			

<b>10.1.4 SKILLS TRANSFER PLAN</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The outcome of the skills transfer plan is to capacitate at least two (2) dti staff members on the process from inception to conclusion of the assessment and the development of the market plan. The skills transfer plan must therefore include the involvement of two (2) dti staff members during the different stages of this project to facilitate this transfer plan and to enable <b>the dti</b> to conduct similar studies on its own in future.</p> <p>The bidder must provide skills transfer plan that will articulate how skills transfer will take place with <b>the dti</b> over the period of the project to build capacity in the research methodology relevant to the scope of this tender. The plan must also demonstrate relevant tools, knowledge databases and provide research training to nominated staff member(s) of <b>the dti</b>.</p>			
<b>Substantiate / Comments</b>			

<b>10.1.5 PROJECT PLAN</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder must provide a detailed project plan which is to include key timelines to conduct the research, stakeholder engagements and developing of the market development plan within a period not longer than 12 months from commencement date. The plan must indicate the key activities, timelines and milestones/deliverables.</p>			
<b>Substantiate / Comments</b>			

#### **10.1.6 PRESENTATIONS**

Shortlisted bidders will be invited for a presentation. The presentation must include but not limited to the following:

<b>Presentations</b>	<b>Maximum Weight</b>
Interpretation of The TOR	2%
Bidder's Relevant Experience	5%
Proposed Methodology	6%
Qualifications, Skills and Experience of Key Personnel and The Team Leader	4%
Project Plan	2%
Skills Transfer Plan	1%

## **SECTION 4: PRICE PROPOSAL**

## SECTION 4: Cost Proposal

1 **NOTE: All prices must be VAT exclusive and must be quoted in South African Rand (ZAR).**

2 Are the rates quoted firm for the full period of the contract?

YES	NO
-----	----

**Important:** If not firm for the full period, provide details of the basis on which price adjustments shall be applied e.g. CPI etc.

3 All additional costs associated the bidder's offer must be clearly specified and included in the Total Bid Price.

4

Is the proposed bid price linked to the exchange rate?	Yes	No
<i>If yes, the bidder must indicate CLEARLY which portion of the bid price is linked to the exchange rate:</i>		

6

Payments will be linked to specified deliverables after such deliverables have been approved by the IDC. Payments will be made within 30 days from date of invoice.	Comply	Not Comply

7

The IDC reserves the right to consider the guidelines on consultancy rates as set out in the <b>National Treasury Instruction 01 of 2013/2014: Cost Containment Measures</b> which took effect from 01 January 2014, where relevant.	Comply	Not Comply
The bidder must indicate if their proposed rates are in line with the provisions of the referenced National Treasury Instruction: Cost Containment Measures.		
Substantiate / Comments		

### 8 COSTING MODEL

Activity/ Deliverable	Resource(s)	Rate/Hour per resource	Number of hours	Total Cost (VAT Excl.)
<b>INCEPTION REPORT</b>				
• Inception report				
• Inception meeting				
<b>Report 1 – Market development research and findings</b>				
• Desktop research				
• Findings and implications				
• Initial findings and implications research				

Activity/ Deliverable	Resource(s)	Rate/Hour per resource	Number of hours	Total Cost (VAT Excl.)
report				
<b>Report 2 – Stakeholder engagements, findings and implications</b>				
• Define stakeholders				
• Engage with stakeholders				
• Stakeholder findings and implications report				
<b>Report 3 – Draft market development plan</b>				
• Local market development plan				
• Regional market development plan				
• International market development plan				
<b>Report 4 – final market development plan</b>				
• Stakeholder engagement				
• Final market development plan				
<b>SKILLS TRANSFER TO TWO (2) DTI OFFICIALS</b>				
<b>DISBURSEMENTS</b>				
<b>TOTAL BID PRICE (VAT EXCL.)</b>				

**Notes on pricing:**

- Disbursements (incidental expenses other than professional fees e.g. travel and accommodation, printing costs, venue hire, and equipment hire etc.) must be clearly defined, outlining all assumptions. It is of utmost importance to submit clear and comprehensive cost proposals to allow the IDC to fairly compare bid price / cost proposals. If there is no additional fee envisaged for Disbursements, then the bidder must clearly indicate “No Charge / Free of Charge”. Failure to clearly indicate this, would result in IDC penalising your bid response by taking the cost of the highest bidder and adding 50% thereto and apply this rate for purposes of price comparisons.

Bidders are therefore requested to respond clearly and comprehensively on this aspect of their bid response.

- The bidder must provide a detailed breakdown of the Disbursements as follows:

<b>Cost Element</b>	<b>Cost (VAT Excl.)</b>
<b>Total Disbursements</b>	

## 9 SUMMARY OF THE PROPOSAL

<b>DESCRIPTION</b>	<b>BIDDER'S PROPOSAL</b>
<b>Number of resources (personnel)</b>	
<b>Project duration (in hours)</b>	
<b>Project duration (in months)</b>	

**Price Declaration Form**

Dear Sir,

Having read through and examined the Request for Proposal (RFP) Document, RFP no. **T03/02/19**, the General Conditions, and all other Annexures to the RFP Document, we offer to develop a market development plan for South African Manufactured chemicals in Section 3 of this RFP document.

**R..... (Excluding VAT)**

**In words**

**R..... (Excluding VAT)**

We confirm that this price covers all activities associated with the service, as called for in the RFP document. We confirm that IDC will incur no additional costs whatsoever, other than in respect of VAT, over and above this amount in connection with the provision of this service.

We undertake to hold this offer open for acceptance for a period of 120 days from the date of submission of offers. We further undertake that upon final acceptance of our offer, we will commence with the provision of the required service when required to do so by the IDC.

We understand that you are not bound to accept the lowest or any offer, and that we must bear all costs which we have incurred in connection with preparing and submitting this bid.

We hereby undertake for the period during which this bid remains open for acceptance, not to divulge to any persons, other than the persons to whom the bid is submitted, any information relating to the submission of this bid or the details therein except where such is necessary for the submission of this bid.

**SIGNED**

**DATE**

\_\_\_\_\_

(Print name of signatory)

Designation

\_\_\_\_\_  
\_\_\_\_\_

**FOR AND ON BEHALF OF: COMPANY NAME**

Tel No

Fax No

Cell No

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



## **SECTION 5: ANNEXURES**

## Annexure 1: Acceptance of Bid Conditions and Bidder's Details

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Request for Proposal No: \_\_\_\_\_

Name of Bidder: \_\_\_\_\_

Authorised signatory: \_\_\_\_\_

Name of Authorised Signatory \_\_\_\_\_

Position of Authorised Signatory \_\_\_\_\_

By signing above the bidder hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under this RFP.

**[Note to the Bidder: The Bidder must complete all relevant information set out below.]**

### CENTRAL SUPPLIER DATABASE (CSD) INFORMATION

<b>Bidders are required to be registered on the Central Supplier Database (CSD) of National Treasury. Failure to submit the requested information may lead to disqualification. Bidders are therefore required to submit as part of this proposal both their CSD supplier number and CSD unique registration reference numbers below:</b>	
<b>Supplier Number</b>	
<b>Unique registration reference number</b>	

### BIDDING STRUCTURE

<b>Indicate the type of Bidding Structure by marking with an 'X':</b>	
<b>Individual Bidder</b>	
<b>Joint Venture/ Consortium</b>	
<b>Prime Contractor with Sub Contractors</b>	
<b>Other</b>	

### REQUIRED INFORMATION

<b>If Individual Bidder:</b>	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	

<b>If Individual Bidder:</b>	
Email address	
Postal Address	
Physical Address	

<b>If Joint Venture or Consortium, indicate the following for each partner:</b>	
<b>Partner 1</b>	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Scope of work and the value as a % of the total value of the contract	
<b>Partner 2</b>	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Scope of work and the value as a % of the total value of the contract	

<b>If bidder is a Prime Contractor using Sub-contractors, indicate the following:</b>	
<b>Prime Contractor</b>	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
<b>Sub contractors</b>	
Name of Company	
Company Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Subcontracted work as a % of the total value of the contract	

## Annexure 2: Tax Compliance Requirements

1. TAX COMPLIANCE REQUIREMENTS		
1.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
1.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
1.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
1.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.	
1.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.	
1.6	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
2. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS		
2.1	IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
2.2	DOES THE BIDDER HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
2.3	DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
2.4	DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
<p><b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 1.3 ABOVE.</b></p>		
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:	

## Annexure 3: Supply chain management practices questionnaire

Request for Proposal No: \_\_\_\_\_

Name of Bidder: \_\_\_\_\_

Authorised signatory: \_\_\_\_\_

[Note to the Respondent: The Respondent must complete the information set out below. If the Respondent requires more space than is provided below it must prepare a document in substantially the same format setting out all the information referred to below and return it with Returnable Schedule 2.]

The bidder must complete the following questionnaire.

### Bidder's past supply chain management practices:

Item	Question	Yes	No
3.1	<p>Is the Bidder or any of its directors listed on the South African National Treasury's database as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this database were informed in writing of this restriction by the South African National Treasury after the <i>audi alteram partem</i> rule was applied).</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
	If so, provide particulars:		
3.2	<p>Is the Bidder or any of its directors listed on the Register for Bid Defaulters in terms of section 29 of the <i>Prevention and Combating of Corrupt Activities Act</i> No 12 of 2004?</p> <p>To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon "Register for Bid Defaulters" or submit your written request for a hard copy of the Register to facsimile number +27123265445.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
	If so, provide particulars:		
3.3	<p>Was the Bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>

Item	Question	Yes	No
	If so, provide particulars:		
3.4	Does the Bidder relate to any IDC employee or part of IDC current or past staff (employee) establishment?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	If so, provide particulars:		
3.5	Was any contract between the Bidder and any organ of state (within the Republic of South Africa or within any foreign territory) terminated during the past five years on account of failure to perform on or comply with the contract?		
	If so, provide particulars:		

I, \_\_\_\_\_ (print name) hereby certify that the information, facts and representations are correct and that I am duly authorized to sign on behalf of the company.

Name of Company: \_\_\_\_\_

Company Registration Number: \_\_\_\_\_

Company VAT Registration Number: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## Annexure 4: Declaration of Interest

---

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

- the bidder is employed by the state; and/or

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

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

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

2.2 Identity Number:.....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): .....

2.4 Company Registration Number: .....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

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

<sup>1</sup>“State” means –

(a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

(b) any municipality or municipal entity;

(c) provincial legislature;



(d) national Assembly or the national Council of provinces; or

(e) Parliament.

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

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

2.7.1 If so, furnish the following particulars:

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

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

.....

Position occupied in the state institution:

.....

Any other particulars:

.....

.....

.....

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

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

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

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

.....

.....

.....

2.8 Did you or your spouse, or any of the company's directors / **YES / NO**

trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?

2.8.1 If so, furnish particulars:

.....  
.....  
.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

**YES / NO**

2.9.1 If so, furnish particulars.

.....  
.....  
.....

2.10 Are you, or any person connected with the bidder (i.e. shareholder, partner, director etc.), aware of any relationship (family, friend, other) between any other bidder or any other company and any person employed by the IDC or the dti who may be involved with the evaluation and or adjudication of this bid?

**YES / NO**

2.10.1 If so, furnish particulars.

.....  
.....  
.....

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other company whether or not they are bidding for this contract? The IDC reserves the right to undertake further background checks on any other company where partners, shareholders or any interested party of the bidder may be involved in and to consider any findings in this regard as part of its vetting processes.

**YES/NO**

2.11.1 If so, furnish particulars:

.....  
.....  
.....

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

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

1. DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT IDC MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

## Annexure 5: Certificate of Independent Bid Determination

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SBD 9

### CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>3</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>4</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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<sup>3</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>4</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

### CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

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(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>5</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

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<sup>5</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

- (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid;  
or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## Annexure 6: Shareholders and Directors Information

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[Note to the bidder: the bidder must complete the information set out below. If the bidder requires more space than is provided below it must prepare a document in substantially the same format setting out all the information referred to below and return it with Returnable Schedule 2.]

### 6.1 Shareholders/ Members

Name of the shareholder	ID Number	Race	Gender	% shares

**Note:** The bidder must also attach the detailed Company/ Group Structure where relevant.

### 6.2 Black Shareholders/ Members as per the B-BBEE Certificate

Name of the shareholder	ID Number	Race	Gender	% shares
<b>Total Black Shareholding % as per the current and valid B-BBEE Certificate</b>				

**6.3 Directors**

Name of the shareholder	ID Number	Race	Gender

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder





**Table (b) Details of the Team Leader:**

Name	Position	Role / Duties in this Project	Relevant Project Experience	
			Project description, Client, Project period	Project Cost

**Table (c) Details of the key personnel of the bidders' proposed project team:**

Name	Position	Role / Duties in this Project	Relevant Project Experience	
			Project description, Client, Project period	Project Cost

## **Annexure 8: BEE Commitment Plan**

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The IDC encourages existing vendors and prospective bidders to support the objectives of B-BBEE and as far as possible strive to improve their B-BBEE contribution status. For bid evaluation purposes, bidders are allocated points in terms of a preference point system based on the B-BBEE Contribution Level status that is in accordance with a valid B-BBEE certificate.

Bidders are therefore required to submit a B-BBEE improvement plan in view of the new B-BBEE Codes of Good Practice. Bidders must indicate the extent to which their ownership, management control, employment equity, preferential procurement and enterprise development will be maintained or improved over the contract period in the event that they are successful in this bid process.

## **Annexure 9: Disclosure Statement**

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### **Disclosure Statement**

**In terms of the tender condition 8.6, which allows the IDC to conduct background checks on bidders and its shareholders and directors, the IDC hereby requires bidders to provide the following additional information:**

- 9.1 The IDC considers the integrity of its appointed service providers to be of critical importance. The IDC reserves the right to disqualify from further consideration, any bidder whose integrity, based on past conduct (during the 5 years immediately preceding the bid submission date), it considers questionable.
- 9.2 To this end, the IDC requires each bidder to include in its bid, a disclosure statement which details the following (with sufficient information and supporting documentation for the IDC to make its own assessment as to the materiality or seriousness of allegations regarding the bidder's integrity or conduct):
  - 9.2.1 any criminal charges made against the bidder or any of its directors, shareholders or management officials regarding their professional conduct;
  - 9.2.2 any civil proceedings initiated against the bidder or any of its directors, shareholders or management officials regarding their professional conduct; and
  - 9.2.3 any other enquiry or similar proceedings initiated or threatened against the bidder or any of its directors, shareholders or management officials regarding their professional conduct.
- 9.3 Where the bidder is a consortium, the disclosure statement referred to in paragraph 9.2 above must be made separately in respect of each consortium partner
- 9.4 In the event that the bidder's circumstances change, after submission of its bid, in regard to any matter referred to in paragraph 9.2 above or in regard to any matter referred to in its disclosure statement, the bidder must submit a written notification to IDC indicating the nature and extent of such changed circumstances.
- 9.5 The IDC reserves the right to seek such additional information from any bidder, in respect of the disclosure statement referred to in paragraph 9.2 above, as it may, in its sole discretion, determine, whether such information has been requested under this RFP or otherwise, and may require the bidder to make oral presentations for clarification purposes or to present supplementary information, in respect of the disclosure statement if so required by the IDC.
- 9.6 Based on its own assessment of the contents of the bidder's disclosure statement and any publicly available information which is relevant to the contents of such disclosure statement, the IDC will decide whether the bidder's conduct or any allegations relating thereto pose a risk, reputational or otherwise, to the IDC; and if it reaches an adverse conclusion the IDC will in its sole discretion have the right to disqualify a bidder from further participation in the tender process. Disqualification on this ground may be done at any stage in the bid evaluation process prior to contract award.

## **Annexure 10: Local Content Declaration (If Relevant)**

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Bidders are required to assess their product and /or service offering against the designated sector lists as published by the Department of Trade and Industry (the **dti**) and to ensure full compliance to the minimum local content threshold, if relevant, before submitting its response to this tender. The **dti's** latest list of designated sectors can be accessed on:

[http://www.dti.gov.za/industrial\\_development/ip.jsp](http://www.dti.gov.za/industrial_development/ip.jsp).

Is Local Content relevant in terms of any aspect of your proposal: (Yes / No): \_\_\_\_\_

If Yes: please indicate the relevancy and how your solution complies with the minimum threshold values by completing the below Declaration form:

### **DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

#### **2. General Conditions**

- 2.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 2.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 2.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.

- 2.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 2.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on <http://www.thedti.gov.za/industrial development/ip.jsp> at no cost.**

1.6 A bid may be disqualified if –

- (a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and
- (b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

### 3. Definitions

3.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;

3.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);

3.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

3.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

- 3.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility(close corporation, partnership or individual).
- 3.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 3.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 3.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 3.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

**4. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

4. Does any portion of the services, works or goods offered have any imported content?

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za).

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?

(Tick applicable box)

YES		NO	
-----	--	----	--

5.1. If yes, provide the following particulars:

- (a) Full name of auditor: .....
- (b) Practice number: .....
- (c) Telephone and cell number: .....
- (d) Email address: .....

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

6. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**



**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID NO.** .....

**ISSUED BY:** (Procurement Authority / Name of Institution):  
.....

NB

1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),  
do hereby declare, in my capacity as .....  
of .....(name of bidder entity), the following:

(a) The facts contained herein are within my own personal knowledge.

(b) I have satisfied myself that:

- (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (ii) the declaration templates have been audited and certified to be correct.

(c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_