



**T17/09/16**

**DEVELOPMENT OF CHEMICALS  
SECTOR STRATEGY**

**BID CLOSING DATE: WEDNESDAY, 21  
SEPTEMBER 2016 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 Mandisi Ngozi</u>
Telephone Number:	<u>+27 11 269 3883</u>
Email address:	<u><a href="mailto:mandisin@idc.co.za">mandisin@idc.co.za</a></u>

- 2.2 Enquiries in relation to this RFP will not be entertained after **16h00 on 13 September 2016**.
- 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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- 4.1 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, **T17/09/16: Development of Chemicals Sector Strategy**. 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 Wednesday, 21 September 2016.
- 4.2 Bids must be submitted in the prescribed response format, herein reflected as **Response Format**.
- 4.3 The bid closing date, bidder name and the return address must also be endorsed on the envelope.
- 4.4 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.**

- 4.5 No bid response received by telegram, telex, email, facsimile or similar medium will be considered.
- 4.6 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.**
- 4.7 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 A valid tax clearance certificate must be included in the bid response, or proof of application endorsed by SARS in this regard.

## **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's 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. 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 conditions, bid validity period, RFP specifications, 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.

## 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 shall be notified thereof in good time before the actual presentation date. 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 the RFP and calculated from the bid closing hour and date such offer 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 a valid and original Tax Clearance Certificate or proof of application of such as endorsed by SARS **on the closing date and time of the bid**;
- 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 **mandatory requirements** if 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.

## **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 Original and valid Tax Clearance Certificate(s) (TCC);
- 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 6: BEE Commitment Plan
- 12.3.9 Latest Audited Financial Statement
- 12.3.10 B-BBEE verification certificate indicating the contribution level of the bidding entity. Exempted Micro Enterprises (EMEs) and majority Black-owned Qualifying Small Enterprises (QSEs) are only required to obtain sworn affidavits confirming their annual total revenue and level of black ownership.

**Note: If a bidder is a Consortium, Joint Venture or Prime Contractor with Subcontractor(s), the documents listed above (12.3.1-12.3.7) must be submitted for each Consortium/ JV member or Prime Contractor and Subcontractor(s).**

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

**12.4 Schedule 3:**

- 12.4.1 Response to Section 2 of this document, in line with the format indicated in this RFP document.
- 12.4.2 Annexure 5 of this RFP document, duly completed and signed

**12.5 Schedule 4: Price Proposal (response to Section 3 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, 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 12.3.3 above
  - BEE Status Certification as referenced in 12.3.10 & 12.3.11 above



- Completion of all Standard Bidding Documents and other requirements, as reflected in this RFP, which covers the following:
  - Section 2: Statement of compliance with the Functional Evaluation Criteria for this RFP
  - Section 3: Cost Proposal and Price Declaration Form
  - Annexure 1: Acceptance of Bid Conditions
  - Annexure 2: Supply Chain Management Questionnaire
  - Annexure 3: Declaration of Interest
  - Annexure 4: Shareholders' Information/ Group Structure
  - Annexure 5: Bidders Experience & Project Team
  - Annexure 6: BEE Commitment Plan

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 Functional/ Technical Requirements

With regard to the other Functional Requirements, the following criteria (set out in more detail in section 2 of this RFP document) and the associated weightings will be applicable:

ELEMENT	WEIGHT
Bidder's Experience in Chemicals Industry	20
Bidder's Experience: Industrial Policy and Strategy	20
Proposed Methodology	25
Skills, Experience and Qualifications of the Project Team	30
Skills Transfer Plan	5
<b>TOTAL</b>	<b>100%</b>

**Note: The minimum qualifying score for functionality is 70%. All bids that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and BEE, in Phase 3.**

### 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:

<b>CRITERIA</b>	<b>POINTS</b>
Price	90
B-BBEE	10
<b>TOTAL</b>	<b>100 points</b>

### 14. Promotion of Emerging Black owned Service Providers

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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: FUNCTIONAL REQUIREMENTS SPECIFICATION**

## **SECTION 2: 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. Background Information**

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Despite healthy growth in the domestic sales of chemicals, the South African chemicals manufacturing sector is in a challenging position. The dramatic rise in imports and sizeable negative trade balance make clear the challenge local producers have in respect of competing in global markets. Increased competition for local demand has marginalised local producers who have been unable to successfully harness the growth opportunities associated with the expansion of the domestic chemicals market. Additionally, the decline in exports is suggestive that domestic manufacturers have found it increasingly difficult to compete successfully in export markets.

This reality is evident in South Africa's manufacturing data. In 2000, the chemicals industry accounted for 18% of manufacturing output. In 2013, it accounted for 12.6% of output despite only marginal growth in overall manufacturing for the period. And yet as a sector that employs nearly 150,000 people and one that supports a plethora of downstream sectors, it is an important one to the local economy.

In this regard, a comprehensive and holistic strategy is required to provide a framework for decisions pertaining to the sector that will better position it to take advantage of local demand growth and translate this into increased manufacturing value add (MVA) and employment.

### **3. Project Objectives**

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The Industrial Development Division has identified the lack of current strategy for the chemical sector as a short coming that inhibits the development of sound key action programmes for the industrial policy action plans (IPAP). This situation requires an evidence-based policy position that will support the South African chemical industry to withstand and grow in the volatile and difficult-to-forecast global and domestic markets.

The overall objective of the chemicals sector strategy project is to develop a sector strategy that provides a clear framework for decisions pertaining to the long term development of the South African chemicals manufacturing sector. The strategy should be

developed for the 10-year period i.e. 2017 to 2026, and should consider the following three elements:

- Critical review of current policy and initiatives undertaken in support of the industry;
- Develop the chemicals sector strategy over the short term (next 5 years) and long term (next 5 to 10 years); and
- Define a funding model to support the execution of the strategy.

The outcome must be a clear and comprehensive strategy that offers a practical framework for enhanced public and private sector decision making to develop sector manufacturing value addition and employment over the long term.

#### **4. Scope of Work**

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The chemicals sector comprises the multiple and inter-linked value chains that cut across many product and process types. It is required that the strategy development process follows a value chain analysis approach (as opposed to a sub-sectoral analysis approach) of the petroleum (only as far as it is a source of feedstock for the chemical sector) organics, inorganics, specialities and fertilisers to understanding demand drivers of these value chains as well as associated growth inhibitors and enablers. In this regard particular consideration needs to be given to the distinctions between the following two types of value chains:

- Producer-driven value chains which tend to have high barriers of entry since many commodity chains require capital/technology intensive production and economies of scale. These value chains are mostly coordinated by the producers and the capacity of the distributors to deliver parts provided by subcontractors and finished goods to the market.
- Buyer-driven value chains which tend to have low barriers to entry and where producers are bound to the decisions of buyers through the functions of design and marketing.

##### **4.1 PHASE 1 – REVIEW OF CURRENT SECTOR POLICIES, STRATEGIES, AND ACTIVITIES**

The initial phase of the project will entail the completion of the following core activities:

- Review of national strategies and policies that inform the objectives and scope of chemicals sector policy (and accompanying strategies and activities);
- Review of current chemical sector policy outcomes, including areas of significant and limited progress respectively; and
- Identification of international and national critical success factors associated with positive and (where applicable, negative) strategy outcomes.

The outcome of this phase is a clear understanding of the status quo of **the dti** policies, strategies and activities. The review of material forming a part of Phase 1 should comprise no more than 20% of the entire proposal.

##### **4.2 PHASE 2 – VALUE CHAIN ANALYSIS AND PRIORITISATION**

The second phase of the project will focus on unpacking the key strategic drivers within the various value chains identified. Activities scoped for inclusion are as follows:

- Profiling the South African chemicals manufacturing sector and mapping of major value chains using a Global Value Chain (GVC) approach focusing on

backward and forward linkages, market and lead firm dynamics, and upgrading opportunities.

- Identification of major international and domestic challenges associated with the securing of growth and increased investments within these major value chains.

Reports produced by the consultant should not duplicate work done by the IDC and TIPS.

#### **4.3 PHASE 3 – COMPREHENSIVE ANALYSIS AND BENCHMARKING OF POLICIES FOR EACH OF THE PRIORITISED INDUSTRIES**

This phase will triangulate the key policy challenges identified in the first phase and the GVC challenges identified in the second phase with empirical evidence of policy successes (and/or failures) in nurturing and developing priority industries in competitor economies.

This phase is expected to include the following activities:

- Identify policy instruments used by other economies (countries and/or regional agreements) to successfully support the establishment and/or development of Government prioritised chemical value chains.
- Select and benchmark three economies that have used Government intervention effectively to support the establishment and/or development of the prioritized value chains.
- Detail the resultant impact of international case study policy interventions on industry growth, sustainability and employment creation within each of the economies selected.

#### **4.4 PHASE 4 – DEVELOPMENT OF THE DTI'S NEW POLICY/STRATEGY FRAMEWORK TO SUPPORT SUSTAINABLE INDUSTRY DEVELOPMENT IN SOUTH AFRICA**

Based on the balanced set of evidence to emerge from the first three phases, the fourth phase of the project will focus on the development of appropriate policy for the South African chemicals sector. As such, it should encompass the completion of the following three activities:

- Provide a detailed analysis of the interventions recommendations pertaining to each of the prioritized value chains.
- Identify and detail any important cross-cutting interventions implications (i.e. that affect the prioritised industries)
- Analyse the expected impact of each of the interventions on South Africa in terms of MVA, employment creation, exports (or import displacement) and the development of the South African market.
- Compare the benefits with the costs of the proposed Government interventions in each sub sector. This should include the costs of any institutional reforms required as well as the costs of any training of Government personnel required. Estimate the 5yr, 10 year and 20 year costs and benefits of the proposed Government interventions.

#### 4.5 PHASE 5 – POLICY/STRATEGY DEPLOYMENT RECOMMENDATIONS

The final phase of the project will be targeted at supporting **the dti** in the implementation of approved Government interventions derived from the extensive interventions/ policy/ strategy development work completed in the first four phases of the project. The activities scoped for inclusion in respect of the phase are as follows:

- Define the proposed roles of **the dti**, or other Government departments or agencies, in relation to policy deployment (as relevant to the industry-specific and cross-cutting policy recommendations), and compile recommended implementation plans.

Once **the dti** and or other Government institutions have approved the Government interventions arising from this project, the service provider will provide mentorship and support to the persons responsible for implementing the recommendations for a period of two years. Because it is difficult to know in advance the nature and quantity of the support that will be required all bidders must use the following time estimates for this aspect of their bid documents:

- Senior staff of service provider: 6 days per year
- Middle ranking staff of service provider: 12 days per year
- Junior ranking staff of service provider: 24 days per year

These time estimates will be used for the comparison of bids only and will not necessarily be contracted with the approved service provider. Once Government has approved interventions arising from this project the service provider and **the dti** will negotiate the number of days of support and mentoring required to implement the approved interventions. If no interventions are approved no support will be required. The negotiation will deal only with the number of days required and not the daily rate for the service providers staff. That daily rate must be a part of the bid document and the successful bidder will be bound by those daily rates.

#### 5. Skills Transfer

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As part of this project, 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 dti** will nominate two of employee(s) and the individuals to receive skills-transfer, and to attend major engagements with stakeholders. The work done and the contributions made by each of **the dti** secondees must be evaluated; and appropriate report on each secondee provided to the Project Management Team PMT with each phase of the project. Such a report may recommend training or other interventions that may be necessary for each secondee.

## 6. Deliverables

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The service provider will be required to produce:

- 6.1 Inception report – within the first 3 weeks of appointment, a detailed inception report must be submitted 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:
  - Project objective;
  - Project approach and methodology;
  - Activities, including proposed interview schedule;
  - Milestones and deliverables; and
  - Detailed project plan.
- 6.2 Interim reports – for each phase of the project, an interim report must be submitted which sets out key findings and implications, and clarifies the approach, priorities and desired outcomes for the remainder of the project.
- 6.3 Project status reports – timely submission of periodic status reports to the PMT in line with timeframes 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.
- 6.4 Final sector strategy – produce a final sector strategy report which sets out the analysis, implications, strategy framework, and deployment recommendations. Outcomes must be aligned with the key stakeholders in collaboration with the PMT and the strategy updated in line with inputs provided by stakeholders.

The format in which the final report will be submitted will be:

- Final written report with notes of the methodology used in MS Word including an executive summary
  - PowerPoint presentation summarising the report
  - 3 hard copies of the final report
  - 3 electronic copies of the Executive Summary and final report
- 6.5 It is expected that the service provider will engage extensively with public and private industry stakeholders in the preparation of the reports required. **the dti** will be responsible for consulting the public on the introduction of or changes to any government interventions that may flow from the deliverables.
  - 6.6 Support and mentoring as contemplated in Phase 5.
  - 6.7 Skills transfer as contemplated in paragraph 5 above.

## 7. Methodology

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- 7.1 The service provider is required, as part of the inception report, to define a clear methodology for the development of the strategies for each value chain / subsector identified in the scope of work to be agreed with the PMT in advance of the project beginning. The defined methodology will be required to deliver quality findings, taking cognisance of the effectiveness of various research methodologies and the time commitments required by stakeholders to build meaningful insights and recommendations.
- 7.2 The service provider is required to identify and use appropriate 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 this study. Methodologies may include face to face



interviews, case studies, modelling exercises, desk top research, value chain analysis, benchmarking and cost benefit analysis

- 7.3 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.
- 7.4 The service provider will also identify stakeholders to engage in the process.
- 7.5 Review workshops will be held with stakeholders and industry experts to verify bidder’s findings and to obtain feedback on proposed investment options and cost benefit analysis.

**8. Project Timelines**

The appointed service provider(s) will be required to start immediately after signing the contract and provide the services as follows:

- Phases One to Four of the project should be completed within nine (9) months from the date of signing the Service Level Agreement (SLA).
- Phase Five (on-going support and mentorship) will be delivered within two years of the Governments approval of the Government interventions arising from this project.

**9. Technical Evaluation Criteria**

**9.1 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.

9.1.1 BIDDER’S EXPERIENCE IN CHEMICALS INDUSTRY	Comply	Partially Comply	Not Comply
<p>The bidder must have experience in and knowledge of the South African chemicals industry - global and local chemicals value chains; industry support programmes, incentives and institutions.</p> <p>The bidder must provide three (3) references of any work done for and/ or within chemicals industry in the past five years e.g. techno-economic research, development of strategic action plans etc. Please refer to <b>Table (a)</b> in <b>Annexure 5</b> of this document for the format in which the required information must be provided.</p>			
<b>Substantiate / Comments</b>			

9.1.2 BIDDER'S EXPERIENCE IN INDUSTRIAL POLIY/ STRATEGY DEVELOPMENT/ ANALYSIS	Comply	Partially Comply	Not Comply
<p>The bidder must have experience in development and/ or analysis of industrial policies and/ or strategies.</p> <p>The bidder must provide three (3) references of any similar work done in the past five years e.g. industrial policy analysis; strategic policy assessment; local and international policy benchmarking; industrial development programmes, industrial strategy formulation, trade and import tariffs and related instrument. Please refer to <b>Table (b)</b> in <b>Annexure 5</b> of this document for the format in which the required information must be provided.</p>			
<b>Substantiate / Comments</b>			

9.1.3 EXPERIENCE AND SKILLS OF PROJECT TEAM	Comply	Partially Comply	Not Comply
<p>The bidder's proposed project team must have, at a minimum, the following qualifications and experience:</p> <ul style="list-style-type: none"> <li>• <b>Industry knowledge</b> – experience in and knowledge of the South African chemicals industry; global and local chemicals value chains; industry support programmes, incentives and institutions;</li> <li>• <b>Technical competency</b> – industrial policy analysis; strategic policy assessment; local and international policy benchmarking; value chain analysis; firm-level analysis; industrial development programmes, policies and mechanisms; industrial strategy formulation, trade and import tariffs and related instruments; and</li> <li>• <b>Project relevant skills</b> – industrial and policy research; proven experience in delivering large scale industrial strategy projects; desktop and first-hand research; stakeholder facilitation and engagement; diagnostic assessment and analysis, project management.</li> </ul> <p>In addition to the above skills and qualifications:</p> <ul style="list-style-type: none"> <li>• The project team is required to collectively have a minimum of fifteen (15) years' relevant experience in the chemicals industry and ten (10) years industrial development and strategy formulation.</li> <li>• The project leader is expected to have a minimum of a Masters (or equivalent) qualification in a relevant field and at least five (5) years' experience in industrial development and strategy formulation.</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, clearly outlining the main disciplines/ specialties of this project and the key personnel responsible for each specialty. Please refer to <b>Table (c) Annexure 5</b> of this document for the format in which the required information must be provided.</li> <li>• CVs of the 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> </ul>			

**Substantiate / Comments**

<b>9.1.4 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.</p> <p>The bidder must outline the methodology that will be employed to develop the Chemicals Sector Strategy clearly detailing how each of the five phases outlined in the Scope of Work above will be conducted.</p> <p><b>Note: The proposed methodology must take into consideration the requirements outlined in paragraph 7 above.</b></p>			
<p><b>Substantiate / Comments</b></p>			

<b>9.1.5 SKILLS TRANSFER</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The service provider is required to outline the skills transfer plan as part of their proposal.</p> <p><b>Note: The proposed plan must take into consideration the requirements outlined in paragraph 5 above.</b></p>			
<p><b>Substantiate / Comments</b></p>			

## **SECTION 3: PRICE PROPOSAL**

## SECTION 3: Cost Proposal

1 Please indicate your total bid price here: R..... (VAT Excl.)

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

3 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.

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

5

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

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

#### 8.1 Development of Sector Strategy (9 months)

Activity/ Deliverable	Resource(s)	Rate/Hour per resource	Number of hours	Total Cost (VAT Excl.)
<b>PHASE 1 – REVIEW OF CURRENT SECTOR POLICIES, STRATEGIES, AND ACTIVITIES</b>				
<b>PHASE 2 – VALUE CHAIN ANALYSIS AND PRIORITISATION</b>				

Activity/ Deliverable	Resource(s)	Rate/Hour per resource	Number of hours	Total Cost (VAT Excl.)
<b>PHASE 3 – COMPREHENSIVE ANALYSIS AND BENCHMARKING OF POLICIES FOR EACH OF THE PRIORITISED INDUSTRIES</b>				
<b>PHASE 4 – DEVELOPMENT OF THE DTI'S NEW POLICY/STRATEGY FRAMEWORK TO SUPPORT SUSTAINABLE INDUSTRY DEVELOPMENT IN SOUTH AFRICA</b>				
<b>PHASE 5 – POLICY/STRATEGY DEPLOYMENT RECOMMENDATIONS</b>				
Disbursements				
<b>Sub-Total (8.1) (VAT Excl.)</b>				

**8.2 Phase 5.2 - Ad-hoc Support and Mentoring Services (2 years)**

Cost Element		No. of Hours per Annum	Rate per Hour	Annual Cost (VAT Excl.)
Senior Consultant	Year 1	48		
	Year 2	48		
Middle Ranking Consultant	Year 1	96		
	Year 2	96		
Junior consultant	Year 1	192		
	Year 2	192		
<b>Sub-Total (8.2) (VAT Excl.)</b>				

<b>TOTAL BID PRICE (8.1 + 8.2) (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:

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

**9 SUMMARY OF THE PROPOSAL**

DESCRIPTION	BIDDER'S PROPOSAL
Number of resources (personnel)	
Project duration (in hours)	
Project duration (in months)	
Commencement Date	

**Price Declaration Form**

Dear Sir,

Having read through and examined the Request For Proposal (RFP) Document, RFP no. **T17/09/16**, the General Conditions, and all other Annexures to the RFP Document, we offer to develop the Chemicals Sector Strategy and provide ad-hoc support and mentoring services at the following total amount:

**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 4: ANNEXURES**

## Annexure 1 – Acceptance of Bid Conditions and Bidder’s Details

---

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

**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>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>	
<b>Name of Company</b>	
<b>Registration Number</b>	
<b>Vat registration Number</b>	
<b>Contact Person</b>	
<b>Telephone Number</b>	
<b>Cellphone Number</b>	
<b>Fax Number</b>	

<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 - 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 3 – Declaration of Interest

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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 / trustees / shareholders / members or their spouses conduct **YES / NO**



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 / Persal 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 4 – 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.]

### 5.1 Current Shareholders/ Members

Name of the shareholder	ID Number	Race	Gender	% shares

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

### 5.2 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>				

**5.3 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 bidder's experience in industrial policy/ strategy development/ analysis (please refer to par 9.1.2 of Section 2 of this RFP document):**

Client' Name	Project description	Project Cost	Project period (Start and End Dates)	Description of service performed and extent of Bidder's responsibilities	Name, title and telephone contact of client

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

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

## **Annexure 6 – B-BBEE 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.