



**T30/07/19**

**REQUEST FOR PROPOSAL FOR THE  
SUPPLY, IMPLEMENTATION, SUPPORT  
AND MAINTENANCE OF A FINANCIAL  
CRIME MITIGATION SOLUTION/SYSTEM**

**BID CLOSING DATE: WEDNESDAY, 31  
JULY 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>Ms Mmanthudi Mosupyoe</u>
Telephone Number:	<u>+27 11 269 3709</u>
Email address:	<u><a href="mailto:mmanthudim@idc.co.za">mmanthudim@idc.co.za</a></u>

- 2.2 Enquiries in relation to this RFP will not be entertained after **16h00 on 23 July 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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- 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, **T30/07/19: Request for proposal for the Supply, Implementation, Support and Maintenance of a Financial Crime Mitigation Solution/System**. 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, 31 July 2019**.
- 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 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 regard 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:

be applicable:

<b>ELEMENT</b>	<b>WEIGHT</b>
BIDDER'S EXPERIENCE	15%
PROJECT PLAN	10%
SKILLS TRANSFER PLAN	10%
QUALIFICATIONS AND SKILLS OF KEY PERSONNEL	15%
SYSTEM FUNCTIONALITY	25%
SYSTEM DEMONSTRATION	25%
<b>TOTAL</b>	<b>100%</b>

**Note: Bidders who score 52.50 points out of 75 points (70%) or more in total for the paper evaluation on the functional/technical requirements will be shortlisted for system demonstrations.**

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

## 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	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: 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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The Compliance and Regulatory Affairs Department (CRAD) of the IDC has a requirement to fully automate its client on-boarding (KYC/ VYC)/ Customer Due Diligence (CDD) as well as on-going client/ customer management/ monitoring process (including continuous batch screening) of all its customer/ client base and as a consequence seek to acquire a financial crime mitigation solution to assist with client screening both for on-boarding of clients (KYC/ VYC)/ Customer Due Diligence as well as regular monitoring (i.e. batch screening) of its existing client database on their conduct/ behaviour (against stated and actual), profiles and transactions.

The solution should amongst others evaluate potential and existing clients against various authorised Sanctions Lists, black lists, grey lists and white lists (including Tax haven lists), mitigate against all forms of money laundering, terror financing and all financial related crimes, including but not limited to screening for company founding documents, verification of ID numbers, verification of Tax status and documentation, screen various media platforms for any adverse reports (including Black, grey and white lists risk; Tax haven risk; Offshore Leaks risk; Country/ Regional risk), and provide comprehensive customer and transaction AML risk profiling (using a risk matrix). It should inter alia, be auditable, provide various user rights at different levels and also provide independent quality assurance validation and reporting (both internal and external covering Suspicious and Unusual Transaction Reports (STR); Suspicious Activity Reports (SAR); Cash Threshold Reports (CTR); Cash Threshold Reports Aggregation (CTRA); Terrorist Property Report (TPR); Terrorist Financing Transaction Report (TFTR); Terrorist Financing Activity Report (TFAR); Black, Grey and White lists risk; Tax haven risk; delinquency risk; PEP/ PIP risk; Conflict of Interest risk; Reputational Risk with capability to report on statistics, showing graphs and incorporate narrative comments (on approved, rejected, terminated, suspended/ frozen, pending, under investigation or reported to Regulatory body). The system should be configured as per IDC’s business Units/ Departments/ Regional Offices; Location/ Jurisdiction/ applicable sectors and various IDC’s client on-boarding checklists; Declarations and Databases. The system should have

capability to incorporate or configurable to include all IDC's Regulatory Universe to enable reporting on any other possible regulatory risk relating to the transaction over and above the Anti-Money Laundering (AML)/ Anti-Terror Financing (ATF)/ Sanctions requirements as provided for in line with both international Financial Action Task Force (FATF) 40+9 recommendations and local regulatory requirements (i.e. the Prevention of Organised Crime Act, 1998 (POCA); the Prevention and Combating of Corrupt Activities Act, 2004 (PRECCA); the Protection of Constitutional Democracy Against Terrorist and Related Activities Act, 2004 (POCDTARA), the Financial Intelligence Centre Act, 2001(FICA as amended) which should be transaction/ Project based.

The IDC runs SAP as an ERP system. It is envisaged that basic client identification details will be exported from the SAP ERP system and imported into the new proposed system. The IDC uses MS SharePoint 2013 as its Content Management System and integration into it would be advantageous whilst maintaining all legal requirements in respect of access to information and storage.

The purpose of this requirement is to improve efficiency and turnaround times by automating the client on-boarding and the on-going client management/ monitoring process of all our clients and in the process ensure that upon client take-on, all pertinent compliance and regulatory matters applicable to a particular transaction/ project are adequately identified, assessed and opined upon upfront, prior to the IDC entering or continuing any business relationship with such applicant(s) or existing client/(s).

### **3. Scope of Work**

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The appointed bidder should be able to supply, install and maintain a financial crime mitigation (KYC/ VYC)/ Customer Due Diligence solution/ System that meet, but is not limited to the following functional capabilities:

#### **3.1 Templates and Declarations**

The system must have the ability to lookup information, and where necessary, allow Compliance persons to capture information such as:

- Record ineligible persons.
- Types of PEPs/PIPs.
- Record Source of Funding/ Wealth.
- Record Ultimate Beneficial Owner/s (UBO).
- Record and report any possible undue influent by client or associate/s of the client.
- Record and/ or report on any possible conflict of interest in respect of Board members/ Divisional Executives/ Heads or Regional Mangers; employees screening via Employee/ Board database, as well as declaration of interest
- Record and/or upload declarations made by the client on the use of funds (e.g. that funds will not be used for money laundering or any illegal activities or terrorist related activities).
- Record and/or upload declaration by client on accuracy of information provided or submitted.
- Record and/or upload the client's POPI consent to the IDC's processing of personal information.
- Flag and record any blacklisted client using the IDC's delinquent register.

- Based on criteria the system should have the ability to flag clients as either compliant, non-compliant, partially compliant, approved, rejected, terminated, suspended/ frozen, pended, under investigation/ litigation, reported (STR/ SAR/ CTR/ CTRA/ TPR/ TFTR/ TFAR)
- Show list of outstanding information or documentation or action.

### **3.2 Pre-Screening**

The system must further be able to do Watchlist filtering via the Worldcheck / Dow Jones screening, as well as screening against all authorised Sanctions lists such as the United Nations Security Council (UNSC), European Union (EU), Office of Foreign Assets Control (OFAC), HM Treasury Consolidated (HMT) and the French lists, including:

- Black, Grey and White lists risk checks.
- Tax haven risk checks.
- Offshore Leaks risk checks.
- Country/ Regional risk checks.
- Internal delinquency risk checks.
- Internal PEP/ PIP Register checks.
- Conflict of interest risk checks.
- Threshold and Limits Risk/ Loan Exposure risk checks (i.e. Single name/ Counterparty/ Industry/ Country).

#### **Where possible the system must also screen against:**

- SARS (Tax status),
- National Treasury (Central Supplier Database; and Register of Defaulters);
- Home Affairs platforms (identification and verification checks).

### **3.3 Adverse Media Checks**

The system must be able to do Media and other platforms checks, screening against both private and public platforms such as NewsMonitor; Market IQ; CIPC/SA Company; Safflii.org/za; Legalbrief.co.za; Greengazette; General internet (Google); Facebook; Who Owns Whom; LinkedIn.

### **3.4 KYC/NYC**

- The proposed system should capture, retain and record all pertinent client information as per IDC's various client on-boarding checklists, as well as scanned copies of all necessary supporting client information (e.g. identification documents, proof of address for company/ Representative, authority to act, Power of Authority for company representative/ Board resolution and identification documents, shareholding structure and more).
- The system should be able to do image/ face recognition or verification e.g. compare an identity photo of a client to any official government database (e.g. Home Affairs).
- Load/ attach/ scan and record any form of supporting documentation (including remote loading) of all applicable documentation/ checklists/ declarations (e.g. identification documents, proof of address for company/ Representative, authority to act, Power of Authority for company representative/ Board resolution and identification document, shareholding structure) must be uploaded into Microsoft SharePoint 2013.



### **3.5 Enhanced Due Diligence**

The solution should be able to do the following:

- Record and report on Location/ Jurisdiction.
- Record and report on any adverse media.
- Record and report on value threshold/ complexity of transaction/ loan structure.
- Screen all clients including all shareholders at various levels.
- Identify and record Political Exposed Persons (PEPs/PIPs), including checks on IDC's internal existing PEP/ PIP register.
- Identify and record Ultimate Beneficial Owner (UBO).
- Record and/or verify Source of Funding/ Wealth (SOF).

### **3.6 Ongoing Monitoring**

The solution should be able to do the following:

- Perform continuous and regular batch screening.
- The system must, continuously/ periodically monitor and provide real-time classification of a client according to their risk profile (i.e. High, Medium or Low).
- Should a client's profile change, it must be able to reassign a new real-time risk categorisation/ profile and align to applicable risk requirements.
- Monitor customer transactional conduct/ behaviour against stated and actual.
- Manage IDC's Register of PEPs/ PIPs.
- Manage IDC's List of all Business Partners.

### **3.7 Customer Risk Rating**

The solution should be able to do the following:

- The system must, based on the results of a client's attributes provide real-time classification (using a risk matrix) of a client according to risk profile (i.e. High, Medium or Low and align to applicable IDC's client on-boarding checklists).
- Should a client's profile change, it must be able to reassign a new real-time risk categorisation/ profile and align to applicable risk requirements (using IDC's client on-boarding checklists).
- Provide National/ Regional Risk Assessments (based on Country/ Regional risk assessment).

### **3.8 Escalation**

The solution should be able to do the following:

- The system should be customisable such that it caters for escalation/ approvals/ Condonations (as per IDC's delegation of authority) to different phases of client on-boarding processes as per IDC internal processes (e.g. Phase 1 Client Pre-screening, Phase 2 – CDD and Verification and Phase 3 - Compliance Quality Assurance/General Compliance Comments).
- Send alerts/ Memos to the Compliance team and escalate exceptions to notify senior management for intervention/ approval/ condonation (as per IDC's delegation of authority).
- Send SMSes including emails to clients on any outstanding information/ documentation/ action or FICA compliance status (periodic group document refreshment).

### **3.9 Reporting**

The system must be able to continuously screen a client post on-boarding/ investment in respect of transactional conduct/ behaviour in terms of:

- Stated against actual conduct/ behaviour,
- payment methods and patterns,
- track cash payments (including aggregated) against prescribed thresholds,
- change in risk profile based on set criteria,

- client FICA status,
- the system should have the ability to flag and report clients as either compliant, non-compliant, partially compliant, approved, rejected, terminated, suspended/ frozen, pended, under investigation, reported (STR/ SAR/ CTR/ CTRA/ TPR/ TFTR/ TFAR).
- Possible risk (i.e. Black, Grey and White lists risk; Tax haven risk; Offshore Leaks risk; Country/ Regional risk; delinquency risk; PEP/ PIP risk; conflict of interest risk; reputational risk, Threshold and Limits Risk/ Loan Exposure risk checks (i.e. Single name/ Counter-party/ Industry/ Country).
- Statistics, (on approved, rejected, terminated, suspended/ frozen, pended, reported) numbers and graphs)

### **3.10 Investigate and Report**

- The system should have the ability to flag and report clients as either compliant, non-compliant, partially compliant, approved, rejected, terminated, suspended/ frozen, pended, under investigation/ litigation, reported (STR/ SAR/ CTR/ CTRA/ TPR/ TFTR/ TFAR).
- Case management functionality (i.e. investigate, adjudicate and report).

### **3.11 Quality Assurance**

The system should allow for quality assurance and sign off/ approval/ condonation (as per IDC's delegation of authority) functionality of all transactions on both new and existing clients.

### **3.12 Exit Customer Account**

The system should ensure an end to end client management process including the following:

- the exiting of clients (including early settlements; write offs etc).
- full records management/ archival.
- destruction.

## **4. SKILLS TRANSFER**

The appointed bidder will be required to transfer of skills to ten (10) IDC compliance employees for day to day use of the system and also transfer skills to two (2) IT staff to provide first level support. The skills transfer must include a "How To" guide /document on how to use and trouble shoot. The skills transfer programme should not be formal training per se however it should enable the CRAD team and IT team to operate the system seamlessly.

## **5. SUPPORT**

The appointed bidder will be required to do on-going support (on ad-hoc basis) with a bundle of 72 hours over three years for level 2 and 3 trouble shooting.

## **6. PROJECT TIMELINES**

The appointed service provider will be required to start immediately after signing the contract and implement the solution within three months, then provide 1) project/ system ready handover report; and 2) maintenance and support for a period of three (3) years (including an additional period of extension where applicable), subject to annual review of service provider's performance. The IDC reserves the right to extend the services under any subsequent contract but not beyond 5 years.

## 7. TECHNICAL EVALUATION CRITERIA

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### 7.1 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.

7.1.1 BIDDER'S EXPERIENCE	Comply	Partially Comply	Not Comply
<p>The bidder must demonstrate relevant experience in supplying and implementing the proposed Financial Crime Mitigation Solution</p> <p>The bidder must provide two (2) relevant contactable references of where they have supplied and implemented the proposed Financial Crime Mitigation Solution in the past 5 (five) years. 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>			
<b>Substantiate / Comments</b>			

7.1.2 Project Implementation Plan	Comply	Partially Comply	Not Comply
<p>The bidder must provide a detailed project implementation plan which must include but not be limited to the following:</p> <ul style="list-style-type: none"> <li>• Activities/ tasks, roles and responsibilities;</li> <li>• Time Frames; and</li> <li>• Deliverables</li> </ul> <p><b>Note: The implementation plan must be concluded within three months from commencement.</b></p>			
<b>Substantiate / Comments</b>			

7.1.3 Skills transfer plan	Comply	Partially Comply	Not Comply
<p>The bidder should be able to provide skills transfer to IDC employees. The skills transfer should start at the first stages of implementation.</p> <p>Transfer of skills to ten (10) IDC compliance employees for day to day use of the system. Transfer of skills to two (2) IT staff to provide first level support. The skills transfer must include a “How To” guide /document on how to use and trouble shoot. The skills transfer programme should not be a formal training per se however it should enable the CRAD team and IT team to operate the system seamlessly.</p> <p><b>Bidder must provide as part of this proposal a skill transfer plan on how to achieve the above.</b></p>			
<b>Substantiate / Comments</b>			

7.1.4 QUALIFICATIONS AND SKILLS OF KEY PERSONNEL	Comply	Partially Comply	Not Comply
<p>The bidder’s proposed project team must have relevant qualifications, skills and experience in the proposed Financial Crime Mitigation Solution</p> <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 (b) Annexure 7</b> of this document for the format in which the required information must be provided.</li> <li>• CVs of the project team; and the CVs must clearly highlight qualifications, areas of experience/ competence in implementing the proposed Financial Crime Mitigation Solution.</li> </ul>			
<b>Substantiate / Comments</b>			

## 7.2 System Functionality Requirements

7.2.1 INFORMATION CAPTURE AND LOOKUP INFORMATION	Comply	Partially Comply	Not Comply
<p>The proposed system must have the ability to lookup information, and where necessary, allow compliance persons to capture information as per par. 3.1 above.</p> <p><b>Bidder must indicate how the proposed system will achieve this requirement</b></p>			
<b>Substantiate / Comments</b>			

7.2.2 PRE-SCREENING AND WATCHLIST FILTERING	Comply	Partially Comply	Not Comply
<p>The proposed system must be able to do Watchlist filtering and pre-screening as per par 3.2. above.</p> <p><b>Bidder must indicate how the proposed system will achieve this requirement</b></p>			
<b>Substantiate / Comments</b>			

7.2.3 ADVERSE MEDIA CHECKS	Comply	Partially Comply	Not Comply
<p>The system must be able to do Media and other platforms screening against both private and public platforms such as NewsMonitor; Market IQ; CIPC/SA Company; Saflii.org/za; Legalbrief.co.za; Greengazette; General internet (Google); Facebook; Whoswho; LinkedIn.</p> <p><b>Bidder must indicate how the proposed system will achieve this requirement</b></p>			
<b>Substantiate / Comments</b>			

7.2.4 KNOW YOUR CUSTOMER/VERIFY YOUR CUSTOMER	Comply	Partially Comply	Not Comply
<p>The proposed system must be able to capture, retain and record all pertinent client information as per par. 3.4 above.</p> <p><b>Bidder must indicate how the proposed system will achieve this requirement</b></p>			
<b>Substantiate / Comments</b>			

7.2.5 ENHANCED DUE DILIGENCE	Comply	Partially Comply	Not Comply
<p>The proposed system must be able to screen all clients including all shareholders at various levels as listed in par. 3.5 above.</p> <p><b>Bidder must indicate how the proposed system will achieve this requirement</b></p>			
<b>Substantiate / Comments</b>			

7.2.6 ON-GOING MONITORING	Comply	Partially Comply	Not Comply
<p>The proposed system must, continuously/ periodically monitor and provide real-time classification of a client's according to their risk profile as per par. 3.6 above.</p> <p><b>Bidder must indicate how the proposed system will achieve this requirement</b></p>			
<b>Substantiate / Comments</b>			

7.2.7 CUSTOMER RISK RATING	Comply	Partially Comply	Not Comply
<p>The proposed system must provide real-time classification of a client according to their risk profile as per par. 3.7 above.</p> <p><b>Bidder must indicate how the proposed system will achieve this requirement</b></p>			
<b>Substantiate / Comments</b>			

7.2.8 ESCALATION	Comply	Partially Comply	Not Comply
<p>The proposed system should cater for different phases of client on-boarding processes; be able to escalate exceptions to management for intervention; and send SMSes and emails to clients as per par. 3.8 above</p> <p><b>Bidder must indicate how the proposed system will achieve this requirement</b></p>			
<b>Substantiate / Comments</b>			

7.2.9 REPORTING	Comply	Partially Comply	Not Comply
<p>The proposed system should be able to provide reports as per par. 3.9 and 3.10 above.</p> <p><b>Bidder must provide sample of reports as part of this proposal.</b></p>			
<b>Substantiate / Comments</b>			

7.2.10 QUALITY ASSURANCE	Comply	Partially Comply	Not Comply
<p>The system should allow for quality assurance and sign off functionality of all transactions.</p> <p><b>Bidder must indicate how the proposed system will achieve this requirement</b></p>			
<b>Substantiate / Comments</b>			

7.2.11 EXIT CUSTOMER ACCOUNT	Comply	Partially Comply	Not Comply
<p>The system should have an end to end client management process as per par 3.12 above.</p> <p><b>Bidder must indicate how the proposed system will achieve this requirement</b></p>			
<b>Substantiate / Comments</b>			

### 7.3 System/Tool Demonstration

Shortlisted bidders will be required to demonstrate the proposed system functionally at the IDC offices which will include all the functionalities indicated under paragraph 3:

NO	Demonstrations (Practical Evaluation)
7.2.1	Information capture and content management
7.2.2	Pre-screening and Watchlist Filtering
7.2.3	Adverse Media Checks
7.2.4	Know Your Customer/Verify Your Customer
7.2.5	Enhanced Due Diligence
7.2.6	On-going monitoring
7.2.7	Customer Risk Rating
7.2.8	Escalation
7.2.9	Reporting
7.2.10	Quality assurance
7.2.11	Exit Customer Account

**Note: The demonstration must cover all the functionalities under each heading indicated above.**



## **SECTION 3: PRICE PROPOSAL**

## SECTION 3: 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
-----	----

3 **3 Important:** If not firm for the full period, provide details of the basis on which price adjustments shall be applied e.g. CPI etc.

The following exchange rates as per SARB on 15/07/2019 at 7:41 must be used (where applicable):

**R 13.91 = 1 US dollar**

**R 17.45 = 1 Pound**

**R 15.67 = 1 Euro**

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**

**Table A: Software costs**

Cost Elements		Cost (VAT Excl.)
Financial Crime Mitigation Solution		
Maintenance and Support	Year 1	
	Year 2	
	Year 3	
<b>Sub-total (A) VAT Excl.</b>		

**Note: The bidder must provide details of the proposed software licensing structure for the amount indicated above for the Financial Mitigation Solution by completing the below appropriate table.**

**Perpetual License: Perpetual license for 10 Compliance Staff members (functional users) and 2 IT support staff members:**

Description	Quantity	Cost (VAT Excl.)
Once off Licences fee		
Software Maintenance and support fee Year 1		
Software Maintenance and support fee Year 2		
Software Maintenance and support fee Year 3		

**Note: Please indicate any conditions associated with a perpetual licence as refer to option A above**

**Term Licence for 10 Compliance Staff members (functional users) and 2 IT support staff members:**

Description	Quantity	Cost (VAT Excl.)
Licence fee Year 1		
Licence fee Year 2		
Licence fee Year 3		

**Table B: Professional Services I.e. Implementation and Skills Transfer**

Activities/Deliverable	Resource(s)	Rate/Hour per resource	Number of hours	Cost (VAT Excl.)
Implementation				

Skills transfer to ten (10) IDC compliance employees				
Skills transfer to two (2) IDC IT Staff				
Disbursements				
<b>Sub- total (B) VAT Excl.</b>				

**Table C: Ad-hoc Support**

**For comparison purpose bidders must provide cost for 72 hours for ad-hoc support for a period of three years**

Activity/ Deliverable	Resource(s)	Rate/Hour per resource	Number of hours	Total Cost (VAT Excl.)
Ad-hoc support Year 1			24	
Ad-hoc support Year 2			24	
Ad-hoc support Year 3			24	
<b>Sub- total (B) VAT Excl.</b>				

**Table D: Other software cost**

Cost Elements		Software Name	Cost (VAT Excl.)
Other Software			
Maintenance and Support	Year 1		
	Year 2		
	Year 3		
<b>Sub-total (A) VAT Excl.</b>			

<b>Total Bid Price (A+B+C+D) (VAT Excl.)</b>	
--	--

**Note:**

- The bidder must clearly define and provide all cost related to implementation. Disbursement costs must be clearly defined here. 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>	

**Price Declaration Form**

Dear Sir,

Having read through and examined the Request for Proposal (RFP) Document, RFP no. **T30/07/19**, the General Conditions, and all other Annexures to the RFP Document, we offer **for the Supply, Implementation, Support and Maintenance of a Financial Crime Mitigation Solution/System** as 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 4: 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

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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 / **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 / 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 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>1</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>2</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:

---

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</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:

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(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>3</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>3</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



**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 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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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, 2017, 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, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 2.2. Regulation 8(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 2.3. Where necessary, for tenders 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) on the date of advertisement of the bid as indicated in paragraph 3.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.**

2.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

**3. 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>
_____	_____ %
_____	_____ %
_____	_____ %

3. Does any portion of the goods or services offered have any imported content?

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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3.1 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 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on [www.resbank.co.za](http://www.resbank.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
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US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

- 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: IDC**

NB

- 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.
- Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/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
- (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 3.1 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 3.1 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 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

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

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

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

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

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