



**T15/08/16**

**REQUEST FOR PROPOSAL TO  
CONDUCT A STUDY FOR THE  
DEVELOPMENT OF A LOCAL RAIL  
ELECTRIC MULTIPLE  
UNITS/PASSENGER COACHES  
INDUSTRY ROADMAP**

**BID CLOSING DATE: TUESDAY, 13  
SEPTEMBER 2016 AT 12:00 NOON**

**TABLE OF CONTENTS**

<b>SECTION 1: GENERAL CONDITIONS OF BID</b>	<b>3</b>
1. Proprietary Information	4
2. Enquiries	4
3. Bid Validity Period	4
4. Instructions on submission of Bids	4
5. Preparation of Bid Response	5
6. Supplier Performance Management	5
7. Supplier Development	5
8. IDC's Rights	6
9. Undertakings by the Bidder	6
10. Reasons for disqualification	7
11. Local Production and Content	7
12. Response Format (Returnable Schedules)	7
13. Evaluation Criteria and Weightings	9
14. Promotion of Emerging Black owned Service Providers	10
<b>SECTION 2: FUNCTIONAL REQUIREMENTS SPECIFICATION</b>	<b>11</b>
1. Special instructions to bidders	12
2. Background Information	12
3. Scope of Work	13
4. Project Timelines	14
5. Technical Evaluation Criteria	19
<b>SECTION 3: PRICE PROPOSAL</b>	<b>23</b>
<b>SECTION 4: ANNEXURES</b>	<b>28</b>

**SECTION 1: GENERAL CONDITIONS OF BID**

## 1. Proprietary Information

---

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

---

- 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 6 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

---

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

---

- 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, **T15/08/16: REQUEST FOR PROPOSAL TO CONDUCT A STUDY FOR THE DEVELOPMENT OF A LOCAL RAIL ELECTRIC MULTIPLE UNITS/PASSENGER COACHES INDUSTRY ROADMAP**. The sealed envelope must be placed in the bid box at the Main Reception area of the IDC Building, 19 Fredman Drive Sandton by no later than 12:00 noon on Tuesday, 13 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**

---

- 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**

---

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**

---

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

---

- 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

---

- 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**

---

- 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**

---

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)**

---

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 Latest Audited Financial Statement
- 12.3.9 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. An EME that has at least 75% black beneficiaries qualifies for elevation to "Level One Contributor" and an EME that has at least 51% black beneficiaries qualifies for elevation to "Level Two Contributor". 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 (12.3.1-12.3.7) must be submitted for each Consortium/ JV member or Prime Contractor and Subcontractor(s).**
- 12.3.10 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

---

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 12.3.9 & 12.3.10 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

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 2 of this RFP document) and the associated weightings will be applicable:

ELEMENT	WEIGHT
Bidder's Experience	20
Bidder's Methodology	20
Bidder's Project Plan	10

<b>ELEMENT</b>	<b>WEIGHT</b>
Experience, Skills and Qualifications of the key personnel of the audit Team	40
Skills Transfer	10
<b>TOTAL</b>	100%

**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**

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**

---

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

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

### **2. Purpose**

---

The dti wishes to appoint a service provider to develop a roadmap, for the purpose of assisting the local Electric Multiple Unit (EMU) and passenger coaches manufacturing sector in meeting the OEM technical requirements on price, quality, safety and lead times during the procurement of designated rolling stock components, by undertaking a detailed industry analysis on the rail sector. The appointed service provider shall deliver the report within agreed budget, timelines and milestones.

### **3. Background**

---

In May 2016, the Minister of Trade and Industry launched the eighth edition of the Industrial Policy Action Plan (IPAP) 2016/17 – 2018/19. IPAP recognizes the Capital and Operational Expenditure (CAPEX and OPEX) by government and agencies as an opportunity to resuscitate the local industrial capacity and capability and build new export niches through supporting high-level of local content. The IPAP re-enforces the pillars of the Supplier Development and Localisation Programme as currently committed to and implemented by State Owned Companies (SOC).

The rail sector is one of the key sectors prioritised in the IPAP with great growth potential for creation of new decent employment, innovations and business opportunities. The collaboration between Department of Trade and Industry (the dti), Department of Public Enterprise (DPE), National Treasury, SOCs and the industry at large has resulted in rail rolling stock designation in 2012. The Designation provides a framework to achieving a minimum local content threshold on different rolling stock classes i.e. diesel locomotives: 55%; Electric locomotives: 60%; Wagons: 80%; and Electric Multiple units (EMU): 65%.

In response to government target of 75% local content across government procurement, the IPAP has prioritised the continuous support and monitoring of the designated rolling stock components. Currently, a number of key rail rolling stock projects are being implemented by Passenger Rail Agency of South Africa (PRASA) and Transnet Freight

Rail (TFR). PRASA is involved with Alstom-Gibela for the design and manufacture of Electric Multiple Units (coaches) at 65% local content and TFR's 1064 locomotive programme delivered by four OEMs: General Electric & China North Rail for the manufacture and supply of 465 diesel locomotives at 55% local content; and Bombardier & China South Rail for the manufacture and supply of 599 electric locomotives at 60% local content.

In 2016, Gautrain Management Agency (GMA) issued a request for qualification (RFQ) with a minimum local content of 65% for the design, manufacture and supply of 12 four-car EMUs with a minimum of 15 years maintenance plan and associated depot infrastructure. The evaluation of RFQs is currently underway with GMA envisaging to finalise this process and issue a Request for Proposal (RFP) to qualifying bidders for the design and supply of EMU before the end of September 2016. The expected delivery schedule on this envisaged procurement is 2017-2018.

#### **4. Problem Statement**

---

The historic disinvestment in the rail industry and the challenge of balancing the government mandate meant that associated industries supplying key service in rail rolling stock sector were faced with sustainability challenges. This is as a result of lumpy, ad hoc procurement and unrealistically short delivery times often requested by SOCs and government departments during procurement processes and it undermines the sustainability of the local industry.

One of the difficulties facing local systems or component manufacturers when they try entering the supply chains of OEMs concerns the testing of components which requires huge capital outlay for product development and training costs. Within the PRASA's EMU contracts the local industry is reporting major challenges with meeting the OEM price and quality standards during the project implementation and the situation is now at the level where operational costs are unaffordable with potential to derail the localization programme.

Again, the previous procurement on EMUs by Gautrain Management Agency (GMA) has not been able to sustain the capacity and capability for local assemblers such as Union Carriage and Wagon (now CTLE) and other key suppliers of components. The inefficient low-volume and the lack of continuous orders has led to the deterioration on the investment necessary to reskill the staff, acquisition of resources and equipment. This lack has also led to the increase in import content in the sector as key components for the maintenance of the Gautrain rapid rail link system are being imported from overseas.

With the envisaged procurement of EMUs by GMA, there is an urgent need to leverage on the procurement of these EMUs and maximise local content on their associated systems and components. The aim is to create sustained local value addition, jobs and competitive industrial capacity. The value chain in these areas must therefore be revamped for the purpose of increasing the designated local content and creation of future export markets.

## 5. Objective

---

The objective of the study is to undertake an in-depth industry analysis on the rail EMU and passenger coaches sector and then develop a roadmap for the purpose of assisting the local manufacturing sector in meeting the OEM technical requirements on price, quality, safety and lead times. The study will focus on EMUs and passenger coaches as procured and operated on the PRASA and Gautrain rapid rail link network. This study will assist in the development of:

- Appropriate policy levers to integrate local industry into global value chains;
- Targeted support programmes for component manufacturers with respect to skills development around process engineering and materials

## 6. Methodology

---

- 6.1 The service provider is required to identify and use appropriate quantitative and qualitative methods, as appropriate.
- 6.2 The service provider is required to use appropriate research techniques or approaches based on the need to involve and achieve the highest participation rate possible of individual companies / industry associations into the process.
- 6.3 The service provider will also identify stakeholders to engage in the process.

## 7. Scope of Work

---

The scope of work to be undertaken during the project includes all work required to undertake the study to address price, quality, safety and lead times on the procurement of designated rolling stock components in relation to rail EMU and passenger coaches. This work must be undertaken to a level that is sufficient to determine the feasibility of each proposed solution or action plan. The following elements must be taken into consideration when undertaking the study:

- conform to the dti's Industrial Policy Framework and IPAP;
- comply with the National Treasury instruction notes on rail rolling stock sector;
- be consistent with all other government policies and initiatives;
- take into account the existing local manufacturing capacity and capability;
- the concept of sustainable development must be incorporated into all measures.

The scope of work entails the following:

### 7.1 Status Quo Analysis of the Rail EMU & Passenger Coaches Sector

- 7.1.1 Identify the role players in rail EMU and passenger coaches sector. This should include information on the followings:
  - EMUs builders: these companies are involved in the design and manufacturing of EMUs and passenger coaches

- EMU assemblers: these companies are involved in the assembly of EMUs and passenger coaches
- Component suppliers: these companies are involved in the design, engineer and manufacture of components
- Material suppliers: these companies are involved in the supply of all related material such as sheet metal, castings, plastic, etc.
- Maintenance and repair: these companies are involved in the maintenance and rebuilding of all EMUs and passenger coaches

7.1.2 Identify and analyse the role existing research and training institutions in relation to the rail EMU and passenger coaches sector. This should include their current offerings and future role that they should play to build a sustainable and competitive sector.

7.1.3 Status quo analysis on:

- general changes/trends in rail EMU and passenger coaches sector value chains
- relationship between the OEMs and various Tiers (Tier 1, 2, 3 & 4) and their integration thereof on the OEMs global value chains
- high level analysis of markets and competition in the EMU market worldwide
  - EMU inventories, projected market volumes and scheduled procurement until 2020 in key overseas markets such as Europe (UK and France) and its possible impact on SA in as far as localization is concerned
  - competition and price structure of major OEMs.
  - snapshot of global sourcing strategy of OEMs (Bombardier, Siemens and Alstom) for EMU
  - investment level in the EMU assembly industry in both developed and developing countries
- market review for merger & acquisition in the local rail EMU and passenger coaches sector
- possible division of labour between SA assemblers and international OEMs for the purpose of balancing the import- export activities and achieve high local content
- identify strength and weaknesses of the local rail EMU and passenger coaches sector
- identify opportunities and threats within the local rail EMU and passenger coaches sector

- overview of the sector in terms of manufacturing market share, sector revenue, employment and its contribution to the Gross Domestic Product of South Africa.

7.1.4 Provide a market intelligence analysis for EMU systems, sub-systems and components with respect to export and import activities in key markets

## **7.2 Action Areas for the EMU Sub-sector Study**

After the status quo analysis of the rail EMU and passenger coaches sector, review of existing technical information, inputs from stakeholder meetings and project management meetings, the service provider shall develop a comprehensive report and a roadmap to address challenges faced by local industry in meeting the OEM technical in the production of EMUs/coaches. This will include amongst others:

- 7.2.1 Competitive pricing
- 7.2.2 Safety issues and standards
- 7.2.3 Quality issues and standards
- 7.2.4 OEM delivery lead times under different procurement volumes (low, medium or high)
- 7.2.5 Supply chain and value chain improvement
- 7.2.6 Robust skills development programme
- 7.2.7 Robust technology innovation programme

## **7.3 Implementation, Monitoring and Evaluation**

7.3.1 Following the development of the report, the study must:

- Map-out the implementation of support programme necessary to achieve the price, quality, safety and lead times in the delivery of rail EMU and passenger coaches
- Quantify the internal and external resource that are required to implement the roadmap
- Measurable Key Performance Indicators (KPIs) must be identified and included in the roadmap,
- The report must detail a roadmap for the implementation, monitoring and evaluation. The recommended timelines in the (short, medium & long term) must be clear and concise,
- The report must identify possible risks that may introduce obstacles for the effective implementation of the roadmap/plan.

An Action Plan Matrix with supporting analysis must be also submitted.



## 7.4 Stakeholder Engagement

The development of a comprehensive report must be done in consultation with all relevant sector stakeholders (direct and indirect) throughout the course of this project. The stakeholder engagements must be structured so as to invite input related to sector needs while providing context in terms of the overall dti's goals and objectives. Some of the stakeholders that must be consulted include:

- the dti internal divisions affected by the study
- Department of Public Enterprise (DPE): Transnet
- Department of Transport (DoT): PRASA
- Department of Science and Technology (DST)
- Council for Scientific and Industrial Research (CSIR)
- Rail Road Association of Southern Africa (RRA)
- Rail Safety Regulator (RSR)
- South African Bureau of Standards (SABS)
- Committee for Rail Engineering (CRE)
- Southern African Rail Association (SARA)
- South African Institute of Civil Engineering (SAICE)
- Financial houses: Industrial Development Corporation (IDC), National Empowerment Foundation (NEF), Khula, etc;
- Transport Education Training Authority (TETA)
- Engineering Council of South Africa (ECSA)
- Steel and Engineering Industries Federation of South Africa (SEIFSA)
- Manufacturing, Engineering and Related Service Sector Education Training Authority (MERSETA)
- Technology and Innovation Agency (TIA)
- Other not included

## 8. Milestone Meeting and Stakeholder Workshop

---

The initial project meeting will take place within (14) days after the signing of the Service Level Agreement (SLA) between the dti and the service provider. This will be followed by milestone meetings with the project manager once every two-three weeks to review findings and deliverables prior to the presentations at the stakeholders meeting. A minimum of once a month stakeholders' workshops are to be held at a time and location to be established in coordination with the dti project manager. The first stakeholder's workshop should be held three months after the appointment of the service provider. The workshop shall follow the completion of status quo analysis in the project scope. The purpose of the final workshop is to present the interim report and solicit final inputs.

Specific deliverables include:

- Meeting invitation/request and agenda
- Power Point presentation(s) at workshop(s)
- Minutes of all meetings, stakeholder input and information collected from one on one stakeholder engagement exercises.

## **9. Deliverables**

---

The deliverables are as follows.

- An inception report which will be presented to the dti and identified stakeholders.
- Monthly / bimonthly / quarterly progress reports
- Comprehensive final report with recommendations
- Interim report: three (3) months after appointment,
- Draft final report: six (6) months after appointment
- A workshop to present final results to the dti and key stakeholders
- Final report: recommendations, action to undertake, and expected outcomes, impacts and sustainability nine (9) months after appointment
- All minutes with stakeholders submitted seven (7) days after the meeting and the service provider will take minutes in all meetings.

## **10. Submission of the Final Report**

---

The final report will be submitted in the following format:

- Final report with notes of the methodology used
- Executive summary in Word
- Power Point presentation of the report
- 4 hard copies of the final report in color must be submitted in PDF and MS Word format.
- 4 copies of CD version of the Executive Summary and final report

## **11. Contract Period**

---

The appointment of service provider for the project will be for a period of nine (9) months from the date of signing the service level agreement, although the dti reserves the right to suspend or terminate the project, or parts thereof, at any stage of the project.

**12. Technical Evaluation Criteria**

---

**12.1 Other 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.

<b>12.1.1 BIDDER'S EXPERIENCE IN DEVELOPING INDUSTRY ROAD MAPS, COLLECTION AND PROCESSING OF ECONOMIC AND SECTOR DATA.</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder must demonstrate relevant experience in the development of industry road-maps, collection and processing of economic and sector data.</p> <p>The bidder must provide three (3) relevant contactable references of work done in development of industry road-maps and/or strategies, collection and processing of economic and sector data in the past 5 (five) years. Please refer to <b>Table (a) of Annexure 5</b> of this document for the format in which the required information must be provided.</p>			
<p><b>Substantiate/ Comment</b></p>			

<b>12.1.2 BIDDER'S KNOWLEDGE AND EXPERIENCE IN INDUSTRIAL POLICY</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder must demonstrate in-depth experience of Industrial Policy.</p> <p>The bidder must provide three (3) relevant contactable references of any work done for government or public entity involving industrial policy in the past 5 (five) years. Please refer to <b>Table (b) of Annexure 5</b> of this document for the format in which the required information must be provided.</p>			
<p><b>Substantiate/ Comment</b></p>			

<b>12.1.3 BIDDER'S PROPOSED METHODOLOGY</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder must demonstrate thorough understanding of the objectives and deliverables of this project.</p> <p>The bidder must outline, explain the methodology that will be used to conduct the study to develop the Industry Roadmap. The methodology must be in accordance with generally accepted research practices and demonstrate a sound understanding of the scope of work.</p>			
<b>Substantiate/ Comment</b>			

<b>12.1.4 BIDDER'S PROJECT PLAN</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder must also submit as part of its proposal a project plan outlining the following and any other project deliverables:</p> <ul style="list-style-type: none"> <li>• An inception report which will be presented to the dti and identified stakeholders.</li> <li>• Monthly / bi-monthly / quarterly progress reports</li> <li>• Comprehensive final report with recommendations</li> <li>• Interim report: three (3) months after appointment,</li> <li>• Draft final report: six (6) months after appointment</li> <li>• A workshop to present final results to the dti and key stakeholders</li> <li>• Final report: recommendations, action to undertake, and expected outcomes, impacts and sustainability nine (9) months after appointment</li> </ul>			
<b>Substantiate/ Comment</b>			

<b>12.1.5 SKILLS AND QUALIFICATIONS OF THE PROPOSED PROJECT TEAM</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder's proposed project team must have the following skills, qualifications and experience:</p> <ul style="list-style-type: none"> <li>• The project team members - must have extensive experience in the rail rolling stock and related services, this will include amongst others engineering, manufacturing, procurement and the maintenance environment. Each team member must have a minimum of</li> </ul>			

<p>seven (7) years working experience in the sector.</p> <ul style="list-style-type: none"> <li>• The project team must have an in-depth knowledge of the sector supply and value chain processes.</li> <li>• The overall project leader - must be equipped and experienced with the local and international rail rolling stock manufacturing sector. He or she must have a minimum fifteen (15) years working experience in the rail rolling stock sector.</li> <li>• Other team members should be in possession of at least a master's degree in economics/ statistics/ econometrics or equivalent.</li> <li>• Education qualifications of the projects leaders and key team members must be provided as part of the bidding process.</li> <li>• The team must have experience in project and stakeholder engagement.</li> <li>• Clear understanding of the dti objectives and its role and focus on human capital development;</li> <li>• Demonstrate ability in stakeholder mobilisation and management, including mediation by referring to projects reports written and presentations conducted by the company (team).</li> </ul> <p>The bidders must submit, as part of its proposal, the following:</p> <ul style="list-style-type: none"> <li>• The structure and composition of the proposed team, clearly outlining the main disciplines/ specialties of this project and the key personnel responsible for each specialty.</li> <li>• CVs of the key personnel; and the CVs must clearly highlight the areas of experience/ competence relevant to the tasks and objectives of the assignment as outlined above. Certified copies of the qualifications of the bidders and their team members must be included as proof and foreign acquired qualifications should be endorsed by the South African Qualifications Authority (SAQA) before they can be considered.</li> </ul>			
<p><b>Substantiate/ Comment</b></p>			

<b>12.1.6 SKILLS TRANSFER PROPOSAL</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidders are required to submit together with their proposal a skills-transfer plan outlining how the bidder will transfer skills to a minimum of three (3) <b>dti</b> officials. The proposal should at least indicate the following:</p> <ul style="list-style-type: none"> <li>• General details of the skills transfer/ skills development programme to be offered e.g. content of training, medium of training, is the accredited or not, etc.;</li> <li>• Applicable timelines for training or transfer of skill.</li> </ul>			
<p><b>Substantiate/ Comment</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
<i>If yes, the bidder must indicate CLEARLY which portion of the bid price is linked to the exchange rate:</i>		

6

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

7

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

### 8 COSTING MODEL

Activity/ Deliverable	Resource(s)	Rate/Hour per resource	Number of hours	Cost (VAT Excl.)
Inception/Project Scoping				
<b>Status Quo Analysis of the Rail EMU &amp; Passenger Coaches Sector</b>				



<b>Action Areas for the EMU Sub-sector Study</b>				
<b>Implementation, Monitoring and Evaluation</b>				
<b>Stakeholder Engagement</b>				
<b>Skill Transfer to two (2) dti officials</b>				
<b>Other Costs</b>				
Disbursements				
<b>Total Bid Price (VAT Excl.)</b>				

**Notes on pricing:**

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

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

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. **T15/08/16**, the General Conditions, and all other Annexures to the RFP Document, we offer to develop a local rail electric multiple units/passenger coaches' industry roadmap 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

<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>	
<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>If Individual Bidder:</b>	
Fax Number	
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

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

[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 current and past experience in Industrial Policies (Please refer to par 12.1.2 of Section 2 of this RFP document):**

Client' Name	Project Cost	Project period		Please provide a description of the research project conducted	List the Industrial Policy involved in the project	Name, title and telephone contact of client
		Start Date	End Date			

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

Name	Position	Role / Duties in this Project	Team Members Experience Relevant to this Project	
			Past Project description, Client Assisted, Project period	Project Cost