



**T02/02/17**

**SUPPLY AND MAINTENANCE OF A  
CONVERGED VOICE, VIDEO AND DATA  
MPLS NETWORK**

**BID CLOSING DATE: MONDAY, 20  
FEBRUARY 2017 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 13 February 2017**.
- 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, **T02/02/17: Supply and Maintenance of a Converged Voice, Video and Data MPLS Network**. 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 **Monday, 20 February 2017**.
- 4.2 Bids must be submitted in the prescribed response format, herein reflected as **Response Format**.
- 4.3 The bid closing date, bidder name and the return address must also be endorsed on the envelope.
- 4.4 If a courier service company is being used for delivery of the bid response, the bid description must be endorsed on the delivery note/courier packaging and the courier must ensure that documents are placed / deposited into the bid box. **The IDC will not**

**be held responsible for any delays where bid documents are handed to the IDC Receptionist.**

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

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

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- 5.1 All the documentation submitted in response to this RFP must be in English.
- 5.2 The bidder is responsible for all the costs that it shall incur related to the preparation and submission of the bid document.
- 5.3 Bids submitted by bidders which are, or are comprised of companies must be signed by a person or persons duly authorised thereto by a resolution of the applicable Board of Directors, a copy of which Resolution, duly certified, must be submitted with the bid.
- 5.4 The bidder should check the numbers of the pages of its bid to satisfy itself that none are missing or duplicated. No liability will be accepted by IDC in regard to anything arising from the fact that pages of a bid are missing or duplicated.
- 5.5 A valid tax clearance certificate must be included in the bid response, or proof of application endorsed by SARS in this regard.

## **6. Supplier Performance Management**

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

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

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

## **7. Supplier Development**

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

## 8. IDC's Rights

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

## 9. Undertakings by the Bidder

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- 9.1 By submitting a bid in response to the RFP, the bidder will be taken to offer to render all or any of the services described in the bid response submitted by it to the IDC on the terms and conditions and in accordance with the specifications stipulated in this RFP document.
- 9.2 The bidder shall prepare for a possible presentation should IDC require such and the bidder 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 the RFP and calculated from the bid closing hour and date such offer and its acceptance shall be subject to the terms and conditions contained in this RFP document read with the bid.
- 9.4 The bidder furthermore confirms that he/she has satisfied himself/herself as to the correctness and validity of his/her bid response; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid response documents; and that the price(s) and rate(s) cover all his/her obligations under a resulting contract for the services contemplated in this RFP; and that he/she accepts that any mistakes regarding price(s) and calculations will be at his/her risk.

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

## 10. Reasons for disqualification

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

## 11. Local Production and Content

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

## 12. Response Format (Returnable Schedules)

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

- 12.1 **Cover Page:** (the cover page must clearly indicate the RFP reference number, bid description and the bidder's name)
- 12.2 **Schedule 1:**
- 12.2.1 Executive Summary (explaining how you understand the requirements of this RFP and the summary of your proposed solution)
  - 12.2.2 Annexure 1 of this RFP document (duly completed and signed)
- 12.3 **Schedule 2**

- 12.3.1 Original and valid Tax Clearance Certificate(s) (TCC);
- 12.3.2 Originally certified copies of bidder's CIPC company registration documents listing all members with percentages, in case of a CC.
- 12.3.3 Copy of Board Resolution, duly certified;
- 12.3.4 Originally certified copy of ID document for the Company Representative
- 12.3.5 Annexure 2 of this RFP document (duly completed and signed);
- 12.3.6 Annexure 3 of this RFP document (duly completed and signed);
- 12.3.7 Annexure 4 of this RFP document (duly completed and signed);
- 12.3.8 Latest Audited Financial Statement
- 12.3.9 Response to Annexure 6: BEE Commitment Plan
- 12.3.10 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).**
- 12.3.11 Copy of Joint Venture/ Consortium/ Subcontracting Agreement duly signed by all parties (if applicable)
- 12.4 Schedule 3: Must be submitted in a separate envelope within the sealed envelope of the bid)**
- 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
- 12.4.3 Annexure 7 of this RFP document, duly completed and signed
- 12.5 Schedule 4: Price Proposal (response to Section 3 of this RFP document) (Must be submitted in a separate envelope within the sealed envelope of the bid)**
- 12.6 One (1) CD with all Schedules listed above, also included in the sealed envelope of the bid**



## 13. Evaluation Criteria and Weightings

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Bids shall be evaluated in terms of the following process:

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

- Submission of a valid Tax Clearance Certificate as referenced in 12.3.1 above
- Submission of Company Registration Forms as referenced 12.3.2 above
- Submission of ID copy for the Company Representative as referenced in 12.3.3 above
- BEE Status Certification as referenced in 12.3.10 above
- Completion of all Standard Bidding Documents and other requirements, as reflected in this RFP, which covers the following:
  - Section 2: Statement of compliance with the Functional Evaluation Criteria for this RFP
  - Section 3: Cost Proposal and Price Declaration Form
  - Annexure 1: Acceptance of Bid Conditions
  - Annexure 2: Supply Chain Management Questionnaire
  - Annexure 3: Declaration of Interest
  - Annexure 4: Shareholders' Information/ Group Structure
  - Annexure 5: Bidders Experience & Project Team
  - Annexure 6: BEE Commitment Plan
  - Annexure 7: Declaration Form for Local Content

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 Mandatory Functional/ Technical Requirements**

All bid responses that do not meet the Mandatory Functional Requirements may lead to disqualification, and may not be considered for further evaluation on the Other Functional Requirements. The Mandatory Functional Requirements are stated in section 2 of this RFP document.

Failure to comply with the Mandatory Functional Requirements assessed in phase 2 may lead to disqualification of bids.

### 13.2.2 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:

<b>ELEMENT</b>	<b>WEIGHT</b>
BIDDER'S EXPERIENCE	20%
QOS (QUALITY OF SERVICE)	15%
MPLS POP	10%
FULL MESH MPLS VPV	10%
MONITORING AND REPORTING	15%
CALL LOGGING AND TROUBLESHOOTING	10%
SERVICE LEVEL AGREEMENT (SLA)	20%
<b>TOTAL</b>	<b>100%</b>

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

### 13.3 Phase 3: Preference Point System

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

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

## 14. Promotion of Emerging Black owned Service Providers

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

- 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 IDC currently has an MPLS (Multi-Protocol Label Switching) VPN (Virtual Private Network), for connecting the IDC regional offices to the IDC Head Office. The IDC regional offices are located in each province in South Africa, in the following cities (Cape Town, East London, Durban, Bloemfontein, Kimberly, Rustenburg, Polokwane, Mbombela, Pietermaritzburg, Brits, Mahikeng, Port Elizabeth, Umtata, Upington).

The IDC wishes to partner with a competent and experienced Service Provider for the installation of a converged voice, video and data MPLS network, between its Head Office in Sandton, and 14 Regional Office sites across South Africa.

The IDC requires that all last mile connectivity be delivered over fiber. The IDC will consider connectivity over Radio Frequency (RF) in extreme cases, but copper connectivity is not an option.

The table below shows the details of IDC offices:

Table 1

Site Number	Site	Address	Bandwidth in Mbps
1	Head Office	19 Fredman Drive, Sandown, Sandton, 2146	56
2	East London	2nd Floor Block B, Chesswood Office Park, 8 Winkley Street, Berea, East London	4
3	Port Elizabeth	Southern Life Gardens, Block A (Ground), 70 2nd Avenue, Newton Park, Port Elizabeth	4
4	Bloemfontein	Mazars Building, 46, 1st Avenue, Westdene, Bloemfontein	4

Site Number	Site	Address	Bandwidth in Mbps
5	Durban	Suite 2101, 21st Floor, The Embassy Building, 199 Anton Lembede Street, Durban.	4
6	Pietermaritzburg	1st Floor ABSA Building, 15 Chatterton Road, Pietermaritzburg.	4
7	Polokwane	Suite 18, Biccard Office Park, 43 Biccard Street	4
8	Mbombela	The Maxsa Building, Suite 702, 7th Floor, 15 Ferreira Street, Mbombela, 1200	4
9	Kimberly	Sanlam Business Complex, 13 Bishops Avenue, Kimberley, 8301	4
10	Upington	De Drift Plaza, Block 6, Olyvenhoutsdrift Settlement, Louisvale Avenue, Upington, 8800	4
11	Brits	Suite 108, Safari Centre, 28 Van Velden Street, Brits	4
12	Mahikeng	1B Mikro Plaza, cnr First Street/Bessemer Street, Industrial Sites Mahikeng	4
13	Rustenburg	1st Floor, Sunetco Building, 32B Heystek Street, Rustenburg.	4
14	Cape Town	2817, 28th Floor ABSA Centre, 2 Riebeeck Street, Cape Town	4
15	Umtata	7 Sisson Street, Umtata	4

**Note: the total number of sites is subject to change (increase or decrease) based on the business requirements.**

### 3. Scope of Work & Technical Requirements

The appointed service provider must provide the network that must include, but not limited to, the following:

- Managed MPLS VPN Connectivity on service provider's fiber infrastructure with Bandwidth = 4 Mbps- Last mile on Fiber/wireless for regional offices
- Bandwidth = 56 Mbps- Last mile only on Fiber for head office.
- Implementation of IP based Wide Area Network (WAN) connecting IDC Head Office, and Branches/Office including provisioning, installing, commissioning, integration, testing, acceptance and maintenance of required MPLS VPN links;
- Efficient Quality of Service (QoS) from the IDC regional office, through the service provider network, to the IDC Head Office;
- The QoS must be flexible such that if there is no voice/video traffic, data can use all the available bandwidth in the network;
- The Network should have safeguards and security against unauthorized access, tapping and sniffing of data on the WAN
- MPLS should have ability to access a Multiparty Video Conference system.
- Solution should be scalable;

- The solution must be flexible for downgrade, upgrade and cancellation of sites as and when business requirements dictate;
- The proposed technology must be reviewed every 12 (twelve) months so as to align the proposed technology with the latest technology trends in the market;
- The bidder shall also indicate the site preparation requirements for installation in terms of the size and weight of the System/sub-system (space required), operating temperature and relative humidity, dust level, requirement of air-conditioner, power requirement (stabilizer, UPS), electrical grounding (earthing), grouting requirement, floor/ceiling type, requirement of false floor/ceiling, etc., separately for each equipment. Load on power and heat dissipation for each of the equipment shall also be mentioned. The selected Bidder shall submit the document regarding site preparation requirements. The bidder shall be responsible for checking whether the site is made ready as per the requirements before installing and commissioning links. The IDC's deliverable specifically includes supply of UPS, Earthing, and providing space for keeping the equipment related to establishing links. The IDC shall provide building earthing for commissioning of Network / Telecom devices. However, if the bidder warrants separate earthing for the devices, it should be arranged by the bidder and it is the bidder's responsibility to get the clearance from the concerned authorities;
- The selected bidder should carry out all civil works if any related to the installation & commissioning of the links. In case any damage to IDC's property / third party property during execution of the work or subsequently, the bidder has to replace /make good the damaged property at its own cost and pay compensation if any.
- Ownership, maintenance and upkeep of the equipment are the bidder's responsibility and IDC will not be responsible for any damage to bidder equipment due to voltage fluctuation, surge, earthing issues etc. The bidder also has to arrange for the necessary insurance for the equipment installed at IDC's premises at no cost to IDC. Replacement of faulty equipment/ rectification of the same are under the scope of the bidder and the same has to be provided at no extra cost to the IDC;
- The upgrade of the Hardware/Software/firmware for the equipment provided by the bidder as a part of solution to this RFP is the responsibility of the bidder and the same should be done at no additional cost to the IDC so as to meet all the terms and conditions of this RFP. Any vulnerability identified in the equipment provided should be patched by the bidder.
- Maintaining the availability of end-to-end Connectivity in line with the terms and conditions of Service Level Agreement (SLA);
- The bidder must provide link status, uptime, downtime, capacity, utilization and other parameters through a web portal or any licensed application to the IDC on real/near real time basis. However, the IDC can also deploy its own tool to monitor the links and the bidder must agree to the status reports generated from these tools;
- Monthly report (on daily traffic analysis) for each link separately.
- Monthly report (on performance indicators as per SLA) for each link.
- Detailed report for preventive maintenance (quarterly) for each link.
- Detailed report of call lodged for rectification (quarterly) for each link.

- ROOT CAUSE ANALYSIS for all performance and availability problem that occur. Formal root cause analysis should be delivered within five days of problem occurrence, including explanation of the root cause
- Action plan to prevent re-occurrence, with project plan / tasks required and timing for each major milestone of the correction effort, and identification of the IDC's responsibilities in the correction process
- The following tasks are required to be carried out by the selected bidder for ensuring maximum uptime as part of the project.
  - The supplier shall provide maintenance services during the period of contract as per standards defined in this RFP.
  - Overall maintenance of links and related equipment.
  - Checking network status and taking remedial action in case of problems.
  - Providing all the required links network reports as and when required by the IDC.
  - The supplier shall conduct preventive maintenance including inspection, testing, and satisfactory execution of all diagnostics in addition to the normal maintenance required.
  - Troubleshooting / repair /restoration of all supplied networking equipment and other components (if any).
  - Reconfiguration which includes de-installation/re-installation/shifting of links in case the situation demands.
  - Performance tuning.
- The bidder's network infrastructure should be compatible to migrate to 1Pv6 as and when required by the IDC without additional cost to the IDC. The MPLS links provided by the bidder should support IPv6 and all other devices supplied by the bidder to commission the link should be IPv6 compliant.
- The selected bidder is bound to demonstrate the performance of all the links, as required by the IDC during commissioning of the links and during the service period of the links.
- The Bidder shall provide all required equipment and services, whether or not explicitly mentioned in this RFP to ensure the intent of specification, completeness, operability, maintainability and upgradeability of the solution.
- Any of the IDC's network segments should be reachable directly from any other IDC's location through the bidder's MPLS cloud, via the shortest path within the service provider's network, without reaching the IDC's Data Centre (DC) as the case may be.
- Service Provider should have full-fledged "Network Management Centre /Network Operating Centre (NMC/NOC)", round the clock (24x7x365 basis) manned by skilled technical manpower, for the efficient centralised remote monitoring, configuration, diagnose, troubleshooting and performance management of backbone network and last mile network over which the connectivity for IDC shall be provisioned.
- The bidder shall arrange required Right of way permission from local Municipals/authorized agency for road cutting, digging, laying Fibre etc., Bidder shall produce such permission copy from these agencies, if IDC requires.
- The selected Bidder shall take all steps to ensure safety of their and the IDC's personnel during execution of the contract and also be liable for any consequences

due to omission or act of the selected bidder or their sub-vendors. The bidder shall also ensure cleanliness of the site (work area) during execution of the contract.

- In case, at any point of time IDC shifts its DC, Branches/Offices from the existing location/premises to new location/premises, the service provider has to co-ordinate with the IDC for shifting of their MPLS Links to the new location. If the existing Last Mile technology is not feasible at the new location, the bidder should provide equivalent or better reliable connectivity without compromising the SLA and Security.
- Service provider's MPLS VPN network should be fully isolated from Internet traffic even if running on the same core/backbone. It is desired that same Provider Edge (PE) Router does not run both customer MPLS VPN traffic and Internet traffic. The MPLS-VPN network offered to the IDC should not carry any internet routes. Service provider has to provide network topology showing how internet is provided on MPLS cloud.
- The Bidder has to submit proof/ undertaking for providing dedicated 1:1 media for the usage by IDC, and that their MPLS VPN network is fully isolated from Internet traffic.
- The bidder should perform proactive monitor of links and proactive fault detection and management. The IDC will require SNMP (read- only) access to the bidder's CPE equipment, for proactive monitoring of the link. The required equipment supplied by the bidder under this RFP shall be maintained and monitored online by the bidder for maintaining the required SLA uptime parameters.
- **Service provider's CPE equipment must be label as per IDC office geographic location.**

**Class of Service (CoS) Allocation must be as per the table below**

**Table 2**

Site	CoS	Bandwidth in kbps	Application
Head Office	1	5376	Voice
	2	28672	Video
	3	23296	Default/data
Regional Office	1	512	Voice
	2	2048	Video
	3	1536	Default/data

#### **4. Service Level Agreement (SLA)**

##### **4.1 Calculation of Service Level Agreement**

5.1.1 Link uptime Head Office: the guaranteed Uptime of 99.9% of each circuit will be calculated separately on a monthly basis.

5.1.2 Uptime Penalty in percentage of total Monthly payment:

>=99.9	0
> 98.9 to < 99.8	10
> 97.9 to < 98.8	20



> 95.9 to < 97.8	30
> 90.9 to < 95.8	70
< 90.9	100

5.1.3 Link uptime Regional Offices: the guaranteed Uptime of 99% of each circuit will be calculated separately on a monthly basis.

5.1.4 Uptime Penalty in percentage of total Monthly payment:

>=99	0
> 98. to < 99.	10
> 97 to < 98.	20
> 95 to < 97	30
> 90 to < 95	70
< 90	100

**Note:**

- The successful bidder will enter into a contract with the IDC which shall be reviewed after the initial first six months to ensure alignment with the IDC requirements, which review shall become effective from the project sign off date, after which the contract will be reviewed based on network performance, network availability, reliability amongst others.

**5. Project Timelines**

The appointed service provider(s) will be required to start immediately after signing the Project Implementation contract. After completion of Project Implementation, a maintenance and services will be entered into for a period of three (3) years, subject to annual review of service provider’s performance. The IDC reserves the right to extend the term of appointment for a longer period but not beyond five (5) years.

**6. Technical Evaluation Criteria**

**6.1 Mandatory Technical Requirements**

The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below.

6.1.1 ICASA	Comply	Not Comply
The bidder must have a valid license to operate and provide ISP services.		
The bidder must submit a valid ICASA License Certificate as proof that they are licensed to operate and provide ISP services.		
<b>Substantiate / Comments</b>		

<b>6.1.2 Fibre back-bone</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder must have their own back-bone network on fibre. The bidder must submit their backbone network design drawing.		
<b>Substantiate / Comments</b>		

<b>6.1.3 CONNECTIVITY</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder must make sure that all regional office sites are connecting at 4 Meg speed, the Head Office at 56 Meg and the Head Office is connected via redundant fibre from different exchanges for high availability.  The bidder must provide a detailed network design drawing of their proposal, detailing the connectivity types, as well as specifying the PoP each office will be connecting to.		
<b>Substantiate / Comments</b>		

<b>6.1.4 PROVISION FOR THREE CLASSES OF SERVICE</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder's solution must be able to provide three Classes of Service (CoS) i.e. voice, video and data. The bidder's network should support real time QoS/CoS for the links.  The bidder must explain how QoS will be honoured end-to-end within the MPLS network, as well as the prioritization for each class.		
<b>Substantiate / Comments</b>		

<b>6.1.5 BANDWIDTH</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder will be required to maintain and ensure guaranteed matching of the last mile bandwidth capacity within the MPLS virtual links.  The bidder must substantiate how this will be offered and guaranteed on their network.		
<b>Substantiate / Comments</b>		

<b>6.1.6 IP SCHEMA</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder must confirm that the IDC will be free to use any LAN IP schema throughout the service provider's MPLS VPN network as long as it is unique in the IDC's network. WAN IP Schema will be mutually agreed with the selected bidder.</p> <p>The bidder should be able to route IDC's LAN subnets, loopback in their MPLS cloud and supports any routing protocols (static/dynamic) preferred by the IDC.</p> <p>The bidder must explain how the above requirement will be met.</p>		
<b>Substantiate / Comments</b>		

<b>6.1.7 IPV6</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The IDC shall implement IPv6 as and when required by the IDC. The bidder must do the required migration of the network, should the need arise and devices provided, at no additional cost to the IDC</p> <p>The bidder must explain the process that needs to be followed to achieve the above requirement</p>		
<b>Substantiate / Comments</b>		

<b>6.1.8 NETWORK TOPOLOGY</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder's MPLS VPN network should be fully isolated from Internet traffic even if running on the same core/backbone. It is desired that same PE Router does not run both customer MPLS VPN traffic and Internet traffic. The MPLS VPN network offered to the IDC should not carry any internet routes.</p> <p>The bidder must provide network topology showing how the MPLS cloud is separated from Internet traffic</p>		
<b>Substantiate / Comments</b>		

<b>6.1.9 NETWORK SECURITY</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The Network should have safeguards and security against attacks (flooding, man in the middle, Denial of Service, etc.), unauthorized access, tapping and sniffing of data on the WAN.</p> <p>The bidder must indicate how this requirement will be fulfilled,</p>		
<p><b>Substantiate / Comments</b></p>		

## 6.2 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.

6.2.1 BIDDER'S EXPERIENCE	Comply	Partially Comply	Not Comply
<p>The bidder must demonstrate relevant experience in provisioning of MPLS VPN services.</p> <p>The bidder must provide three (3) relevant contactable references of customers where MPLS VPN services are currently used in different provinces (confidentiality will be maintained). 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>Please note : Only MPLS VPN clients</b></p>			
<p><b>Substantiate / Comments</b></p>			

6.2.2 QOS (QUALITY OF SERVICE)				
The bidder must provide a detailed proposal of how the following requirements will be achieved.	Comply	Partial	Non Comply	Substantiation
<p>a) The bidder Must be capable of provisioning efficient Quality of Service (QoS) on their network. The QoS must be flexible such that if there is no voice/video traffic, data can use all available bandwidth.</p>				
<p>b) The bidder will be required to implement, monitor and manage Quality of Service (QoS) for the IDC. Based on this requirement the bidder must have QoS architecture that provides end-to-end guarantees for each class of service.</p> <p>The bidder will, in consultation with the IDC, develop a QoS strategy, policy, and standard and implementation plan</p>				

6.2.3 FULL MESH MPLS VPN	Comply	Partially Comply	Not Comply
<p>Any of the IDC's network segments should be reachable directly from any other IDC's location through the bidder's MPLS cloud, via the shortest path within the service provider's network, without reaching the IDC's Data Centre (DC) as the case may be.</p> <p>The bidder must substantiate on how this requirement will be met</p>			
<b>Substantiate / Comments</b>			

6.2.4 MONITORING AND REPORTING				
The bidder must provide a detailed proposal of how the following requirements will be achieved.	Comply	Partial	Non Comply	Substantiation
<p>a) The bidder must provide Web Portal with log on through credentials and view health of the links to monitor SLA parameters link status, uptime, downtime, capacity, utilization, traffic analysis, QoS graphs, and other parameters through a web portal to the IDC on real time basis. SNMP (read-only) access to monitor the link shall be provided by the Service Provider on CPE routers.</p> <p>The bidder must substantiate on how this requirement will be met and provide print screens of the web portal, samples of utilization graphs and sample reports on real time.</p>				
<p>b) The bidder will be required to monitor the performance of the network in terms of the following views using their own tools. Please elaborate how this will be done:</p> <ul style="list-style-type: none"> <li>• Availability (Routers, Last Mile Connectivity; MPLS Connectivity);</li> <li>• Reachability / Accessibility (Routers and Last Mile Connectivity); and</li> <li>• Utilisation against Capacity (from site router to final point of the MPLS destination);</li> </ul>				

6.2.5 CALL LOGGING AND TROUBLESHOOTING	Comply	Partially Comply	Not Comply
<p>The bidder should have full-fledged "Network Management Centre /Network Operating Centre (NMC/NOC)", round the clock (24x7x365 basis) manned by <b>skilled technical</b> manpower, for the efficient centralised remote monitoring, configuration, diagnose, troubleshooting and performance management of backbone network and last mile network over which the connectivity for IDC shall be provisioned.</p> <p>Bidder must substantiate on how the required will be met including the process thereof.</p>			
<b>Substantiate / Comments</b>			

6.2.6	SERVICE LEVEL AGREEMENT (SLA)	Comply	Partially Comply	Not Comply	Bidder's proposed SLA
6.2.6.1	The bidder must provide monthly uptime of 99.9% for IDC Sandton Link on 24x7x365 basis				
6.2.6.2	The bidder must provide monthly uptime of 99.0 % for Links on Regional Office locations				
6.2.6.3	<p>The bidder must make sure that the latency between any two IDC premises should be less than the following with and without load:</p> <ul style="list-style-type: none"> <li>• 40 ms - Wired Media on OFC</li> <li>• 60 ms- Wireless Solution</li> </ul> <p>The above latency will have to be demonstrated by the service provider, as and when required by the IDC, between the service provider demarcation points at each of the IDC's premises including local lead and WAN cabling.</p>				
6.2.6.4	Packet loss on each link must be – less than 1 % for wired connectivity and less 2% for all wireless connectivity				
6.2.6.5	<b>Jitter</b> Less than 25ms for real time traffic				
6.2.6.6	<p>Mean Time to Restore per incident (MTTR) must be as follows:</p> <p>&lt;= 2 hours (IDC Head Office)</p> <p>&lt;= 8 hours (IDC Regional Offices)</p>				

## **SECTION 3: PRICE PROPOSAL**



## SECTION 3: Cost Proposal

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

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

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

YES	NO
-----	----

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

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

5

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

6

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

7

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

8

The proposed bandwidth prices will be reviewed every 12 (twelve) months so as to align the prices to local bandwidth cost decreases.	Comply	Not Comply
Substantiate / Comments		

**Table A: Service Cost**

Site ID	Site	Proposed Medium and Last Mile Provider	Bandwidth Cos(1)/Cos(2)/Cos(3)	Monthly Service Fee (VAT Excl.)			Monthly Service Fee (VAT Excl.) Circuit/ link/port	Total Monthly Service Fee (VAT Excl.)	Once off Installation Fee (VAT Excl.)
				CoS (1)	CoS (2)	CoS (3)			
1	Head Office - Sandton		5376/28672//23296Kbps						
2	East London		512/2048/1536Kbps						
3	Port Elizabeth		512/2048/1536Kbps						
4	Bloemfontein		512/2048/1536Kbps						
5	Durban		512/2048/1536Kbps						
6	Pietermaritzburg		512/2048/1536Kbps						
7	Polokwane		512/2048/1536Kbps						
8	Mbombela		512/2048/1536Kbps						
9	Kimberly		512/2048/1536Kbps						
10	Upington		512/2048/1536Kbps						
11	Brits		512/2048/1536Kbps						
12	Mahikeng		512/2048/1536Kbps						
13	Rustenburg		512/2048/1536Kbps						
14	Cape Town		512/2048/1536Kbps						
15	Umtata		512/2048/1536Kbps						
<b>Total Cost (VAT Excl.)</b>									

**Note: Installation cost must be inclusive of all related cost e.g. labour, consumables and disbursements.**

**Table B: Managed CPE**

Device	Quantity	Monthly Fee (VAT Excl.)	Once-off Installation (VAT Excl.)
<b>Total Cost (VAT Excl.)</b>			

Note: The bidder cost shall be inclusive of all required equipment and services, whether or not explicitly mentioned in this RFP, to ensure the intent of specification, completeness, operability, maintainability and upgradability of the network.

**Table C: Cost Summary**

Activity/ Deliverable		Total Cost (VAT Excl.)
Service Cost	Total Monthly Fee	
	Total Once-off Installation	
CPE Cost	Total Monthly Fee	
	Total Once-off Installation	
Total Cost (VAT Excl.)Year 1		
Total Cost (VAT Excl.) Year 2		
Total Cost (VAT Excl.) Year 3		
Total Bid Price (VAT Excl.) for 36 Months		

**Price Declaration Form**

Dear Sir,

Having read through and examined the Request For Proposal (RFP) Document, RFP no. **T02/02/17**, the General Conditions, and all other Annexures to the RFP Document, we offer for the Supply and Maintenance of a Converged Voice, Video and Data MPLS Network to the IDC 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>	
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 - 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.

<sup>2</sup>“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 **YES / NO**  
presently employed by the state?

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 **YES / NO**  
the appropriate authority to undertake remunerative  
work outside employment in the public sector?

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

(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 **YES /**  
**NO**  
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?

2.9.1 If so, furnish particulars.

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

2.10 Are you, or any person connected with the bidder (i.e. shareholder, partner,  
**YES / NO**  
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?

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members  
**YES/NO**

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.

2.11.1 If so, furnish particulars:

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

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

<b>Full Name</b>	<b>Identity Number</b>	<b>Personal Tax Reference Number</b>	<b>State Employee Number / Persal Number</b>

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



## **Annexure 6 – 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 7 – Local Production and Content**

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SBD 6.2

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

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

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

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

- 2.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 2.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 2.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 2.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 2.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

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

Where

x is the imported content in Rand

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

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

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/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. Definitions

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

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

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

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

- 3.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility(close corporation, partnership or individual).

- 3.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

- 3.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 3.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 3.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.
4. **The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

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

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

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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- 4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

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

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

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

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

**LOCAL CONTENT DECLARATION**

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

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

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

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

NB

- 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.thdti.gov.za/industrial\\_development/ip.jsp](http://www.thdti.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 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

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

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

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

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

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

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

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

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

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

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



