

Tender Number: T45/11/22

Tender description: REQUEST FOR PROPOSALS TO APPOINT A PANEL OF FIRMS TO ACT AS ADVISORS FOR MERGERS AND ACQUISITIONS (SELL SIDE) TO THE IDC

Question and Answers version 1

No.	Question	Type	Answer
1	Is the sub-contractor also required to provide the documents stipulated/ referred to under section 1 points 12.3.10 - 12.3.13	Admin	Our bid document page 9 indicates that If a bidder is a Consortium, Joint Venture or Prime Contractor with Subcontractor(s), the documents listed in schedule 2, 12.3.1 to 12.3.9 must be submitted for each Consortium/ JV member or Prime Contractor and Subcontractor(s).
2	<p>The corporate finance sector is FSCA regulated, however no guidance is given on hourly rates charged for corporate finance type services. In addition, the industry practice fee construct is typified by:</p> <ol style="list-style-type: none"> 1. Retainers 2. Milestone payments; and 3. Success fees; and sometime 4. A discretionary fee <p>Therefore, work is not quoted on an hourly basis, in the ordinary course of business. In addition, the cost containment literature in the national treasury instructions make reference to schedules that lay out hourly charge out rates for various levels of professionals. The rates appear to be more closely aligned with the audit and assurance profession and scope of work, rather than corporate finance rates that reflect associated complexity and scope.</p> <p>Question Would a price proposal not conforming to the cost containment measures and hourly rate unit of measure, be automatically disqualified from the bidding process?</p>	Technical	This is a panel appointment and we requested that bidders should submit pricing in line with their technical proposals. Page 19 of the costing model further indicates that IDC reserves the right to negotiate rates with all considered bidders.
3	<p>What is the definition of 'relationship' as here mentioned: Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution?</p> <p>Is this referring to 1) family, or 2) social, or 3) business relationships?</p>	Admin	This refers to Family and close friends.
4	<p>Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?</p> <p>How do you define 'other related enterprise'?</p>	Admin	Bidders must confirm whether any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in other related businesses/enterprises.
5	In respect of the businesses proposing to be disposed of, are these portfolio companies wholly-owned subsidiary or are there other strategic partners involved? To the extent the latter, is IDC the majority sponsor in each instance?	Technical	There could be various shareholding %, i.e. minority, majority and wholly owned.
6	Are all of the businesses to be disposed of in South Africa? If not, please indicate in which countries within Rest of Africa such businesses are located?	Technical	No they are not all in South Africa. These may include: Mozambique, Malawi, Namibia, Zimbabwe, Uganda, Ghana, Ivory Coast, Tanzania, Kenya, Ethiopia
Assuming that we will be required to advise IDC in relation to Rest of Africa business disposals:			
7	will we be expected to source our own local counsel to advise on those transactions for IDC's account, or will IDC retain Rest of Africa local counsel to work on these disposals?	Technical	IDC will retain its local counsel
	will all of the businesses proposed to be disposed of by IDC be put up for sale pursuant to an auction process, or will there be bilateral transactions with pre-identified buyers?	Technical	No, its not an auction. However the IDC's investment will be advertised publicly through an expression of interest.
8	To the extent that all of the businesses being disposed of by IDC will be put up for sale pursuant to an auction process, is it intended that each prospective bidder will conduct a full due diligence or will it be expected that the IDC's advisors prepare vendor due diligence reports?	Technical	Based on the expression of interest, the interested parties may be shortlisted and then be given access to Vendor DD report / full data room
	will management be independently represented in respect of each proposed sale?	Technical	The process will be confirmed with the panel of preferred bidders.
	will the sale and purchase agreements be auction-based sale and purchase agreements to be issued to each prospective bidder?	Technical	No, only the preferred purchaser or buyer.
9	Is this a panel for financial advisory services or legal services?	Technical	This panel is for firms to act as advisors for mergers and acquisitions to the IDC and not for legal services.
10	Our entity operates as a partnership and accordingly does not have a CIPC company registration number, will this affect our bid outcome, if so how will the bid outcome be affected?	Admin	The IDC will evaluate bid responses as per criteria indicated in the bid document
11	Are we required to submit an ID copy for the lead partner only?	Admin	Refer to 13.1 and 12.3.4. of the bid document
12	Our entity exists as a partnership and accordingly does not release or publish our Audited Financials as these are highly confidential as they reflect the partners remuneration. Will an auditors report suffice?	Commercial	Refer to 12.3.13. of the bid document stated Audited financial statements is required where applicable.