SPECIAL CONDITIONS OF CONTRACT

RT15-2016

SUPPLY AND DELIVERY OF MOBILE COMMUNICATION SERVICES TO THE STATE

PERIOD

15 SEPTEMBER 2016 TO 31 AUGUST 2020

NATIONAL TREASURY
OFFICE OF THE CHIEF PROCUREMENT OFFICER

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LIST OF ACRONYMS

AO	Accounting Officer
APN	Access Point Network
AVL	Automated Vehicle Location
BAC	Bid Adjudication Committee
B-BBEE	Broad-Based Black Economic Empowerment
BEC	Bid Evaluation Committee
BEE	Black Economic Empowerment
CF	Compensation Fund
CLI	Caller Line Identification
CSV	Comma Separated Values
CUG	Closed User Group
DLP	Data Loss Prevention
EDGE	Enhanced Data for Global Evolution
EDR	Electronic Data Records
EMM	Enterprise Mobility Mobile
GB	Gigabyte
GCC	General Conditions of Contract
GPRS	General Packet Radio Service
GPS	Geographical Position System
GSM	Global System for Mobile
HD	High Definition
HSPA	High Speed Packet Access
HSDPA	High Speed Downlink Packet Access
ICASA	Independent Communications Authority of South Africa
ICT	Information Communication Technology
IECNS	Individual Electronic Communications Network Service Licence
IECS	Individual Electronic Communications Service Licence
LTE	Long Term Evolution
MB	Megabyte
MMS	Multi Media Messaging
MNO	Monitor Network Operator
Mpbs	Mega bytes per second
NT	National Treasury
OCPO	Office of the Chief Procurement Officer
OS	Operating System
PABX	Private Automatic Branch Exchange

PDF	Portable Document Format
RSA	Republic of South Africa
RFP	Request for proposal
SBD	Standard Bidding Document
SIM	Subscriber Identity Module
SLA	Service Level Agreement
SMS	Short Messaging Service
TCBD	Transversal Contract Bidding Document
USSD	Unstructured Supplementary Service Data
UCS	Unified Communication Solution
UIF	Unemployment Insurance Fund
VAT	Value- Added Tax
VOIP	Voice over Internet Protocol
VPN	Virtual Private Network
WASP	Wireless Application Service Provider
WASPA	Wireless Application Service Provider Association
WLAN	Wireless Local Area Network

SECTION A: GENERAL BID CONDITIONS

1. LEGISLATIVE AND REGULATORY FRAMEWORK

This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract will prevail.

2. STATUS OF REQUEST FOR PROPOSAL

This Request for Proposal (RFP) is an invitation for bidders to submit a proposal for the provision of the services as set out in the Terms of Reference contained herein.

No binding contract or other understanding for the supply of the Services will exist between the National Treasury (NT) and any Bidder unless and until the (NT) has executed a formal written contract with the successful Bidder/s.

3. SUBMISSION OF BIDS

3.1 Bidders are to submit bids in the following format:

Bidders must submit the bid in one (1) original hard copy format and four (4) copies (paper documents), clearly marked as “original” and “copy” and include an electronic copy for each proposal in CSV format for tabular information and PDF for any text documents on a CD/DVD to the National Treasury: Tender Information Centre by the closing date and time of the bid. All electronic data submitted must be an exact copy of the hard copy document, excluding the CSV file that must be submitted on a CD/DVD. Any discrepancies between the electronic data and the hard copy may invalidate the bid for the item in question. All CD/DVD’s should be clearly marked with the RT number and bidder’s name.

3.2 In the event that a hard copy of the bid document is not received on or before the closing date and time, the bid will be invalidated. In the case of inconsistency between the electronic and hard copy submissions, the original hard copy submission will prevail. The original hard copy of the bid response will serve as the legal bid document.

3.3 Bidders' attention is also drawn to the sequential format in which their bid documentation must be submitted as follows:

Part 1	Completed Bid documents and all bid returnables
Part 2	Technical Solution Proposal covering all elements as per Appendix A and All technical returnables
Part 3	Costing proposal/ pricing schedule
Part 4	Functionality Supporting Evidence
Part 5	All certificates, references and any other documentation

4. LATE BIDS

Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration, and where practicable, be returned unopened to the bidder.

5. COUNTER CONDITIONS

5.1 Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions by bidders may result in the invalidation of such bids.

5.2 The NT reserves the right to change any information in, or to issue any addendum to this RFP before the closing date and time. The NT and its officers, employees and advisors will not be liable in connection with either the exercise of, or failure to exercise this right.

5.3 If the NT exercises its right to change information in terms of the above clause, it may seek amended bid documents from all Bidders.

6. FRONTING

6.1 The National Treasury supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the National Treasury condemns any form of fronting.

6.2 The National Treasury, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry/investigation, the onus will be on the bidder/contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the National Treasury may have against the bidder/contractor concerned.

7. SUPPLIER DUE DILIGENCE

The State reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period.

8. COMMUNICATION AND CONFIDENTIALITY

8.1 The Chief Directorate: Transversal Contracting: Office of the Chief Procurement Officer (OCPO), National Treasury may communicate with bidders where clarity is sought after the closing date and time of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary.

8.2 Any communication to any government official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.

8.3 Whilst all due care has been taken in connection with the preparation of this RFP, the NT makes no representations or warranties that the content in this RFP or any information communicated to or provided to Bidders during the bidding process is, or will be, accurate, current or complete. The NT, and its officers, employees and advisors will not be liable with respect to any information communicated which is not accurate, current or complete.

8.4 If a Bidder finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this RFP or any other information provided by the NT (other than minor clerical matters), the Bidder must promptly notify the NT in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the NT an opportunity to consider what corrective action is necessary (if any).

8.5 Any actual discrepancy, ambiguity, error or inconsistency in this RFP or any other information provided by the NT will, if possible, be corrected and provided to all Bidders without attribution to the Bidder who provided the written notice.

8.6 All communication between the bidder and the National Treasury: Transversal Contracting Office must be done in writing.

8.7 No representations made by or on behalf of the NT in relation to this RFP will be binding on the NT unless that representation is expressly incorporated into the contract ultimately entered into between the NT and the successful Bidder.

8.8 All persons (including all Bidders) obtaining or receiving this RFP and any other information in connection with this RFP or the Tendering Process must keep the contents of the RFP and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this RFP.

9. CONTACT DETAILS

General:

Chief Directorate: Transversal Contracting: OCPO, National Treasury, Private Bag x115, Pretoria, 0001

Physical address: 240 Madiba Street, corner of Thabo Sehume and Madiba Streets, Pretoria

Bid enquiries:

Contract Manager: Ntombi Sidinile / Kwanele Mtembu

Chief Directorate: OCPO, National Treasury

Tel: (012) 315-5834 / (012) 406-9188

Fax: (012) 315 5058

E-mail: ntombi.sidinile@treasury.gov.za / Kwanele.mtembu@treasury.gov.za

SECTION B1: TERMS OF REFERENCE

10. BACKGROUND

Government is one of the single largest buyers of mobile communications services. National and Provincial Departments spend a considerable amount on mobile communications annually. Mobile communications includes cell phone voice and data subscriptions. This includes handset and device purchases, repairs, maintenance and insurance and other services/charges such as short messaging service (SMS), caller line identification, itemised billing and sim card activation fees. Spend on the commodity was R773 million for the 2012/13 year and R806 million for the 2013/14 financial years, respectively.

An analysis of various Departments was done and mainly procurement is for voice and data services, which translates into the following:

a. Various blended contracts for voice and data which includes the provision of a device
b. Various data bundles with the provision of modem devices
c. Pay as you go airtime
d. Pay as you go data
e. Laptops/Tablet devices with data bundles
f. Machine to machine communication services
g. Data messenger services
h. SMS and MMS and USSD
i. Voice Mail
j. Instant Messaging Services
k. Caller Line Identification
l. Insurance
m. Itemised billing
n. Account Management Services
o. Repairs of devices
p. Sim Card Replacements
q. Bulk messaging (SMS) services
r. International roaming facilities for users that travel abroad
s. Number portability between service providers into and out of the accounts

11. OBJECTIVE

The key objectives of this initiative are as follows:

i. Leverage the mobile communication spend across Government;
ii. Realise targeted savings based on the current spend portfolio;
iii. Create alignment in the policy instruments applied by the State in the allocation of mobile communication services to personnel within Departments;
iv. Provide Government with quality services;
v. Improve the utilisation of the technology within the State environment;
vi. Create efficiency in how Government procures the common transversal service;
vii. Lower the cost to service providers in doing business with Government to provide mobile communication services for the State;
viii. A performance partnership relationship which includes a significant level of supplier relationship management, reflecting that value will be driven by continuous development and improvement throughout the relationship; and
ix. Lower the internal administrative and back office processing costs for mobile communication services at Departments

12. TECHNICAL SOLUTION REQUIREMENT ELEMENTS

12.1 The State requires to establish strategic and long term partnership/s with suitably qualified and experienced mobile communications service provider/s.

12.2 The National Treasury requires an enterprise bundled solution for use across the 39 National Departments and the 116 Provincial Departments that would take care of all the State's voice and data requirements. The envisaged solution departs from the current manner of procurement of these services which is done using a consumer centric approach, which entails buying consumer packages, to procuring these using an enterprise centric approach, which entails buying a single solution for the State.

12.3 The enterprise solution must encompass all mobile voice, data and device solutions and services into a one Departmental subscription account.

12.4 The technical response compliance sheet is attached as Appendix A and must make provision for the following elements:

i. Enterprise Operability and Scalability
ii. Coverage and Reach Quality Requirements
iii. Enterprise Mobility Management
iv. Security
v. Devices

vi. Value Added Services

vii. Special Coverage and Reach Requirements

viii. Support

ix. Billing and Account Management

12.5 Bidders are to provide a technical proposal that meets the State's requirements. Bidders are also requested to complete Appendix A to indicate compliance or non-compliance with the bid requirements.

13. SOLUTION PHASES

It is envisaged that the process to reach an optimised solution within the State will unfold in multiple phases. The diagram below simply explains the various transitions that are required which summarises the phases involved from successful appointment of bidders to the final solution realisation and on-going refinements and improvements that will be required.

Bidders to provide a detailed proposal on the rollout methodology and plan for phases 1-3 above.

13.1 PHASE 1 – ON-BOARDING

13.1.1 The departmental appointed Service provider/s will conduct an "as-is" analysis to ascertain current packages and costs and models used by the Department to develop the cost fact file, based on 3 months past actual spend, with all supporting information to be retained and incorporated into the management reporting information for Departments and National Treasury;

13.1.2 The service provider will consult with NT regarding policy guidelines on Mobile Communications, Treasury targeted cost reduction for the period and the approved contract and working with the Department to implement the new transversal framework contract

13.1.3 The service provider provides business analytics to the Departmental account for 3 months historical data using automated tools to record, per sim/account:

i. Call volumes
ii. Call Behaviours
iii. All device data behaviours
iv. SMS, USSD and MMS usage tracking
v. Data messenger services such as bulk messaging,
vi. Machine to machine services;
vii. Devices utilised;
viii. Value added services
ix. Any other services that the service provider may deem necessary for this process;
x. All additional costs eg. CLIP, Insurance, Itemised Billing, Etc.
xi. A detailed analysis with the various departments of the information captured above to enable the streamlining and implementation of the contract as envisaged in phase 2 below.

13.2 PHASE 2 – IMPLEMENTATION

13.2.1 Apply business intelligence tools to identify cost reduction and quality upliftment opportunities

13.2.2 Bidders should indicate a detailed project plan, including savings/ costing and milestones

13.2.3 Discussions with Departmental Management and the National Treasury on analysis and proposals to reach objectives

13.2.4 Approvals for transitions to the optimised Departmental enterprise solution

13.2.5 Transition to optimised Departmental enterprise solution

13.2.5 Implement enterprise mobility management solution

13.2.7 Implement revised mobility policy and initiate change management processes.

13.3 PHASE 3 – ONGOING REFINEMENTS

13.3.1 This phase includes on-going further application of business intelligence tools to identify further cost reductions and quality improvements;

13.3.2 Benefits and State's objectives tracking;

13.3.3 Account management, billing support and Departmental support;

13.3.4 Reduction in administration and back office burden time and costs encountered by the State;

13.3.5 Departmental monthly reviews;

13.3.6 National Treasury reviews; and

13.3.7 On-going reporting and optimisation of Departmental solutions

SECTION B2: SPECIFIC BID CONDITIONS

14. DURATION OF THE CONTRACT

The State requires mobile communications services for a period of four (4) years, commencing on 15 September 2016 to 31 August 2020, in accordance with the General Conditions of Contract (GCC).

15. PARTICIPATING GOVERNMENT DEPARTMENTS

15.1 All National and Provincial Departments will participate in the Transversal Contract with effect from 15 September 2016.

15.2 The scope currently excludes the 9 Provincial Legislatures and Parliament and these Institutions can opt to participate in this agreement. This also excludes Local Government and Public Entities whom also may choose to participate in the agreement.

15.3 The number of National and Provincial Departments are subject to change, as legislation and mandates change, however the contractual agreement would still apply to all National and Provincial Departments.

16. EVALUATION PROCESS

The evaluation process comprises the following phases:

Phase I	Phase II	Phase III	Phase IV
Mandatory Bid requirements	**Mandatory Technical Requirements**	**Functionality Requirements**	**Price and B-BBEE**
Compliance with mandatory requirements	Compliance with mandatory technical requirements as per Appendix A	Bids will be evaluated in terms of functionality, closed (laboratory) demonstrations and client solution demonstrations	Bids evaluated in terms of the 90/10 preference system

16.1 Phase 1: Mandatory compliance requirements:

During this phase bidders' responses will be evaluated based on the mandatory requirements indicated hereunder. Bidders who fail to comply with all the mandatory criteria may be disqualified. The mandatory compliance requirements are as follows:

16.1.1 Valid and original tax clearance certificate

a) An original and valid Tax Clearance Certificate, issued by the South African Revenue Services, certifying that the taxes of the bidder are in order, must be submitted with the bid documents at the closing date and time of the bid.

b) In bids where Consortia/Joint Ventures/Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate and also a signed business agreement by all parties involved indicating the lead partner.

c) Copies and/or certified copies of the Tax Clearance Certificate will not be acceptable.

d) Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid.

16.1.2 Proof of Company Registration

The bidder shall submit valid proof of registration of the company with CIPC with the bid documents at the closing date and time of the bid. If by law registration with CIPC is not required, proof of ownership/shareholding must be provided.

16.1.3 Proof of Unemployment Insurance Fund (UIF) compliance

Bidders must submit a valid and current letter of good standing with the Unemployment Insurance Fund the closing date and time of the bid.

16.1.4 Proof of Compensation Fund (CF) compliance

Bidders must submit a valid and current letter of good standing with the Compensation Fund at closing date and time of the bid.

16.1.5 Coverage Declaration

All bidders should submit a declaration that they have access to a network that has the requisite coverage and quality that meets the criterion to provide services to the National and Provincial Departments of the Government of South Africa. A minimum coverage signal of EDGE is required.

16.1.6 Licensing Requirements

a) All bidders must submit valid and certified Individual Electronic Communications Service Licence (IECS) and Individual Electronic Communications Network Service Licence (IECNS), issued by the Independent Communications Authority of South Africa (ICASA), at closing date and time of bid.

b) Bidders should have a minimum of 100 000 active sim cards and provide proof thereof by closing date and time of bid.

16.1.7 Company profile

a) If a bidder is a retailer providing services on behalf of the network providers, proof from the network service provider authorizing the bidder to provide services on their behalf and that they will be producing their valid and certified Individual Electronic Communications Service Licence.

b) (IECS) and Individual Electronic Communications Network Service Licence (IECNS) licencing. The proof must be submitted with the network service provider's letterhead and be signed by an authorised person.

c) Bidders to provide a company profile illustrating experience in the mobile communications field that demonstrates corporate clients and active sim cards

16.1.8 Corporate clients reference

All bidders to provide a list of at least 3 of the bidder's corporate clients that have enterprise solutions. Detailed value proposition to be provided with details of contact reference person. The bidder should have held the account for a period of at least 12 months within the past 36 month's period. The State reserves the right to contact any of these clients.

16.1.9 State Accounts/Subscriptions Held by the Bidder

All bidders to provide a listing of all state departments and entities that they are doing business with and to provide the following information:

i. Name of Government Department/ Entity/ Municipality; Name of contact person;
ii. Master contract expiry date;
iii. Number of active sim cards;
iv. Type of subscriptions per sim;
v. Details of sim subscription package – voice minutes, data, SMS; Messenging, etc.
vi. Sim contract expiry date;
vii. Sim subscription fee including average monthly spend split as data and voice values (based on past 3 months actual spend);

viii. Indicate split billing amount where applicable and allowance/sponsored amount per sim; and

ix. Bidder should provide a consolidated electronic CSV file with all the above information.

16.1.10 Responsive Bids

Bidders must ensure their bids are responsive by completing and signing all relevant standard bidding documents (SBD). Bidders should not use corrective fluid on any documents submitted.

16.1.11 Compulsory Briefing Session

a) National Treasury, 240 Madiba Street, Pretoria.

Date: 29 February 2016:

Time: 9h30 for 10h00 seated

Venue: National Treasury, 240 Madiba Street, Room 0103, First Floor, Pretoria CBD,

This session is compulsory and will provide bidders with an opportunity to obtain clarity on certain aspects of the process as set out in this document they might have. Prospective bidders who do not attend the compulsory briefing session will not be considered for this bid.

b) The state reserves the right to answer questions at the session or to respond formally after the briefing session.

c) Bidders are encouraged to prepare questions upfront and send them to National Treasury by e-mail to Balekile.ngalo@treasury.gov.za and henriette.liebenberg@treasury.gov.za before the briefing session.

Failure to comply with the mandatory conditions as outlined above will invalidate the bid.

16.2 Phase 2: Mandatory Technical requirements:

Bidders should refer to the Appendix A: Technical Response Compliance Sheet for all the mandatory technical bid requirements and indicate compliance or non-compliance in the relevant fields. The following requirements are applicable to the technical specifications:

a) Enterprise Operability and Scalability (see element 1.1- 1.21.4 of appendix A)

b) Coverage and Reach Quality Requirements (see element 2.1-2.5 of appendix A)

c) Enterprise Mobility Management (see element 3.1-3.4 of appendix A)

d) Security (see element 4.1-4.4 of appendix A)

e) Devices (see element 5.1-5.12 of appendix A)

f) Value Added Services (see element 6.1 of appendix A)

g) Special Coverage and Reach Requirements (see element 7.1-7.11 of appendix A)

h) Support (see element 8.1-8.13 of appendix A)

i) Billing and Account Management (see element 9.1-9.11 of appendix A)

Failure to comply with the mandatory conditions as outlined above will invalidate the bid.

16.3 Phase 3: Functionality Evaluation

16.3.1 Only bidders who have complied with all mandatory requirements will be evaluated for functionality. During this phase bidders' responses will be evaluated for functionality based on achieving a minimum weight for each of the functional requirements set out hereunder. Bidders must, as part of their bid documents/ proposals, submit supportive documentation for all functionality requirements and be prepared to make a presentation and give a live demonstration as indicated on element 3 below.

16.3.2 The Bid Evaluation Committee (BEC) responsible for scoring the respective bids will evaluate and score all bids based on their submissions, presentations, demonstrations and the information provided. Bidders will not rate themselves, but need to ensure that all information required is supplied.

No	Elements	Weight	Total Scoring
1	Technical Proposal Comprising (as per Appendix A):		65
1.1	Enterprise Operability and Scalability	20	
1.2	Coverage and Reach Quality Requirements	5	
1.3	Enterprise Mobility Management	10	
1.4	Security	5	
1.5	Devices	5	
1.6	Value Added Services	5	
1.7	Special Coverage and Reach Requirements	5	
1.8	Support	5	
1.9	Billing and Account Management	5	
2.	Bidders to indicate detailed rollout methodology and plans		5
3	Benefits and cost optimisation principles linked to the technical solution proposed illustrating all unit costs and savings. Bidders to provide detailed costing proposals inclusive of cost savings to be generated by moving from individual contracts to Departmental enterprise contracts for approximately 400 000 subscriptions across the National and Provincial Government Departments.		30
	TOTAL		**100**

16.3.3 The score for functionality will be calculated as in terms of the table below where each BEC member will rate each individual criterion on the score sheet using the following value scale:

Performance	Description	Score
Excellent	Response addresses and exceeds the functionality requirements	6-10
Good	Response addresses all functionality requirements	5
Fair	Response partially addresses the functionality requirements	1-4
Non-compliant	Response did not address the functionality requirements	0

16.3.4 The value scored for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These scores will be added and expressed as a fraction of the best possible score for all criteria. The total score will be converted to a percentage and only bidders that have met or exceeded the minimum threshold of 70% for functionality will be considered for further evaluation.

16.3.5 Bidders that meet the minimum mandatory commercial and technical requirements will be required to comply with the following:
Formal notification with all the logistical arrangements will send out by the National Treasury to the qualified bidders.

i) A presentation to the BEC on the solution being offered and clarifications of the solution offering

ii) A live demonstration at the bidder's premises on how the solution will work based on a closed (laboratory) demonstration.

iii) A live demonstration in 2 Corporate Client environments that have comparative complexity to the State departments and which have at least 5 000 active sim applications.

The above will seek clarity on bids received in order to ascertain whether the bid meets the mandatory technical requirements.

Bidders should take note that the presentations and demonstrations should confirm their technical and functional evidence requirements. Should the State detect any misrepresentation thereof, the bid will be disqualified.

16.4 Phase 4: Price and preference point system evaluation

16.4.1 In terms of regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 90/10-preference point system in terms of which points are awarded to bidders on the basis of:

- The bid price (maximum 90 points)
- B-BBEE status level of contributor (maximum 10 points)

The following formula will be used to calculate the points for price:

$$Ps = 90\left(1-\frac{Pt-P\min}{P\min}\right)$$

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

A maximum of 10 points may be allocated to a bidder for attaining their B-BBEE status level of contributor in accordance with the table below:

B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-complaint contributor	0

16.4.2 Bidders are required to complete the preference claim form (SBD 6.1), and submit their original and valid B-BBEE status level verification certificate or a certified copy thereof at the closing date and time of the bid in order to claim the B-BBEE status level points.

16.4.3 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.

16.4.4 Only bidders who have completed and signed the declaration part of the preference claim form and who have submitted a B-BBEE status level certificate issued by a registered auditor, accounting officer (as contemplated in section 60(4) of the Close Corporation Act,

1984 (Act no. 69 of 1984) or an accredited verification agency will be considered for preference points.

16.4.5 Failure on the part of the bidder to comply with paragraphs 16.1.2 and 16.1.4 above will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).

16.4.6 The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.

16.4.7 The points scored will be rounded off to the nearest 2 decimals.

16.4.8 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.

16.4.9 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

16.4.10 A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

17. COSTING PROPOSAL SCENARIO

17.1 Bidders to provide detailed costing proposals inclusive of cost savings to be generated by moving from individual contracts to Departmental enterprise contracts for approximately 400 000 subscriptions across the National and Provincial Government Departments.

17.3 The onus is on the bidder to ensure that all costs are included. There will be no hidden costs. Any cost not disclosed will not be considered during evaluation, award and post award phases.

17.4 Please note that quantities are estimated in order for bidders to provide robust cost proposals.

17.5 Where costing is vague and the evaluation team is not able to evaluate the cost proposals, the bidder will be considered non-responsive and may be disqualified.

17.6 For voice costs, costing to be provided per minute, however it should be noted that the State will adopt only a per second billing method.

17.7 Bidders to provide comprehensive costing that includes all elements in total and per unit in order for these to be evaluated.

17.8 Bidders should provide total monthly costs for the above; the cost/ rate provided should incorporate all other relevant costs for an estimated 400 000 sim cards. The State departments vary in terms of requirements, demographics and staff compliments. Therefore bidders should take note that some departments' requirements will be lesser than others with regards to services.

Bidders should provide detailed unit costing for example as follows:

i. Voice Per Min/ Per Sec Billing, Data Per Mb, Sms, Other: SMS Cost, MMS Cost, USSD Cost, Data Costs per Mb, Voice Cost per minute on net (per second);etc.

ii. Voice Cost per minute (per second), Voice Cost per minute fixed line (per second), Voice Cost per minute other MNOs (per second), Data Messaging costs from machine to machine, Short messaging costs, Bulk messaging costs, In and out of bundle costs, Enterprise and CUG costing; etc.

iii. Enterprise mobility management, International roaming costs, International calling costs including service costs for staff station abroad, Illustrative device costs based on the device standards provided including both outright purchase vs monthly cross subsidised cost, Value-added-service costs that would optimise use, reduce costs, wastage and duplication, Other costs; etc.

iv. Set up and installation costs, CLIP, Itemised Billing, Caller Line Identity, Tariff Optimiser, Etc, Other Services - Management Information, Tools, Innovation costs, Etc, Software, Any related infrastructure required, Any required cloud service, Any other cost pertaining to the solution, Other Costs (Bidders to Specify) etc.

17.9 Bidders should indicate unit costs for 100 000 to 200 000 Sim Cards, 200 000 to 300 000 Sim Cards, 300 000 to 400 000 Sim Cards and 400 000 to 500 000 Sim Cards and services associated to each.

17.10 Bidders should also provide long term cost predictions for 2nd, 3rd and 4th years. The State requires an understanding cost movements over the long term. This information will not be used for evaluation or award purposes.

17.11 Bidders costing will be processed using the States' estimates as a base to determine the points scoring requirement of the 90/10 principle.

SECTION C: AWARD CONDITIONS

18. NON-COMMITMENT

18.1 The right is reserved not to accept any of the bids submitted.

18.2 The right is also reserved to withdraw or amend any of the bid conditions by notice in writing to all bidders.

19. CONTRACTING OF SERVICE PROVIDER/S FOR DEPARTMENTS

The State reserves the right to award the contract to more than one bidder, to award the contract in part or whole, to apportion the work departmentally or regionally or multiple bidders across users within a Department where solid value propositions are received or not to award a contract at all.

20. NEGOTIATIONS

The State reserves the right to negotiate with the shortlisted bidders prior to award and with the successful bidder/s post award based on market conditions.

21. CONTRACT PRICE ADJUSTMENTS

The total cost of ownership for the State in terms of mobile communications will be required to be decreased using supply and demand side measures. For the supplier side, the decrease required will be determined at contracting stage for the 2016/17 financial year and subsequent financial years.

SECTION D: POST-AWARD CONDITIONS AND CONTRACT ADMINISTRATION

22. ROLES AND RESPONSIBILITIES

22.1 Contract Administration

22.1.1 The administration and facilitation of the contract will be the responsibility of National Treasury: Transversal Contracting and all correspondence in this regard must be directed to the following address:

The Chief Directorate: Transversal Contracting, National Treasury, Private Bag X115, Pretoria, 0001

22.1.2 Contractors must advise the National Treasury immediately when unforeseeable circumstances will 2adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

22.2. Supplier Performance Management

22.2.1 Day to Day supplier performance management will be the responsibility of end-user departments and where supplier performance disputes cannot be resolved between the contractor and the relevant purchasing institution, National Treasury: Transversal Contracting must be informed for corrective action. National Treasury: Transversal Contracting, will conduct quarterly review meetings with service provider/s to discuss quality and cost savings measures.

22.2.2 A performance partnership relationship is foreseen which includes a significant level of supplier relationship management and collaborating, reflecting that value will be driven by continuous development and improvement throughout the relationship in attaining the States objectives.

23. SERVICE LEVEL AGREEMENTS

23.1 It is a condition of contract that the Master Service agreements will be signed off between the NT and successful service provider/s. refer to draft templates Appendix B and C in this regard;

23.2 The National Treasury will co-ordinate with Heads of SCM at National Departments to engage with the service provider to provide services for each Department, comprising 39 Departments;

23.3 The National Treasury via the Provincial Treasuries will co-ordinate with Provincial Departments to engage with service provider/s to provide services for each Department, comprising 116 Departments;

23.4 Bidders are requested to provide their individual service level agreements for each of their services.

24. ORDERS AND DELIVERY

24.1 Contractors should note that each individual purchasing institution is responsible for generating the order(s) as well as the payment(s) thereof. Deliveries not complying with the order forms will be returned to the contractor at the contractor's expense.

24.2 Contractors should note that the order(s) will be placed as and when required during the contract period and delivery points will be specified by the relevant purchasing institution(s).

24.3 The State reserves the right to increase or decrease quantities according to the real requirements. The quantities to be procured are not guaranteed.

24.4 The instructions appearing on the official order form regarding the supply, dispatch and submission of invoices must be strictly adhered to and under no circumstances should the contractor deviate from the orders issued by the purchasing institutions.

24.5 Delivery must be done nationally at no extra cost within 5 working days after receiving the order.

25. PRODUCT ADHERANCE/CHANGE

25.1 In the event where a bidder offers a specific product against an item and the item is subsequently awarded to the bidder, it is required of the successful bidder to continue to supply the product awarded throughout the contract period. In the event that the product is discontinued, National Treasury must be notified of such an occurrence.

25.2 If the product that was offered is discontinued by the manufacturer, a new model must be supplied to the National Treasury. An application for a model change must be submitted to NT: Transversal Contracting for approval, the product cannot be supplied before approval is given for a new/replacement.

25.3 A detailed price list detailing the cost of the product and accessories, that will be refreshed, will be supplied to the National Treasury: Transversal Contracting on a quarterly basis where technology becomes obsolete. These will be subject to approval by the National Treasury: Transversal Contracting.

26. CONFIDENTIALITY OF INFORMATION

All persons (including all Bidders) obtaining or receiving this RFP and any other information in connection with this RFP or the Bidding Process must keep the contents of the RFP and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this RFP.

27. SUPPORT

27.1 It is required that the contractor(s) should provide technical support for the duration of the contract period.

27.2 Bidders must guarantee that technical back up/support will be readily available during the contract period. The name and telephone number of contact persons should be indicated in a separate letter.

27.3 It is a condition of bid that the successful bidder must be able to provide relevant training (where necessary) on the equipment supplied within 30 days of delivery. Training should be provided at no additional cost.

28. REPORTING

All successful bidders are required to submit historical value and volume reports via e-mail on a three (3) monthly to National Treasury: Transversal Contracting and the specific user department. Electronic templates will be supplied to contractors for this purpose.

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