

REQUEST FOR QUOTATION

YOU ARE HEREBY INVITED TO SUBMIT QUOTATIONS FOR THE REQUIREMENTS OF THE DEVELOPMENT BANK OF SOUTHERN AFRICA LIMITED	
BID NUMBER:	RFQ037/2022
RFQ ISSUE DATE:	11 MAY 2022
CLOSING DATE AND TIME:	25 MAY 2022 @ 23H55
RFQ VALIDITY PERIOD	90 DAYS
DESCRIPTION	APPOINTMENT OF A FINANCIAL MODEL AUDITOR
BID SUBMISSIONS ELECTRONICALLY	1. Bidders are advised to kindly issue Tender Submission Link requests and all other enquiries to fikileSCM@dbsa.org – ONLY 2. No – Tender Submission Link requests will be accepted after 16h00 on the 20 May 2022. Any requests after the stipulated date and time will be disregarded. 3. Bidders will thereafter receive a OneDrive Link to upload their tender submission documents electronically. 4. Bidders who have received submission Links that have errors, will be provided with new Links for use.
TENDER TECHNICAL AND GENERAL QUERIES	E-mail address: fikilescm@dbsa.org and fikilem@dbsa.org
COMPLAINTS ABOUT THIS RFQ OR TENDER PROCESS	E-mail address: scmqueries@dbsa.org

Bidders must acknowledge receipt of this RFQ on the above contact details.

NB: All enquiries regarding this RFQ must be forwarded to the stated email address above within the day after the RFQ has been issued. No enquiries from bidders will be entertained after the closing date of this RFQ and during the subsequent evaluation processes. DBSA however reserves the right to clarify any information with any bidder regarding their response to this RFQ. All responses must be submitted to the above-mentioned address at the time specified.



The Development Bank of Southern Africa has a Zero Tolerance on Fraud and Corruption.
Report any incidents of Fraud and Corruption to Whistle Blowers on any of the following:

TollFree : 0800 20 49 33
Email : dbsa@whistleblowing.co.za
Free Post : Free Post KZN 665 | Musgrave | 4062
SMS : 33490

SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ORIGINAL AND VALID B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE OR ORIGINAL CERTIFIED COPY	TICK APPLICABLE BOX] ☐ Yes ☐ No		ORIGINAL B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ Yes ☐ No	
[AN ORIGINAL AND VALID B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS PLEASE COMPLETE AS PER SECTION 3 OF THE TERMS AND CONDITIONS BELOW					

TERMS AND CONDITIONS FOR BIDDING

1. RFQ SUBMISSION

- 1.1. BIDS MUST BE SUBMITTED VIA ONE DRIVE LINK. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
- 1.5. PARTICIPATION IN THE TENDER PROCESS IS SUBJECT TO COMPLIANCE WITH THE TENDER CONDITIONS CONTAINED IN THIS RFQ DOCUMENT.
- 1.6. THE SUCCESSFUL BIDDER MAY BE REQUIRED TO CONCLUDE A FORMAL WRITTEN CONTRACT WITH THE DBSA DEPENDING ON THE NATURE OF THE SERVICES TENDERED FOR.
- 1.7. IF THE BIDDER'S SUBMISSION OF A QUOTATION IS SUCCESSFUL, THE DBSA SHALL APPOINT THE BIDDER TO EXECUTE OR PROVIDE THE REQUIRED SERVICES OR GOODS. WHERE NO FORMAL WRITTEN CONTRACT IS REQUIRED TO BE CONCLUDED WITH THE SUCCESSFUL BIDDER, THE DBSA SHALL PLACE A PURCHASE ORDER WITH THE BIDDER AND THE AFORESAID GENERAL CONDITIONS OF CONTRACT SHALL APPLY TO ANY SUBSEQUENT PURCHASE ORDER. IN THE EVENT THAT A FORMAL WRITTEN CONTRACT IS REQUIRED TO BE CONCLUDED WITH THE BIDDER, THE PARTIES SHALL EXECUTE A SERVICE CONTRACT AND THEREAFTER THE DBSA SHALL PLACE A PURCHASE ORDER.
- 1.8. NO SERVICES MUST BE RENDERED OR GOODS DELIVERED BEFORE AN OFFICIAL DBSA APPOINTMENT LETTER HAS BEEN ISSUED, A SERVICE CONTRACT SIGNED WHERE APPLICABLE, AND A PURCHASE ORDER HAS BEEN RECEIVED BY THE SUPPLIER.
- 1.9. LATE AND INCOMPLETE SUBMISSIONS WILL NOT BE ACCEPTED.
- 1.10. ANY BIDDER WHO HAS REASONS TO BELIEVE THAT THE RFQ SPECIFICATION IS BASED ON ANY SPECIFIC BRAND MUST INFORM DBSA IN WRITING BEFORE THE RFQ CLOSING DATE. IT SHOULD HOWEVER, BE NOTED THAT DBSA RESERVES THE RIGHT TO ISSUE BRAND SPECIFIC SPECIFICATIONS "EQUIVALENT" / REQUIREMENTS TENDER.
- 1.11. BIDDERS ARE REQUIRED TO COMPLETE ANNEXURE B FOR ALL PRICE QUOTATIONS EXCEEDING THE VALUE OF R30 000 (VAT INCLUDED) AND ATTACH TO THE FUNCTIONAL/TECHNICAL PROPOSAL WHERE THE TENDERING PROCESS WILL USE A ONE ENVELOPE SYSTEM.
- 1.12. BIDDERS ARE ALSO REQUIRED TO COMPLETE AND SIGN ALL DECLARATIONS AS PART OF THE

RFQ DOCUMENTATION PACK THE STANDARD BIDDING DOCUMENTS (SBD) PRESCRIBED BY THE NATIONAL TREASURY ATTACHED AS ANNEXURE C.

- 1.13. THE SUCCESSFUL BIDDER WILL BE THE BIDDER THAT SCORES THE HIGHEST NUMBER OF POINTS IN THE PRICE AND PREFERENCE EVALUATION, UNLESS THE DBSA EXERCISES ITS RIGHT TO CANCEL THE RFP, IN LINE WITH THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.
- 1.14. ALL PRICES MUST BE QUOTED IN SOUTH AFRICAN RAND (ZAR)
- 1.15. THE COST OF MARKETING AND ADVERTISING, AND OTHER CHARGES MUST BE INCLUDED IN THE TOTAL PRICE QUOTED, IF THESE ITEMS ARE REQUESTED AS PART OF THE DBSA COST TEMPLATE / MODEL OF THIS RFQ. BIDDERS SHOULD UNDER NO CIRCUMSTANCES INCLUDE ANY ADDITIONAL COST ELEMENTS WHICH HAVE NOT SPECIFICALLY BEEN REQUESTED FOR AS PART OF THIS RFQ. IF ADDITIONAL ITEMS ARE SUGGESTED BY ANY BIDDER, THEN THESE ITEMS MUST BE SEPARATELY SPECIFIED WITH A CLEAR MOTIVATION OF WHY THESE ADDITIONAL ITEMS MAY BE REQUIRED. IT SHOULD ALSO BE FURTHER STATED WHETHER THE WORKABILITY OF THE SOLUTION PROPOSED IS DEPENDENT ON SUCH ADDITIONAL ITEMS OR NOT.
- 1.16. BIDDERS ARE ALSO REQUESTED TO SEPARATELY PROVIDE A DETAILED COST BREAKDOWN OF ALL ITEMS TO BE PROVIDED AS PART OF THEIR RESPONSE TO THIS RFQ, WHICH CLEARLY DEPICTS THE ITEM DESCRIPTION (BRAND NAME, PRODUCT CODE) AND ASSOCIATED QUANTITIES. FAILURE TO PROVIDE THIS INFORMATION WILL INVALIDATE THE RFQ RESPONSE ON THE BASIS OF INCOMPLETENESS. THE TOTAL COST OF THE RFQ RESPONSE BASED ON THE DBSA COST TEMPLATE / MODEL SHOULD EXACTLY MATCH THE TOTAL COST OF THE DETAILED COST BREAKDOWN. IN THE EVENT OF ANY DISCREPANCIES, THEN THE HIGHER AMOUNT OF THE 2 DOCUMENTS WILL BE USED AS BASIS FOR THE PRICE EVALUATIONS OF THIS RFQ RESPONSE.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO
- 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO
- 2.8 DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO
- 3.1. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

4. COMPLIANCE REQUIREMENTS

- 4.1 All BIDDER MUST SUBMIT THEIR ORIGINAL AND VALID BBBEE STATUS LEVEL VERIFICATION CERTIFICATE OR ORIGINAL CERTIFIED COPY OR ORIGINAL SWORN AFFIDAVIT THEREOF, SUBSTANTIATING THEIR BBBEE STATUS.
- 4.2 THE SUBMISSION OF SUCH CERTIFICATES MUST COMPLY WITH THE REQUIREMENTS OF INSTRUCTIONS AND GUIDELINES ISSUED BY THE NATIONAL TREASURY AND MUST BE IN ACCORDANCE WITH THE APPLICABLE NOTICES PUBLISHED BY THE DEPARTMENT OF TRADE AND INDUSTRY IN THE GOVERNMENT GAZETTE.

5. PRE-QUALIFICATION CRITERIA

- 5.1 THE FOLLOWING PRE-QUALIFYING CRITERIA WILL BE APPLIED, BIDDERS WHO DO NOT MEET ALL OF THE PRE-QUALIFYING CRITERIA WILL NOT BE EVALUATED FOR FUNCTIONALITY:

i. **ADHERENCE IN SUBMITTING TENDER AS TWO STAGE FOLDERS:**

FOLDER 1 – PREQUALIFYING AND FUNCTIONALITY PROPOSAL
FOLDER 2 - PRICE PROPOSAL ONLY (ANNEXURE B)

6. FUNCTIONAL EVALUATION

DETAILED IN ANNEXURE A - SECTION 7

7. PRICE AND PREFERENCE EVALUATION

- ~~7.1 THIS RFQ WILL BE EVALUATED IN TERMS OF THE 80/20 PREFERENCE POINT SYSTEM PRESCRIBED BY THE PREFERENTIAL PROCUREMENT REGULATIONS 2017 AS AMENDED. THE ALLOCATION OF POINTS WILL BE AS FOLLOWS:~~

~~_____ PRICE _____ 80
_____ BEE _____ 20
_____ TOTAL _____ 100 POINTS~~

8. ORAL PRESENTATIONS

- 8.1 BIDDERS WHO SUBMIT BIDS IN RESPONSE TO THIS RFQ MAY BE REQUIRED TO GIVE AN ORAL PRESENTATION, WHICH MAY INCLUDE, BUT IS NOT LIMITED TO, A MARKETING PROPOSAL DEMONSTRATION OF THEIR PROPOSAL TO DBSA. THIS PROVIDES AN OPPORTUNITY FOR THE BIDDER TO CLARIFY OR ELABORATE ON THEIR PROPOSAL. THIS IS A FACT FINDING AND EXPLANATION SESSION ONLY AND DOES NOT INCLUDE NEGOTIATION. DBSA SHALL SCHEDULE THE TIME AND LOCATION OF THESE PRESENTATIONS.

8.2 ORAL PRESENTATIONS ARE AN OPTION OF DBSA AND MAY OR MAY NOT BE CONDUCTED. IF SUCH PRESENTATIONS OR PRODUCT DEMONSTRATIONS ARE REQUIRED, THEN THE COST TO SET UP THESE SESSIONS WILL BE BORNE BY THE BIDDER. IT SHOULD ALSO BE NOTED THAT WHERE A BIDDER CAN ONLY FACILITATE SUCH PRESENTATION AND DEMONSTRATION SESSIONS ABROAD OR EVEN BEYOND THE PROVINCIAL BORDERS OF GAUTENG, THEN ANY ASSOCIATED SUBSISTENCE AND TRAVELING COST OF THE DBSA BID EVALUATION TEAM, WILL BE FOR THE ACCOUNT OF THE BIDDER.

9. REASONS FOR DISQUALIFICATION

9.1 DBSA RESERVES THE RIGHT TO DISQUALIFY ANY BIDDER WHICH DOES ANY ONE OR MORE OF THE FOLLOWING:

- 9.1.1 BIDDERS WHO SUBMITTED INCOMPLETE INFORMATION AND DOCUMENTATION ACCORDING TO THE REQUIREMENTS OF THIS RFQ;
- 9.1.2 BIDDERS WHO SUBMITTED INFORMATION THAT IS FRAUDULENT, FACTUALLY UNTRUE OR INACCURATE, FOR EXAMPLE MEMBERSHIPS THAT DO NOT EXIST, BEE CREDENTIALS, EXPERIENCE, ETC.;
- 9.1.3 BIDDERS WHO RECEIVED INFORMATION NOT AVAILABLE TO OTHER VENDORS THROUGH FRAUDULENT MEANS; AND/OR
- 9.1.4 BIDDERS WHO DO NOT COMPLY WITH ANY OTHER *REQUIREMENTS* AS STIPULATED IN THIS RFQ DOCUMENT.
- 9.1.5 BIDDERS WHO SUBMIT RESPONSE AFTER THE STIPULATED SUBMISSION DATE AND TIME.

10. RIGHT TO CANCEL

DBSA RESERVES THE RIGHT TO CANCEL OR REJECT ANY QUOTE AND NOT TO AWARD THE RFQ TO THE LOWEST BIDDER OR AWARD PARTS OF THE RFQ TO DIFFERENT BIDDERS, OR NOT TO AWARD THE RFQ AT ALL.

11. DECLARATION BY BIDDER

I, THE UNDERSIGNED (NAME).....CERTIFY THAT:

- i. I HAVE READ, UNDERSTOOD AND UNCONDITIONALLY ACCEPT THE CONDITIONS OF THIS RFQ.
- ii. I HAVE SUPPLIED THE REQUIRED INFORMATION AND THE INFORMATION SUBMITTED AS PART OF THIS RFQ IS TRUE AND CORRECT.

.....

SIGNATURE OF BIDDER

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

(PROOF OF AUTHORITY MUST BE SUBMITTED E.G. COMPANY RESOLUTION)

DATE:

DBSA TERMS OF REFERENCE (TOR)

FINANCIAL MODEL AUDITOR

1. BACKGROUND

The Social Housing Programme (**SHP**) is a R144 billion national human settlements initiative aiming to address the national social housing backlogs estimated at 320 000 social housing units (**SHUs**), for approximately 960 000 occupants. Social housing is defined as a rental or co-operative housing option for low-to-medium income households earning between R1 500 to R15 000 per month. The programme is implemented at a level of scale and built form which requires institutionalised management. In other words, social housing excludes individual ownership by residents, including deferred ownership arrangements such as 'rent to buy'.

The primary objectives of the SHP are to:

- Provide residential accommodation for low-to-medium income households;
- Promote urban restructuring through the social, spatial, and economic integration of housing developments into existing areas;
- Facilitate the provision of integrated bulk services and human settlements;
- Revitalise urban areas to integrate, empower and uplift poor communities;
- Promote the establishment of well-managed, quality rental housing options for the poor;
- Promote a safe, harmonious, and socially responsible environment for the project and urban environment;
- Secure tenure for the residents of projects;
- Foster the creation of quality living environments for low to moderate income earners;
- Provide clean healthy and safe environments within proximity to services;
- Develop transport routes, clinics, schools, and economic opportunities; and
- Promote community development and integration.

The SHP aims to improve the functioning of the human settlements sector by contributing to the range of housing options available to the poor. There are other housing delivery options including subsidised housing, private market rentals, gap market housing and private ownership. The social housing beneficiaries do not qualify for these options.

The developmental costs of SHUs are funded up to 70 per cent (%) by the Department of Human Settlements (**DHS**) through the Consolidated Capital Grant (**CCG**) that is being administered by the Social Housing Regulatory Authority (**SHRA**). The Social Housing Institutions (**SHIs**) and Other Delivery Agents (**ODAs**) are the entities responsible for

building and operating the SHUs. They are required to raise up to 30% of the construction costs through debt and/ or equity.

Most of the SHIs and ODAs are new or emerging cooperatives with minimal or no SHUs development track record. This is resulting in private investors, in particular commercial banks participating less in providing equity or debt financing to the SHIs and ODAs. This, coupled with fiscal constraints on the CCG has slowed down the financing and implementation of the SHP.

2. OBJECTIVES OF THE TERMS OF REFERENCE

Given the socio-economic profile of social housing sector, in particular the need to accelerate the delivery of the SHUs and address insipid private sector participation, the DHS, SHRA and Infrastructure Fund (**IF** – a ring-fenced division of the Development Bank of Southern Africa-**DBSA**) are in a long-term partnership for the development and financing of the SHP. The partners applied to the National Treasury (**NT**) for fiscal support to the tune of R305 million through the Budget Facility for Infrastructure¹ (**BFI**).

Initially, this funding request aimed at enabling the IF to develop a bridging facility (short-term loan) for the six (6) SHIs and ODAs to accelerate and facilitate financial close for the 6 greenfield social housing projects in four (4) provinces. The project information has since changed as 2 of the projects received debt funding from other financiers. The revised project information is summarised in **Table 1**. The projects are anticipated to deliver 2 804 SHUs at an estimated capital cost of R1.1 billion.

Table 1: Greenfield Social Housing Projects (2021 BFI)

No.	Project Name	Estimated Project Cost (R'000)	Location	Units
1	Project 1	387,471	KwaZulu-Natal:	1,056
2	Project 2	98,889	Gauteng	201
3	Project 3	193,347	Mpumalanga	492
4	Project 4	453 442	Western Cape	1 055
TOTAL		1,133,149		2,804

The NT approved the funding request for R305 million for the structuring of the bridging facility for the 6 projects. The IF is currently conducting a due diligence exercise for potential debt funding for 4 projects as summarised in Table 1 above in South Africa.

¹ Budget Facility for Infrastructure is reform to the budget process that establishes structures, procedures, and criteria for committing fiscal resources to public infrastructure spending. It is the process through which the Infrastructure Fund unlocks government's funding support for attracting private financing or investment.

The IF is seeking a Financial Model Auditor (**FMA**) to provide independent review services to audit the projects' financial models (**FMs**) as outlined in **Section 3** of the Terms of Reference (**ToR**).

3. DETAILED SCOPE OF WORK

The scope of work to be undertaken by the FMA is described below for Phase 1: Pre-financial close.

- 3.1.** Overview of/familiarisation with the projects;
 - a. Review of the projects and associated finance documents; and
 - b. Review of the projects' FMs and their assumptions.
- 3.2.** Confirm the structure and integrity of the FMs including but not limited to:
 - a. Confirming that the FMs have been constructed to allow them to meet their objectives as financing and project evaluation tools;
 - b. Confirming that the FMs are logically constructed, internally consistent and the formulae, algorithms, macros and calculations are arithmetically correct; and that the results are reliable, accurate, complete and consistent with the assumptions contained within the models;
 - c. Confirming that the FMs can project a Cash Flow Cascade, Profit and Loss Statement, Balance Sheet, debt coverage ratios and certain financial covenants in compliance with the Finance Documents;
 - d. Confirming that the Model can accurately project the results of up to ten (10) sensitivity runs defined by the Arrangers and provide details of any limitations/approximations;
 - e. Confirming the accuracy of the key results in the base case scenario and in the sensitivities, including debt ratios, such as Debt Service Coverage Ratios (**DSCRs**), Loan Life Coverage Ratios (**LLCRs**), Project Life Cover Ratio (**PLCR**); average loan life; loan tenor; and Internal Rate of Return (**IRR**) calculations among others; and confirming that the stated definitions of these are correctly interpreted in the model's formulae and that changes to results accurately reflect changes to input data;
 - f. Reviewing the assumptions and outputs to ensure that the accounting treatments and assumptions applied within the FMs materially conforms with International Financial Reporting Standards (**IFRS**), or South African Statements of Generally Accepted Accounting Practice (**SA GAAP**), whichever one is applicable;

- g. Reviewing the assumptions and outputs to ensure that the tax treatments and assumptions applied within the FMs materially conforms with the applicable legislation in South Africa;
- h. Reviewing and opining on the FMs suitability for use post financial close in monitoring the projects and their ability to continue to operate accurately and consistently in performing their functions;
- i. Confirm that the FMs correctly reflects the terms, parameters, relationships and mechanisms set out in the projects and finance documents;
- j. Confirm that the FMs and the assumptions are consistent with the financial and contractual provisions of the projects and finance documents; and
- k. Conduct any reviews traditionally associated with the verification and validation of FMs.

All reports shall be prepared in English and shall be addressed to the Lender. The FMA must work in co-ordination with other advisors as required by the Lender. The FMA must advise the Lender especially in connection with any questions that may be raised during the credit committee process of the Lender.

3.3. Deliverables

- 3.3.1.** Phase 1 Report on the FMs in relation to the above work summarising the results of its preliminary review within 15 business days of receipt of the FMs and discuss comments arising from reviews of this report with various parties, for incorporation into a Financial Close Report;
- 3.3.2.** Letter addressing questions following delivery and review of the Phase 1 Report; and
- 3.3.3.** Letter on Audit of any changes to the FMs after the previous report with a maximum of 5 iterations are expected after the submission of the Phase 1.

4. EXPERTISE AND EXPERIENCE

The FMA must have expertise and experience in the following areas:

- Financial modelling and model review and auditing;
- Accounting and relevant associated South African legislation;
- Taxation and relevant associated South African legislation;
- Public Private Partnerships (**PPP**) and project and infrastructure finance;
- Residential property, property development, and property management; and
- Stakeholder engagement and management.

5. QUALIFICATIONS AND EDUCATION

The FMA (team) should have at least one of the following qualifications:

- Must at least have a postgraduate degree in the relevant academic field, i.e., engineering, quantity surveying, actuarial science or mathematics, or any relevant numeric degree);
- Chartered Accountant (South Africa);
- Chartered Financial Analyst;
- Chartered Internal Auditor;
- Financial Modelling and Valuation Analyst;
- Associate or Fellow of the Actuarial Society of South Africa;
- A qualification that has been confirmed by a professional body to be equivalent to any of the above; and
- The company must be registered with Companies and Intellectual Property Commission (CIPC) and South African Revenue Services (SARS), has most recent tax clearance, directors are all not disqualified, is a member of an industry body for the services it performs, and its professional employees (or at least all those who will perform this assignment) have liability cover.

6. MANAGEMENT OF THE FMA

The IF will appoint the FMA and manage of its work and deliverables. The FMA will report to the Head: Infrastructure Finance. Successful bidders will be expected to confirm professional indemnity cover for the active duration of the instruction/s, once appointed.

7. DURATION

It is envisaged that the contract duration will allow for the execution of all phases per the scope of work, which duration is expected to not exceed twelve (12) months.

8. RULES OF BIDDING, SUBMISSION REQUIREMENTS AND BID EVALUATION

Rules of Bidding

- i. The IF will enter a contract with the successful FMA for the work set out in these ToR. The FMA should be a company. Given the scope of this work, no consortium or a joint venture (JV) can participate in this bid;

- ii. The IF reserves the right to terminate this appointment or temporarily defer the work, or any part thereof. If the contract between IF and the FMA is terminated by either party due to reasons not attributable to the FMA, the FMA will be remunerated for the appropriate portion of work completed up to a maximum amount of not more than the total fee bid by the FMA for the appropriate phase of the project during which the appointment was terminated;
- iii. The company procured for professional work on the projects shall remain on the projects unless permission is granted in writing by the IF to change the person or company. Such permission will only be granted in exceptional circumstances;
- iv. The FMA may not use any material or information derived from the provision of the services in terms of the contract for any purpose. Copyright of all documents and electronic aids, software programmes prepared or developed in terms of this appointment shall vest with the IF;
- v. Any confidential information obtained by either party to this contract, or arising from the implementation of this contract, shall be treated as confidential by the party receiving it and shall not be used, divulged or permitted to be divulged to any person not being a party to this contract, without the prior written consent of the other party;
- vi. The costs of preparing proposals and negotiating the contract are not reimbursable;
- vii. The IF is not bound to accept any of the proposals submitted and reserves the right to negotiate the price with the preferred bidder;
- viii. The FMA and its affiliates are disqualified from doing any work or providing any services to any bidding consortium or members of such a consortium and/or the private party or to any eventual project that may result, directly or indirectly from these services;
- ix. FMAs are allowed to bid for more than one of the 4 projects
- x. The IF will not accept any late bid submissions and will return late bid submissions unopened. Bidders may not contact the IF or any participant on any matter pertaining to their bid from the time when bids are submitted to the time the contract is awarded. Any efforts by a bidder to influence bid evaluation, bid comparisons or bid award decisions in any manner, will result in rejection of the bid; and
- xi. The IF reserves the right to change any information in, or to issue an addendum to this document before the closing time. The IF and its officers, employees and advisors will not be liable in connection with either the exercise of, or failure to exercise this right. Should the IF exercise its right to change information, it may seek amended responses from all bidders.

9. BID SUBMISSION REQUIREMENT

The FMA, as part of its deliverables, will be required to present two proposals, which will include the following details:

A. The Technical Proposal

The proposal of the prospective FMA team for the tender should include **abridged CV(s) or Profiles of the FMA (team)** containing the following information:

- Summary of description of qualifications and suitability of the FMA for the assignment;
- Detailed experience in providing FMA services for similar or related infrastructure projects;
- Successful project/transaction list of at least 5 projects with a minimum value of R50 million for each project, showcasing the FMA's experience (please complete **Table 4** in the annexure section); and
- A one-page proposal outlining the process and plan with timeframes of conducting the required work and innovation proposal by the FMA in relation to value-for-money for the lender.

B. The Financial Proposal

Bidders are required to state their prices uniformly (please complete **Table 3**) to enable comparison with other bids. The scope of work for the FMA includes frequent site visits and travelling, so, bidders are advised to factor these costs in their prices. Where the travelling costs are significant, reimbursement will be considered outside the budget of the tender.

10. SUBMISSION OF BID INFORMATION

The bidders should **ONLY** submit electronic files (contained within a single folder named **FMA Proposal**, comprising three subfolders as specified below:

A. FMA CV or Profile:

- 3 pages of the FMA's team member CVs with a description of relevant qualifications, employment history and suitability for the project of the Project Team;

B. FMA Plan:

- A one-page proposal outlining the process and plan with timeframes of conducting the required work; and
- Innovation proposal in relation to value-for-money for the lender.

C. Project References:

- Reference letters on relevant completed projects (current and/or past) confirming value and duration of projects; and
- Reference List indicating the names of at least 5 projects that are relevant to the assignment (**Complete Table 4**). Each project description should be no longer than 250 words.

11. TECHNICAL EVALUATION CRITERIA

No.	Evaluation Criteria	Minimum score	Points allocation	Maximum points Total (100)
	(Failure on the part of any key personnel to score at or above the minimum threshold on the minimum expertise will lead to the disqualification of the bidder and the rejection of the bid in its entirety)			
1	APPOINTED FINANCIAL MODEL ADVISOR			60 OUT OF 100
1.1	(a) Must at least have a Master's degree in the relevant academic field (i.e., engineering, quantity surveying, actuarial science or mathematics, or any relevant numeric degree) (b) and be a Chartered Accountant (South Africa) "CA(SA)", Chartered Financial Analyst "CFA", Chartered Internal Auditor "CIA", Financial Modelling Valuation Analyst "FMVA", Associate of the Actuarial Society of South Africa (ASSA)	(24.5 is the minimum threshold for this element. A score of anything below leads to disqualification of the proposal)	Points: Master's Degree or above (NQF 9+): 17.5 points and Meets 2.1(b) = 17.5 Points Post Grad / Honours Degree (NQF 8) 12.25 points and Meets 2.1(b) = 12.25 Points Neither 2.1(a) nor 2.1(b) is met = 0 Point	35
1.2	Relevant experience as a provider of financial model audits and detailed comprehensive reviews in large infrastructure projects for a minimum of 10 years. "Large projects" refers to individual projects with a project value of over R 50 million or above, and "Experience" includes 1. Documented understanding and work	(17.5 is the minimum threshold for this element. A score of anything below leads to disqualification of the proposal)	Points: Experience ≥ 10 years plus >5 projects = 25 Points Experience ≤10 years plus 3 projects = 17.5 Points Experience = Less than 10 years plus less than 3 projects = 12 Points	25

	in property development and property management either directly or indirectly, e.g., by developing / reviewing financial models in these areas or reviewing management accounts of companies in these areas 2. Documented expertise in risk or uncertainty characterisation (risk identification, analysis, and management/mitigation) for projects preferably in real estate, and expertise in business and financial analysis. 3. Documented expertise in software/financial model development in MS Excel. including building of sensitivities and scenarios for such models, and ability to build/convert them to operational models. 4. Documented expertise in reviewing/auditing financial models, including checking the logic of the model, its arithmetic accuracy, fitness for use per modelling purpose, reliability of financial statements as outputs of the model (Income Statement, Balance Sheet, cashflow Statement, Statement of Changes in Owners' Equity) and the logical link of these outputs. 5. Documented expertise in reviewing the ability of the model to meet specific accounting standards, taxation laws, and other relevant legislation, standards, or guidance (notes). A minimum of three recent traceable project reference of experience should be submitted (Please refer to Table 4 in the annexure).		Experience < 8 years= 0 Point *Note: With at least one traceable reference attached to secure points.	
2	UNDERSTANDING THE TERMS OF REFERENCE			10 OUT OF 100
2.1	Comprehension Provide a detailed understanding of the assignment, - Show clear analysis of key challenges and risks associated with the assignment and adequate proposals to address these - Concrete suggestions regarding	None allocated	Addresses all requirements, demonstrates a sound understanding of assignment, associated risks and included value add innovations = 10 Points Addresses most areas	10

	the proposed methodology and approach (do not duplicate the ToRs) and where necessary amendments / additions to the proposed scope. Detailed level of presentation.		of requirements but is generic and does not convey an understanding of assignment and associated risk = 7 Points Partially addresses requirements, but overall is not convincing (i.e., scope is not fully addressed, or timeframes are not reasonable) = 3.5 Points Does not address the requirement and is not detailed = 0 Point	
3	METHODOLOGY AND APPROACH			30 OUT OF 100
	Demonstrate a detailed proposal through inter alia a: - Detailed level of presentation; - work plan for execution of the scope; - project management approach; - timeframe where possible,	None allocated	Provided- addresses all requirements, demonstrates a sound understanding of assignment, associated risks and included value add innovations = 30 Points Partially provided (i.e. scope is not fully addressed, or timeframes are not reasonable) = 21 Points Methodology not provided = 0 Points	30
	Total			100
	Minimum threshold for technical			70

All the bidders will be subjected to the same evaluation criteria and the bidders who achieved a score of 70 points and above from the functional evaluation will proceed to the pricing and shortlisting stage. A minimum threshold of 70 functionality points is required. Bids that do not meet this threshold will automatically be disqualified for further evaluation.

12. FUNCTIONALITY AND PRICE EVALUATION

12.1. Bidders will first be evaluated for functionality as per the evaluation criteria tabulated below and only those who achieve the minimum qualifying score for functionality will have their bid submissions further evaluated for financial offer.

12.2. Only those bidders who achieve the minimum qualifying score of **70 points** for functionality **and** will have their bid submissions further evaluated for pricing.

12.3. All prices must be quoted in South African Rand (ZAR).

12.4. Bidders are requested to **separately provide** a detailed cost breakdown of all activities which are involved in executing the project as indicated in the project scope. Failure to provide this information will invalidate the RFP response on the basis of incompleteness.

12.5. The DBSA reserves the right to accept or not accept any proposed additional items/activities.

12.6. The DBSA reserves the right to award all four transactions to one or more suppliers.

13. ADDITIONAL CONDITIONS TO TENDER

- i. It is the intention of the DBSA to award one (1) RFQ per Service Provider, however the DBSA reserves the right to award more than one (1) RFQ per Service Provider, subject to the Value for Money, Risk Allocation and Risk Profile of the bidder.
- ii. The DBSA reserves the right to award the scope in full or part thereof, subject to budget availability.
- iii. Where a bidder is ranked highest in more than one (1) RFQ, the offer of award will be informed by the best value for money principle and subject to point 1 above.
- iv. Where the next highest ranked bidder is being considered for an offer of award (based on the principle of One site per contractor), the DBSA reserves the right to negotiate with the next highest ranked bidder in hierarchical order, to ensure the value for money principle is not compromised.

14. RESERVATIONS

The DBSA expressly reserves the following rights:

- To appoint more than one service provider.
- To waive any or all irregularities in the proposals submitted.

- To retain the right not to select any Service Provider.

15. CONFIDENTIALITY AND INTELLECTUAL PROPERTY

Information contained in this Request for Proposals is confidential and is the property of the DBSA. Similarly, the Bank shall hold all property rights such as copyrights, patents and registered trademarks on matters directly related to or derived from the work carried out through this contract.

Annexure B

PRICING SCHEDULE

Cost Item	Normal hourly rate (R/hour)	Discounted hourly rate (R/hour)
Phase 1: Pre financial close		
Other (please specify)		
SUB-TOTAL		
15% VAT		
Total		

Bidders are to provide a Price Quotation as Annexure B, indicating the pricing or fees in line with the quantities, requirements or scope of work the bidders are expected to deliver (the information provided in this RFQ) on which the bidders are expected to quote.

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, 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, shareholder²):

.....

- 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.

¹"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

²"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

.....

Name of state institution at which you or the person connected to the bidder is employed :

.....

Position occupied in the state institution:

.....

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain

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 any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

YES / NO

2.9.1 If so, furnish particulars.

.....

.....

.....

2.10 Are you, or any person connected with the bidder,

YES/NO

aware of any relationship (family, friend, other) between

any other bidder and any person employed by the state 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 related companies whether or not they are bidding for this contract?

2.11.1 If so, furnish particulars:

.....

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

Full Name	Identity Number	Personal Reference Number	Tax Number	State Number	Employee / Persal Number

4. DECLARATION

I, _____ THE _____ UNDERSIGNED
 (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
 Signature

.....
 Date

.....
 Position

.....
 Name of bidder

May 2011

Annexure D

SBD 6.1

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL
PROCUREMENT REGULATIONS 2017 – N/A**

Annexure E

SBD 7.1

(a) CONTRACT FORM - PURCHASE OF GOODS/WORKS

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

(b) PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution) in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

2.

DATE:

CONTRACT FORM - PURCHASE OF GOODS/WORKS**(c) PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)		DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

Annexure F

SBD 8

**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES –
N/A**

Annexure G

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION – N/A

Annexure H

Bidders are required to include, as annexure D to their Bids, certified copies of all relevant CIPC registration documents listing all members with percentages, in the case of a close corporation

Annexure I

Where Applicable, Bidders are required to include, as Annexure E to their Bids, supporting documents to their responses to the Pre- Qualifying Criteria and Evaluation Criteria.

Where the supporting document is the profile of a member of the Bidder's proposed team, this should be indicated.

(d)

Tax Compliant Status and CSD Registration Requirements

ALL PROSPECTIVE BIDDERS MUST HAVE A TAX COMPLIANT STATUS EITHER ON THE CENTRAL SUPPLIER DATABASE (CSD) OF THE NATIONAL TREASURY OR SARS E-FILING PRIOR TO APPOINTMENT/AWARD OF THE BID.

REGISTRATION ON THE CSD SITE OF THE NATIONAL TREASURY IS A COMPULSORY REQUIREMENT FOR A BIDDER TO BE APPOINTED, TO CONDUCT BUSINESS WITH THE DBSA. THE ONUS IS ON THE SUCCESSFUL BIDDER TO REGISTER ON THE CSD SITE AND PROVIDE PROOF OF SUCH REGISTRATION PRIOR TO APPOINTMENT/AWARD OF THE BID.

CSD Registration Number:	
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The Development Bank of Southern Africa has a Zero Tolerance on Fraud and Corruption. Report any incidents of Fraud and Corruption to Whistle Blowers on any of the following:

TollFree : 0800 20 49 33
Email : dbsa@whistleblowing.co.za
Free Post : Free Post KZN 665 | Musgrave | 4062
SMS : 33490