

REQUEST FOR QUOTATION

SENTECH INVITES SUPPLIERS FOR:

Project title:	APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP A COMMERCIALIZATION STRATEGY FOR BROADBAND SERVICES		
Quotation or Proposal no:	1000019324		
RFQ Issue date:	18/01/2023		
Briefing session date, time and venue	N/A		
Closing date:	27/01/2023		
Closing time:	12h00	Validity period:	30 days

You are invited to provide a quote to deliver the goods, services or works defined in the Scope of Work.

QUOTATIONS OR PROPOSALS TO BE RETURNED TO:

Quotations Administrator	Zanele Zulu
Telephone no:	011 471 4000
E-mail:	Quotations6@sentech.co.za

Form of Offer and Acceptance

Offer

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the services as stated in the RFQ: Scope of Work

The Service Providers, identified in the Offer signature block, has examined the documents listed in the RFQ and addenda thereto as listed in the Returnable Schedules, and by submitting this Offer has accepted the Conditions of this RFQ.

By the representative of the Service Provider, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the Service Provider offers to perform all of the obligations and liabilities of the RFQ under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the RFQ.

THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VAT IS:

(in words)

.....Rand;

R.....(in figures)

THE OFFERED PRICES ARE AS STATED IN THE PRICING SCHEDULE

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the Service Provider before the end of the period of validity stated in the RFQ, or other period as agreed.

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

(Insert name and address of organisation)

Name &
signature of
witness

Date

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the Service Providers Offer. In consideration thereof, the Employer shall pay the Service Provider the amount due in accordance with the conditions of the RFQ. Acceptance of the Service Providers Offer shall form an agreement between the Employer and the Service Provider upon the terms and conditions contained in this RFQ.

Deviations from and amendments to the documents listed in the RFQ and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the Service Provider and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The Service Provider shall within two days of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the RFQ. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the Service Provider receives one fully completed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s)

Capacity

**for the
Employer**

(Insert name and address of organisation)

Name &
signature of
witness

Date

RFQ Data

1. ADMINISTRATIVE RESPONSIVENESS CRITERIA

- 1.1. Suppliers are required to ensure that they meet all the Administrative Responsiveness Criteria. Suppliers that do not meet all the Administrative Responsive Criteria may not be awarded this Quote. It is the service provider's responsibility to ensure that they are tax compliant and that all required information is submitted to Sentech. Supplier's providing quotations must be registered on the Sentech Supplier Database.
- 1.2. **Quotations must be in a Company Letterhead.**
- 1.3. Quotations or Proposals must be received on or before the closing date and time specified on the Call for Quotation or Proposal document.
- 1.4. Quotations or Proposals must be fully completed and signed in BLACK ink.
- 1.5. Quotations must be submitted via Email.
- 1.6. The Tenderer undertakes to the Purchaser that it will treat as confidential the terms of this RFQ together with all the Purchaser's confidential information and will not disclose such confidential information to any person, firm or company (other than to its auditors and other professional advisers) or to the media, and will not use such confidential information other than for the purposes of this RFQ, subject always to any prior specific authorisation in writing by the Purchaser to such disclosure or use."

2. EVALUATION CRITERIA

The evaluation criteria are stipulated in Section 5. It is the Suppliers responsibility to ensure that it has responded to the evaluation criteria. Failure to meet the evaluation criteria may result in the Supplier being disqualified from being appointed. Suppliers must ensure that they have included all supporting documentation, especially the documentation that may be required to support the response to the evaluation criteria.

3. BRIEFING SESSION

N/A

4. RFQ EVALUATION METHOD

This RFQ will be evaluated as described in the table below.

Evaluation Method	<ol style="list-style-type: none"> 1. Stage 1 – Administrative Responsiveness Evaluation All the Quotations will be evaluated against the Administrative responsiveness requirements as set out in section 2 of the RFQ Data. 2. Stage 2 – Functional Evaluation Criteria The proposals that COMPLY with the Mandatory evaluation criteria be evaluated against the Functional Criteria. Suppliers meeting the minimum requirement will be evaluated further. 3. Stage 3 – Price and Preference Suppliers with the lowest Price offered will score the highest points. Only Suppliers that submit a valid B-BBEE Certificate can claim preference points in line with the 80/20 Suppliers with the highest number of points will be recommended for the award of this quotation, unless there are compelling and justifiable reasons not to do so.
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5. Evaluation of Price and Preference

The Service Provider will be evaluated on a points system for Price and Preference as per Preferential Procurement Framework Act of 2000 (Act 5 of 2000).

***Bidders must complete the two annexures attached with this document.(i.e. Annexure 1- Compulsory covering sheet and Annexure 2- Technical evaluation).**

6.4 RISK ASSESSMENT (Stage 5)

All bids that meet the minimum qualifying score for technical evaluation may undergo a risk assessment based on the following framework:

- Any aspects that emanate from the bidders' individual responses
- Any information received from past references
- Site Visit of similar work done
- Assessment of Financial Statements

Sentech may disqualify bidders based on the outcome of the risk assessment.

6.5 Evaluation of Price and Preference (Stage 6)

This Bid will be evaluated on a points system based on weighted average score for Price and Preference as per Preferential Procurement Framework Act of 2000 (Act 5 of 2000).

APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP A COMMERCIALIZATION STRATEGY FOR BROADBAND SERVICES

Scope of Services Required

The Scope of Services requires the successful Service Provider to develop a commercialization strategy including a pricing model for broadband services. Responding bidders are invited to submit their proposals and to indicate their professional capabilities and experience in providing the required services. Responding bidders are welcome to elaborate on other value-added services or capabilities they may possess and bring to bear on the Project. Bidders to also address the broadband services wholesale market, ISP market i.e., business model, pricing model and localisation of services etc.

Scope of Work	
The outcome of the project should culminate into a viable commercial strategy including the development of a base pricing model that clearly articulates how SENTECH will deliver broadband services and derive value for its customers and Shareholders. The process should include but not limited to the application of tried and tested methodologies spanning Client Needs and Capabilities, Target Markets, Outline Competitive Landscape, Assess Market Opportunity, Product Refinement, Scenario-based Revenue Projections, Investment Levels and Rate of Return. The development and sign off of the Commercialization Strategy should be concluded by 30 March 2023.	
Topic	Description
1) Project Plan for developing the Commercial Strategy as per timelines stated in the Scope of Work.	i. Project Plan with clear resource requirements and timelines
2) Industry research and insights into the broadband market, covering customers, partners, competitors, market overview and size, trends and other relevant data to inform the process of	i. This includes recent, relevant existing research into the various topics ii. Demonstrate the impact of the research insights iii. Outline current and future revenue opportunities

Scope of Work	
developing the Commercial Strategy up to and including applicable and enabling legislation.	
3) Industry analysis of existing competitors, funding structures, business models, and pricing that can be applicable to SENTECH	i. Business case studies of key players within the South African market and known influence of both global and local trends
4) Facilitate workshops for both internal and external stakeholders as part of crafting the Commercialization Strategy	i. Provide an outline of the engagements necessary in large/small groups to ensure buy-in into the Commercialization Strategy .
5) Develop draft Commercialization Strategy documenting but not limited to the following: <ul style="list-style-type: none"> • A comprehensive and viable Commercialization Strategy that includes, self-sustaining financial model with estimated revenue and cost drivers • Development of a pricing model • A 3-year turnaround execution plan for revenue generating activities • Defined Value Propositions, CRM and typical offerings and financial aspect for both B2B and B2C , • Key metrics to measure and monitor performance • Resources required to ensure a successful implementation for the go to market plan • Identify partnerships/joint venture • Outline customer segments and relevant channels that will demonstrate self-sustainability over the short, medium and long term. • Risk plan with mitigations for implementation • Recommendations 	i. Develop draft Commercialization Strategy
6) Present draft Broadband Commercialization Strategy including the pricing model to the Executive Committee	ii. Present Commercialization Strategy for refinement and/or receipt of further inputs
7) Submit final Broadband Commercialization Strategy and pricing model for sign-off by the Executive Committee	i. Present final Commercialization Strategy for sign-off
8) Deliver all IP and materials pertaining to the Project	ii. Delivery and handover final Commercialization Strategy documentation

Terms and Conditions	SENTECH reserves the right to <ul style="list-style-type: none"> • Extend the closing date. • Verify any information contained in your response. • Request documentary proof • Cancel or withdraw the requirement • Communication will be limited to only those Service Providers who meets the requirements.
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- This request 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 SCC conflict with the GCC, the SCC shall prevail.
- The successful Service Provider may only enter into a subcontracting arrangement with the approval of SENTECH. The successful Service Provider may not subcontract more than 30% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the Service Provider concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.
- SENTECH reserves the right to request a BBBEE transformation plan with clearly defined timelines and milestones if the recommended Service Provider does not meet SENTECH's transformation goals. These milestones must be achieved over the term of the contract. This transformation plan shall be submitted within 10 working days from the written request, failing which SENTECH reserves the right to withdraw its appointment of the preferred recommended Service Provider.
- SENTECH shall have the right, at its sole and exclusive discretion, upon written notice to the Service Provider, to terminate this Agreement, in whole or in part should the Service Provider fail to perform any of its obligations or deliver any deliverable timeously or should SENTECH not be satisfied with the quality of any service/s in terms of this Agreement, to the satisfaction of SENTECH.
- SENTECH shall furthermore have the right, as a result of such termination, to appoint a third party to perform the obligations of the Service Provider in terms of the Agreement and the Service Provider indemnifies SENTECH against all costs incurred by SENTECH in appointing such third party to fulfil the obligations of the Service Provider.
- SENTECH shall have the right, at its sole and exclusive discretion, to terminate this Agreement, at any time, upon 30 (thirty) days' written notice to the Service Provider.
- SENTECH reserves the right to conduct supplier due diligence at any time pre, during and post the contract period. This may include announced or unannounced site visits.
- Key resource provided in response should be engaged in the project, should there be resource changes the resource levels must be equivalent to the resources in the proposal, with notice and acceptance by SENTECH be understood as special condition of contract.
- Service Level Agreement will be signed with the successful Service Provider.

STAGE 1

Functional Evaluation: Must be comprehensive and supported by evidence

Functional criteria	Points
<p>Bidders must have experience in developing ICT commercialization strategies</p> <p>Evaluation indicators</p> <ul style="list-style-type: none"> 10 years plus of experience with emphasis in ICT developing commercialization strategies points =20 Between 6 and 10 years of experience points =10 Less than 5 years of experience points =0 	20
<p>Provide a list of previous customers to demonstrate knowledge and experience in the ICT industry developing Ccommercialisation Strategy including pricing model for broadband services (more emphasis on Telcos). Bidders to provide corresponding successful use case per listed customer.</p> <p>Evaluation indicators</p> <ul style="list-style-type: none"> 8 or more customers where Commercialization Strategies were developed points =20 Between 5 and 7 points =10 Less than 5 points =0 	20
<p>Team Lead with experience in developing Commercialization Strategies</p> <p>Team qualifications to include but not be limited to: Bachelor's degree in either Accounting, Finance, Engineering (ICT), Economics, or Business Administration and or post graduate degree level.</p> <p>Evaluation indicators</p> <ul style="list-style-type: none"> 10 or more years of experience points =20 Between 7 and 9 years of experience points =15 Less than 7 years of experience points = 5 	20

Functional criteria	Points
<p>Provide a proposal which covers the steps undertaken in developing in developing commercialization strategies. The proposal must include but not limited to:</p> <p>3.1.1. Project Plan with the following milestones:</p> <ul style="list-style-type: none"> Project initiation or kick off Detailed preplanning prior to the workshop/session. Resource requirements for the project <p>3.1.2. Commercialization Strategy approach to be applied</p> <ul style="list-style-type: none"> Timeframes for each activity including milestones and critical path Specific activities to be performed Resource requirements Workflow chart <p>3.1.3. Research insights into broadband market overview, trends, revenue outlook, and relevance of its impact on SENTECH.</p> <p>3.1.4. A comprehensive and viable Commercialization Strategy:</p> <ul style="list-style-type: none"> That provides for qualitative reasons and benefits, self-sustainable financial model that includes estimated revenue and cost drivers, value proposition, key metrics, partnerships, customer segments and channels that will demonstrate self-sustainability over the short, medium, and long term. Recommendations. <p>Evaluation indicators:</p> <ul style="list-style-type: none"> Excellent methodology – Comprehensive end- to-end process proposed. This is covering over and above the minimum specifications =30 points Good methodology – End-to-end process in line with the minimum defined Scope of Work =15 points Average methodology – End-to-end process with one or more critical activities missing or no methodology provided =0 points 	30
<p>3.1.5 Development of a pricing model for Broadband services across the network value chain</p> <p>Evaluation indicators</p> <ul style="list-style-type: none"> Excellent methodology – Comprehensive model developed outlining different pricing strategies within the broadband market (wholesale and retails) = 10 points Good methodology – Model developed outlining conventional pricing strategies within the broadband market (wholesale and/or retail with limited options) = 5 points Poor methodology – Model developed with one or more critical activities missing or no methodology provided = 0 points 	10
Total Points:	100

Minimum Score under for Functional Evaluation is 80 points

Suppliers must score have a positive score on each criterion to meet the minimum Score of 80 points

7. The price / preference weighting applicable for RFQ are as follows:

Price / Preference	Points
Preference:	20
Price:	80
Total must equal:	100

8. Preference Point allocation – 80/20

Sentech's Specific goals emanate from the section 2(1)d of the Preferential Procurement Policy Act which may include contracting with persons or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability. The Reconstruction and Development Programme as published in Government Gazette No 16085 dated 23 November 1994

Sentech will award preference points as follows:

Goal	Points	Evidence required
Historically disadvantaged by unfair discrimination on the basis of Race	10	A valid BBBEE Certificate showing at least 51% black ownership
Historically disadvantaged by unfair discrimination on the basis of Gender (women)	8	A valid BBBEE Certificate showing at least 30% women ownership
Historically disadvantaged by unfair discrimination on the basis of disability	2	A doctor's note confirming disability
Total Points	20	

a. Price Calculation 80/20

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

$$P_s = 80 \left[\frac{1 - (P_t - P_{min})}{P_{min}} \right]$$

Where:

P_s = Points scored for price of bid under consideration
 P_t = Rand value of bid under consideration
 P_{min} = Rand value of lowest acceptable bid