REQUEST FOR PROPOSALS FOR A REFRESHEMENT STATION AT THE JACK PICNIC SITE IN THE ADDO ELEPHANT NATIONAL PARK

REQUEST FOR PROPOSALS ISSUED BY SOUTH AFRICAN NATIONAL PARKS FOR A REFRESHEMENT STATION AT THE JACK PICNIC SITE IN ADDO ELEPHANT NATIONAL PARK
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1. IMPORTANT GENERAL NOTES

SANParks requests proposals for the commercial use of the Kiosk at the Jack’s Picnic site in the Main Camp of the Addo Elephant National Park through a Concession Agreement.

1.1 This RFP overrides all other SANParks communications to bidders about this opportunity.

1.2 No verbal discussion with any staff or advisor of SANParks can change, add to or clarify any of the terms and conditions contained in this RFP. Bidders should only rely on written changes, additions or clarifications from duly authorised staff of SANParks, circulated to each bidder. Email communications from SANParks to bidders will count as written communications.

1.3 Bidders are responsible for all costs related to their bid. SANParks will not compensate bidders for any costs, regardless of the outcome of the bid.

1.4 SANParks may change the timetable in paragraph 12. It may also make other changes to the RFP, or add to it, or provide clarification, at any time. SANParks may cancel the bid at any time without prior notice, and may disqualify any bidder as provided for in this RFP.

1.5 SANParks will not be responsible for any costs or damages whatsoever if it makes any changes to the bid(s), cancels the bid(s), or disqualifies any bidder. SANParks will not be responsible for any costs or damages whatsoever if it exercises any other rights as described in this RFP or available to it under the laws of the Republic of South Africa.

1.6 The laws of the Republic of South Africa and this RFP govern the bids.

2. THE CONCESSION OPPORTUNITY

An Investment opportunity exist within the Addo Elephant National Park. These opportunities is to operate, for commercial purposes, a refreshment Kiosk at the Jack’s Picnic Site in the AENP. The operator) will be granted the rights to, for commercial purposes, sell refreshments to visitors guests at the Jack’s Picnic site in the main camp of the AENP.

This idea derives from the fact that the Jack’s Picnic site has grown tremendously in
Request for Proposal for the Jack’s picnic site in Addo National Park

popularity over the years and attracts both day visitors and guest overnighting in the park. The fact that this picnic site is quite a distance, approximately 12 Kms, from the main camp where the retail facility is often becomes an inconvenience to the guests and visitors visiting the site. There is great need for convenience goods and often the visitors have no picnic basket with them or even if they do there are either something that they might need. Often the need to buy something quick can end a wonderful outing to the picnic site prematurely. It is also often that people just find the picnic chance by chance on a game drive and ends up wanting to spend an hour or more but due to not having a picnic basket or a snack ends up having to leave. Therefore, a small convenience goods kiosk could be the solution and will be very popular to the guest and visitors to the park.

3. INFORMATION ABOUT THE SITES FOR THE OPPORTUNITIES:

3.1 The Addo Elephant National Park

Addo Elephant National Park is situated in the dense valley of the Sundays River region. This Eastern Cape game park offers a memorable wildlife experience and is home to the Big Seven, namely;

- Elephant,
- Rhino;
- Buffalo;
- Lion;
- Leopard;
- Whales and the;
- Great White Shark

In addition, the park boast of various other wildlife species that includes;

- Several antelope species
- Warthogs
- The flightless Dung Beetle that is exclusive to the park
There are currently over 550 elephants in the park which is a huge jump from the 11 elephants that roamed the area when the park was proclaimed in 1931. There are plans to expand the park. The park is also home to five ("5") of this country’s seven ("7") vegetation biomes.

The park has several archaeological sites on the coast and in the Zuurberg - also the area where **bushman rock art can be seen**. Addo's mega-park status will preserve 120 000 hectares of marine reserve, including islands that are home to the world's largest breeding populations of Cape gannets and second largest breeding population of African penguins.

The park boast of several rest camps with accommodation that includes;

- Luxury Lodges;
- Country Lodges;
- Luxury Tented Camps

In terms of the activities young and old can enjoy and this includes;

- Guided Game Drives
- Unguided game drives (own transport)
- Interpretative Centre
- Swimming
- Guided Horse Trails
- Bird Watching
- 4x4 Drives Trails
- Hiking Trails
- Picnics at the various sites
- Kids in Parks Programme
4. SITE DUE DILIGENCE

A “compulsory due diligence meeting and site visit” will be held at 11h00 on the 29th September 2017 in at the Main Camp of the Addo Elephant National Park.

5. OTHER DUE DILIGENCE

Each bidder will be responsible for its own due diligence investigation of the investment opportunities, environmental compliance requirements, proposed contractual terms and anything else relating to this RFP. Neither SANParks nor any of its staff or advisors makes any suggestions or guarantees, directly or indirectly, about anything affecting this RFP, Healing and Wellness Experience, or the tourism opportunity, except for those set out in ‘Annexure 7: Draft tourism agreement’.

6. FRAMEWORK

6.1 Private Party Statements

6.1.1 The Private Party shall undertake the Project at its own cost and risk in accordance with the provisions of this Agreement, including the provisions of the Bid Submission. Neither SANParks, the State nor any Relevant Authority shall provide any guarantee or support to the Private Party except as otherwise specifically provided herein or as provided in law. This Agreement shall not be deemed to grant the Private Party any right or impose any obligations on SANParks, the State or any Relevant Authority except as specifically stated in this Agreement.

6.1.2 No instructions or approvals given by SANParks in accordance with the law and the provisions of this Agreement will affect the Private Party's responsibility to undertake the Project. Notwithstanding that this Agreement permits or requires the Private Party to engage third parties to perform part of the Project, such engagements shall not release the Private Party from any of its obligations and responsibilities to SANParks hereunder, and the Private Party shall be fully responsible for the acts and omissions of such third parties.

6.1.3 Project Term

The Project Term shall be for a period of Three (“3”) years from the Project
Commencement date, subject to termination in accordance with this Agreement.

6.2 **Project Site**

The map below illustrates the Addo Elephant Park. The opportunity will take place in the Main Camp as well as in the Matholweni Rest Camp. These are clearly shown on the map.

![Map of Addo National Park](image)

7. **INFRASTRUCTURE:**

The project will take place in the AENP Main Rest Camp as well in the Matyholweni Rest Camp. The following infrastructure is available in these camps:

- Accommodation units
- Office buildings
- Security gates
- Reception area
• Ample parking space
• Ablution facilities
• Camping sites
• Picnic sites with braai facilities

The successful bidder would be granted the right to operate a refreshment café from the kiosk at the Jack’s picnic site in the Addo Elephant Park. The kiosk is ..........m² by .................m² in size. The floor plan represented in the diagram below. The only drawback is that there is no electricity and the successful bidder may have to find alternative power sources like gas or a generator for power to run fridges and other appliances that would be necessary for a successful operation.

8. WHAT MUST BE INCLUDED IN THE BID AND HOW TO SUBMIT IT

Bids and all related correspondence and documents must be in English.

Bidders must submit two envelopes. Mark each envelope clearly Envelope 1 and Envelope 2. Attach the bid cover letter, in the format given in ‘Annexure 8: Bid cover sheets’, to the front of each envelope.

8.1 Envelope 1 must contain three copies of:
• the financial information, in the format given in ‘Annexure 1: Financial information’
• a business and operational plan, in the format given in ‘Annexure 2: Business and operational plan’
• a development and environmental proposal, in the format given in ‘Annexure 3: development and environmental proposal’
• a completed risk matrix, in the format given in ‘Annexure 4: Risk matrix’
• a BEE proposal, in the format given in ‘Annexure 5: BEE proposal’
• a tax clearance certificate, issued by the South African Revenue Service (SARS) within six months of the bid date, for each South African member of the bidder.

8.2 Envelope 2 must contain three copies of:
• the details of the bidder’s fee offer, in the format in ‘Annexure 6: Draft concession fee offer’
• A mark-up of the draft commercial agreement, provided in ‘Annexure 7: Draft Commercial Tourism Agreement’, clearly indicating any amendments that the bidder proposes.

8.3 All information provided in the bid must be valid for 90 business days from the bid date.

8.4 Submitting a bid implies that the bidder knows and understands all the terms and conditions set out in this RFP and under the applicable laws of the Republic of South Africa, and that the bidder accepts these terms and conditions.

9. THE DATE AND PLACE FOR SUBMITTING BIDS

Bids must be submitted to the Addo Elephant National Park office at Main Camp, Addo. The envelope must be marked for the attention of Mr. Andile Namntu and must be submitted on or before 11h00 on the 27th October 2017.

10. HOW THE BIDS WILL BE OPENED

10.1 SANParks’ staff members will open the bids.

10.2 The bid secretariat will separate envelopes 1 and 2 from all the bids. All the two envelopes will be locked away in the safekeeping of the Regional Financial Officer until they are required.

11. INCOMPLETE BIDS

11.1 The Project Evaluation Committee (PEC), in consultation with its financial and legal advisors, will check Envelope 1 of each bid to see whether the all the documentation that this RFP requires has been submitted correctly.

11.2 If a bid is not complete or something in it is not clear, the PEC may, but is not obliged to, ask bidders for more information. Bidders will receive such requests for more information in writing. No substantial changes to the bid will be asked for or allowed, except if there is a clear mistake in the bid.

11.3 A bid that is not complete or requires clarification may be disqualified without a request for further information. This is the SANParks’ decision.
12. HOW THE BIDS WILL BE EVALUATED AND THE PREFERRED BIDDER CHOSEN

12.1 **The three main elements of the bid and the two-envelope system**

12.1.1 Bids will be evaluated on three main elements: functionality, BEE and the PPP fee offer.

12.1.2 Envelope 1 is for the functionality and BEE elements, it will be the first one to be opened. Bidders must score at least 65% for functionality and at least 65% for BEE. Envelope 2 is for the PPP fee offer and the mark-up of the draft PPP agreement and will only be opened and evaluated if those minimum thresholds are met.

12.2 **The weighting of the elements**

12.2.1 Functionality will be weighted at 60% of the overall bid score.

12.2.2 BEE will be weighted at 10% of the overall bid score.

12.2.3 The PPP fee offer will be weighted at 30% of the overall bid score.

12.2.4 The provisions of the Preferential Procurement Policy Framework Act, 2000 (PPPFA) apply.

12.3 **How functionality is evaluated**

12.3.1 SANParks will evaluate functionality in terms of the elements set out in the functionality scorecard below.

12.3.2 Details of the format and information required for each element are contained in Annexures 1 to 4.

12.3.3 **Functionality scorecard**

<table>
<thead>
<tr>
<th>Functionality evaluation criteria</th>
<th>Scoring</th>
<th>Maximum subtotal</th>
<th>Maximum total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Financing plan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Functionality evaluation criteria</td>
<td>Scoring</td>
<td>Maximum subtotal</td>
<td>Maximum total</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------</td>
<td>------------------</td>
<td>---------------</td>
</tr>
</tbody>
</table>
| 1.1 Has the bidder secured adequate finance to implement the project? | Fully = 5  
Partially = 3  
Not at all = 0 | 5 | 5 |
| 1.2 Are all the members of the bidder solvent and liquid? | Fully = 5  
Partially = 3  
Not at all = 0 | 5 | 5 |
| 1.3 Is the basic cash flow model viable? | Fully = 5  
Partially = 3  
Not at all = 0 | 5 | 5 |

2 Business and operational plan

| 2.1 Is, or will, the bidder be constituted as an entity as required in the RFP? | Fully = 3  
Partially = 2  
Not at all = 0 | 5 | 15 |
| 2.2 Is the proposed tourism product within the range of product types specified in the RFP? | Excellent = 5  
Acceptable = 3  
Poor = 0 | 10 | 10 |
| 2.3 What is the bidder’s experience and record of accomplishment in similar enterprises, and in similar target markets? | Fully = 10  
Partially = 5  
Not at all = 0 | 10 | 10 |
| 2.4 Does the thinking behind the business plan demonstrate the bidder’s commercial knowledge of the target market for this product? | Fully = 10  
Partially = 5  
Not at all = 0 | 10 | 10 |
| 2.5 Do the bidder’s planned operating standards and staffing qualifications meet those specified in the RFP? | Excellent = 5  
Acceptable = 3  
Poor = 0 | 10 | 10 |
| 2.6 Do the bidder’s marketing and product branding plans comply with the RFP specifications? | Fully = 2  
Partially = 1  
Not at all = 0 | 5 | 5 |

3 Safety and environment proposal

| 3.1 Has the bidder understood and planned for all the environmental considerations pertaining to this kind of operation? | Fully = 2  
Partially = 1  
Not at all = 0 | 2 | 2 |
<p>| 3.2 Has the bidder made sure that it will be able to | Fully = 2 | 2 | 2 |</p>
<table>
<thead>
<tr>
<th>Functionality evaluation criteria</th>
<th>Scoring</th>
<th>Maximum subtotal</th>
<th>Maximum total</th>
</tr>
</thead>
<tbody>
<tr>
<td>recognise and report on cultural, archaeological and highly sensitive natural resource finds?</td>
<td>Partially = 1 Not at all = 0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.3 Has the bidder planned adequately for trained and accredited staff that will make the operation a safe and enjoyable one?</td>
<td>Fully = 2 Partially = 1 Not at all = 0</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3.4 Is operator aware of the necessary safety standard of equipment and clothing to be used and has this been provided for?</td>
<td>Fully = 2 Partially = 1 Not at all = 0</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3.5 Has the bidder been able to provide adequately for the communication of emergencies with all parties concerned?</td>
<td>Fully = 2 Partially = 1 Not at all = 0</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3.6 Has the bidder provided for acquiring the necessary indemnities and insurance to cover against accidents that could lead to injuries and potential loss of life?</td>
<td>Yes = 5 Partially = 3 No = 0</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>3.7 Is there commitment to abide by the SANParks rules/regulations/ environmental guidelines/codes of conduct?</td>
<td>Yes = 5 Partially = 3 No = 0</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>3.8 Has the bidder provided for the necessary vehicles to ferry staff, guests and any other party to and from the operation site?</td>
<td>Yes = 5 Partially = 3 No = 0</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

4 Risk matrix

| Does the bidder commit to the RFP’s required risk allocation for the project? | Fully = 10 Adequately = 5 Unacceptably = 0 | 10 | 10 |

Total functionality points

| Minimum threshold | 100 | 65 |

12.3.4 The functionality of a bid is scored out of 100 points. A bidder must score 65% or more for functionality or the bid will be disqualified.
12.4 **How BEE is evaluated**

12.4.1 SANParks will evaluate the bidder’s BEE proposal (details of the format and information required are in ‘Annexure 5: BEE proposal’) and will allocate scores according to the methodology and weightings in the BEE scorecard in ‘Annexure 5: BEE proposal’.

12.4.2 BEE is scored out of 100 points. A bidder must score 65% or more for BEE or the bid may be disqualified. This is SANParks’ decision.

12.5 **How the Concession fee offer is evaluated**

12.5.1 If a bidder meets the minimum thresholds for both functionality and BEE, SANParks will evaluate the bidder’s Concession fee offer.

12.5.2 Under the PPP agreement, the PPP fee income to SANParks shall be, as per the schedule set out in ‘Annexure 6: The Concession fee offer’, whichever is higher of:

12.5.2.1 the minimum Concession fee, which is Rx per month (increased annually by CPIX)

12.5.2.2 The variable Concession fee (a flat percentage of gross revenue earned by the private party in each project year).

12.5.3 A Concession fee offer that does not conform to the requirements of ‘Annexure 6: The Concession offer’ will disqualify the bid.

12.5.4 The points for the Concession fee offer are calculated using the prescribed price formula in the regulations to the PPPFA. The maximum points will be awarded to the qualified bidder that makes the highest Concession fee offer and the remaining points being allocated pro rata to the remaining qualified bidders.

12.5.5 The Concession fee proposal is scored out of 100 points.
12.6 The overall score

SANParks will calculate the overall score of each qualified bid, using the following formula.

\[ a \times \frac{\text{functionality score}}{100} + b \times \frac{\text{BEE score}}{100} + c \times \frac{\text{PPP fee score}}{100} = d \]

- \( a \) is the weighting (60%) for functionality
- \( b \) is the weighting (10%) for BEE
- \( c \) is the weighting (30%) for Concession fee
- \( d \) is the bidder’s overall score

12.7 The preferred bidder

The bidder that receives the highest overall score will be appointed as the preferred bidder. The bidder that receives the second highest overall score will be appointed the reserve bidder.

13. FINALISING THE CONCESSION AGREEMENT

13.1 SANParks will negotiate the marked-up Concession agreement submitted by the preferred bidder.

13.2 If SANParks and the preferred bidder fail to come to agreement on the Concession agreement within six weeks, SANParks may withdraw the appointment as preferred bidder and begin negotiations with the reserve bidder.

14. BID TIMETABLE

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Advertisements</td>
<td>14&lt;sup&gt;th&lt;/sup&gt; September 2017</td>
</tr>
</tbody>
</table>
## SUMMARY PROJECT TIMETABLE FOR THE JACKS REFRESHMENT KIOSK OPPORTUNITY AT THE ADDO ELEPHANT NATIONAL PARK

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due Diligence Site Visits</td>
<td>29th September 2017</td>
</tr>
<tr>
<td>Question and answers (Response to all questions)</td>
<td>6th October 2017</td>
</tr>
<tr>
<td>Bid Submissions</td>
<td>27th October 2017</td>
</tr>
<tr>
<td>Bid Evaluation</td>
<td>8th November 2017</td>
</tr>
<tr>
<td>Bid Adjudication</td>
<td>14th November 2017</td>
</tr>
<tr>
<td>Negotiations</td>
<td>20th November 2017</td>
</tr>
<tr>
<td>Ratification by the SANParks Executive Management</td>
<td>24th November 2017</td>
</tr>
<tr>
<td>Signature of Agreement</td>
<td>30th November 2017</td>
</tr>
</tbody>
</table>
15. ANNEXURE 1: FINANCIAL INFORMATION

Bidders must provide the following information.

15.1 The financing plan

Indicate how much capital will be needed, where it will come from (own capital, grants, loans) and the expected amount and terms (interest rate, repayment period, security) of any proposed loans. Specify whether the necessary financing has been secured, and provide an appropriate proof.

15.2 A recent auditor’s report confirming that all the members of the bidder are solvent and liquid

If a member of the bidder does not produce audited financial statements, it must produce a notarised statement of assets.

15.3 A simplified cash flow forecast (net of VAT) for the 5 year term of the Concession agreement

Suggested format for the cash flow forecast

<table>
<thead>
<tr>
<th></th>
<th>Start-up</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
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<tbody>
<tr>
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<td>R'000</td>
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<tr>
<td><strong>Cash inflows</strong></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Owners’ capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans received</td>
<td></td>
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<td></td>
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<tr>
<td>Grants received</td>
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<tr>
<td>Cash from sales and other operating revenue</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Cash from other sources</td>
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<tr>
<td><strong>Total cash inflow (A)</strong></td>
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<tr>
<td><strong>Cash outflows</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Project costs and start-up expenses</td>
<td></td>
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</tr>
<tr>
<td>Salaries, wages and staff costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>All other operating costs and expenses</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Loan repayments</td>
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<tr>
<td>Replacement of equipment and</td>
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<tr>
<td></td>
<td>Start-up</td>
<td>Year 1</td>
<td>Year 2</td>
<td>Year 3</td>
<td>Year 4</td>
<td>Year 5</td>
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<tr>
<td>vehicles</td>
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<tr>
<td>Total cash outflow (B)</td>
<td></td>
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<tr>
<td>Net cash flow</td>
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<tr>
<td>[A – B] before PPP fees and tax</td>
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</tbody>
</table>
16. ANNEXURE 2: BUSINESS AND OPERATIONAL PLAN

Bidders should provide the following information, with back-up evidence wherever possible.

16.1 Special purpose vehicle constitutional information

While bidders are not required to form a special purpose vehicle (SPV) for bidding, the preferred bidder will have to do so to enter into the Concession agreement. Bidders must therefore demonstrate that they have an appropriate plan to create an SPV by providing as much of the following information as possible:

16.1.1 Bidder’s name, address, telephones and fax numbers, and the trading name if this is different from the registered name

16.1.2 Proposed directors of the SPV and their responsibilities

16.1.3 Place of registration (if applicable) and registration number (if applicable)

16.1.4 Memorandum and articles (or equivalent constitutive documents) (if applicable)

16.1.5 Shareholders’ agreement (if applicable)

16.1.6 Direct shareholder(s) and their percentage shareholding or other beneficial interest or participation (if there is more than one class or share or funding, given the percentages to be held by each).

16.2 Rationale, background and capacity

16.2.1 The bidder’s objectives

16.2.2 The bidder’s track record on and knowledge of existing products or activities offered in the tourism industry, including the size of existing operations in terms of turnover

16.2.3 Detailed description of products or activities envisaged for and how these will be managed
16.2.4 Current operating standards, including an outline of any operations and procedures manuals

16.2.5 Proposed organisational and staffing structures, including:

16.2.5.1 management policies

16.2.5.2 measures to transfer knowledge and expertise

16.2.5.3 Labour plan, including details of numbers of permanent and part-time staff that will be employed, staff recruitment policies, and employment policies.

16.2.6 Memberships and registrations (list any awards, accolades or ratings)

16.2.7 Curriculum vitae of shareholders, directors, management and staff

16.3 **Market analysis**

16.3.1 The bidder’s track record in and knowledge of the market, including existing relationships with tour operators and the travel trade (include references)

16.3.2 Target market (geographical, income, nature of activity, and so on)

16.3.3 Marketing channels

16.3.4 Product branding plans

16.3.5 Time taken to establish market

16.3.6 Growth in occupancy

16.3.7 Pricing range

16.3.8 Competitive analysis
17. ANNEXURE 3: DEVELOPMENT AND ENVIRONMENTAL PROPOSAL

Bidders should provide the following information, with back-up evidence wherever possible.

17.1 Environmental impact assessment requirements

Bidders need to adhere to the Operational Environmental Management Plan of working within the Addo Elephant National Park where particular caution is taken into consideration to ensure that there is limited or no impact on the environment.

17.2 Staff and safety

17.2.1 Give an estimate of the total number of staff, including number to be employed on site (including family members) and off site.

17.2.2 No staff will be accommodated at the premises.

17.2.3 Describe proposed operating standards for facilities, including a detailed operations and procedures manual with the following minimum information:

17.2.3.1 safety, emergency and rescue procedures
17.2.3.2 equipment standards and adherence to the specifications of the relevant authorities
17.2.3.3 management and replacement of equipment
17.2.3.4 Ongoing assessment and improvement of skills.

17.3 Visual impacts

17.3.1 See map showing location of the different areas within the Addo Elephant National Park, where the projects will take place.

17.3.2 Provide drawings of any changes to all structures and associated infrastructure.
17.4 **Bulk infrastructure**

17.4.1 **Electricity**

The Electricity Infrastructure in the area is well developed.

17.4.2 **Water**

The AENP has a well-developed water supply system that will be very crucial to all the projects.

17.4.3 **Roads and tracks**

The AENP has well maintained road system and this makes access into and out of the park very easy.

17.5 **Waste management**

17.5.1 **Liquid wastes**

A well-maintained liquid waste management system in the AENP will be beneficial to the success of the project.

17.5.2 **Solid wastes**

The system and infrastructure to manage solid waste that emanates from the projects within the AENP

17.6 **Fire management**

17.6.1 The operator may not control natural fires occurring in the AENP except in the immediate surrounds of project areas in question and or to save human life or property.

17.6.2 Control of natural fires elsewhere in the Addo Elephant National Park is the responsibility of SANParks and the operator may not attempt to control natural fires without SANParks consent and direction.
17.7 Commitments

Acknowledge that the operator must comply at all times with SANParks environmental guidelines, code of conduct and regulations that may change from time to time. SANParks will supply these with time.
18. ANNEXURE 4: RISK MATRIX

<table>
<thead>
<tr>
<th>Type of risk</th>
<th>General description of risk</th>
<th>Project-specific risk</th>
<th>Mitigation measure(s)</th>
<th>Allocation of risk (institution/private party/shared)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financing</td>
<td>The required capital for capex and opex may not be able to be raised; loans may not be able to be repaid; tax obligations may not have been fully taken into account or may change; fluctuating inflation, interest rates, and currencies may affect assumptions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supporting infrastructure</td>
<td>Supporting infrastructure may be inadequate to sustain the enterprise</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>Utilities may not be fully available or may cause delays</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environment and heritage</td>
<td>Liability for losses caused by environmental or heritage damage or delays</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance</td>
<td>The costs of maintenance to required standards may vary from projections or maintenance may not be carried out</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>Any factors (other than force majeure) that may impact on operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market, demand, volume</td>
<td>The demand for the product may be less than projected</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political</td>
<td>Unforeseeable conduct by any government institution may adversely affect the project, or the government may expropriate private party assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Force majeure</td>
<td>Unexpected events beyond either party’s control</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
19. ANNEXURE 5: BEE PROPOSAL

Bidders should provide the following information, with back-up evidence wherever possible.

19.1 Commitments

Make commitments in the ‘bid offered’ column in the BEE scorecard below. These will become binding in the PPP agreement.

19.2 Scores

Insert scores in the far right-hand column of the BEE scorecard below. SANParks will confirm the scoring on the basis of supporting information provided, and may use an accredited BEE rating agency for this purpose.

19.3 Supporting information

19.3.1 Bidders are responsible for providing information to support their scores.

19.3.2 Provide names, BEE credentials and contact details of black shareholders, black managers and black women managers.

19.3.3 Where possible, provide these details for black enterprises or black people targeted for subcontracting and procurement.

19.3.4 Give the anticipated number of construction and operating jobs.

19.4 Definitions

In this Section any term, defined in the Broad-based Black Economic Empowerment Act, No. 53 of 2003 ("BEE Act"), or in terms of any Codes of Good Practice issued in terms of Section 9 of the BEE Act, when used in the scorecard below shall have the same meaning as there defined, save where such meaning may be in conflict with the provisions of the Tourism BEE Charter and Scorecard, in which case the provisions of the Tourism BEE Charter and Scorecard will prevail.

The following terms, as used herein, shall have the following meanings:
19.4.1 "Black Empowered SMME" means a small, medium or micro enterprise (with a turnover of up to R10 million per annum) which has between 25 percent and 50 percent direct ownership and management by Black People;

19.4.2 "Black Owned SMME" means a small, medium or micro enterprise (with a turnover of up to R10 million per annum) which has more than 50 percent direct ownership and management by black people;

19.4.3 “Black People” is as defined in the BEE Act, save that it is limited to South African citizens. In other words, Black People are Africans, Coloureds and Indians who are South African citizens. For avoidance of doubt, this term does not include juristic persons or any form of enterprise other than a sole proprietor.

19.4.4 "Black Person" means any such citizen;

19.4.5 “Black Women” means female Black People;

19.4.6 "Board Representation" refers to membership by Black People of the duly constituted board of directors (or equivalent structure) of an enterprise and is calculated upon the basis of the percentage that black directors hold to the total number of directors of that enterprise;

19.4.7 "Community Trust" means the a trust registered in terms of the Trust Property Control Act;

19.4.8 "Direct Ownership” means ownership of an equity interest in an enterprise where such equity interest comprises:

19.4.8.1 the right to participate in the voting rights in that enterprise;

19.4.8.2 the right to receive unencumbered economic interest (such as dividends) flowing to the shareholders of that enterprise; and

19.4.8.3 Broad-based BEE schemes, employee share option schemes (ESOPs) and other employee share schemes, where the beneficiaries have the unconditional right to receive economic benefits and the capacity to elect and remove trustees, are specifically recognised as direct ownership. The flow-
through principle will be applied to determine the level of black ownership represented by the employee share option scheme;

19.4.8.4 Direct ownership is measured as being the lower of the level of black participation in voting rights and black participation in the unencumbered economic interest of an enterprise, measured using the flow-through principle;

19.4.9 "Discretionary Procurement" includes all amounts expended by an enterprise subject to measurement. Discretionary procurement excludes:

19.4.9.1 employment related expenditure;

19.4.9.2 procurement from public utilities and natural monopolies; and

19.4.9.3 facilitated procurement by travel agencies or other travel distribution providers where the choice of service providers remains with the consumer.

19.4.10 "Employees with no prior working experience" refers to those employees who have no formal employment experience prior to joining an enterprise in tourism. Formal employment does not include learnerships, traineeships or short-term and temporary assignments;

19.4.11 "Enterprise Development" may take a variety of forms, including:

19.4.11.1 direct investment in Black Owned and Black Empowered SMMEs;

19.4.11.2 joint ventures with Black Owned and Black Empowered SMMEs that result in "substantive" skills transfer;

19.4.11.3 support and funding for the grading of emerging tourism companies, as well as providing mentorship, business relationships and linkages which, in turn, provide business opportunities to these enterprises; and

19.4.11.4 twinning initiatives with Black Owned and Black Empowered SMMEs which
result in cost savings or revenue generation for those SMMEs;

19.4.12 "Executive Representation" refers to the participation by Black People in the senior non-board level management of an enterprise and more specifically, targets management levels which influence the strategic and operational management of an enterprise. Participation is measured upon the basis of the percentage that black executive managers hold to the total number of executive managers of that enterprise;

19.4.13 "Learnership" refers to learnerships as defined in the Skills Development Act, No. 97 of 1998, amended in 2003;

19.4.14 "Local" means the geographic area being within a 50 km kilometre radius of the Project Site or Park;

19.4.15 "Local Community Trust Ownership" means Equity in the Private Party which must, as a mandatory provision of the Project, be acquired by a Local Community Trust;

19.4.16 "Management" refers to all senior and middle management who do not form part of the executive management of the board of directors of the Private Party;

19.4.17 "Ownership" refers to equity participation and the ability to exercise rights and obligations, including voting rights and the rights to the flow of economic benefits, which accrue under such ownership;

19.4.18 "Preferential Procurement" refers to all spend with BEE compliant suppliers, to be calculated as follows:

19.4.18.1 one Rand (R1) for every one Rand (R1) spent with Excellent BEE Contributors, Good BEE Contributors, BEE Compliant SMMEs and Black Women Owned BEE Contributors; and

19.4.18.2 Fifty cents (50c) for every one Rand (R1) spent with Satisfactory BEE Contributors;

All of which terms are defined as follows:
19.4.18.3 an Excellent BEE Contributor means a company which has scored in excess of 90 percent on a BEE scorecard under a scorecard governing that company's sector or a BEE scorecard issued in the Codes of Good Practice and under the BEE Act;

19.4.18.4 a Good BEE Contributor means a company which has scored in excess of 65 percent, but less than 90 percent, on a BEE scorecard under a scorecard governing that company's sector or a BEE scorecard issued in the Codes of Good Practice and under the BEE Act;

19.4.18.5 a Satisfactory BEE Contributor means a company which has scored in excess of 40 percent but less than 65 percent, on a BEE scorecard under a scorecard governing that company's sector or a BEE scorecard issued in the Codes of Good Practice and under the BEE Act;

19.4.18.6 a Limited BEE Contributor means a company which has scored less than 40 percent, on a BEE scorecard under a scorecard governing that company's sector or a BEE scorecard issued in the Codes of Good Practice and under the BEE Act;

19.4.18.7 a BEE Compliant SMME means a small, medium or micro enterprise (with a turnover of up to R10 million per annum) which is either an Excellent, Good or Satisfactory Contributor to BEE; and

19.4.18.8 a Black Women Owned BEE Contributor is a company which is more than 30 percent owned by black women and which is also an Excellent, Good or Satisfactory contributor to BEE;

19.4.19 "Skills Development Spend" refers to investment in skills development initiatives through both external training providers and the quantifiable costs of accredited internal training programmes. Internal training spend does not include the opportunity cost of employees attending the skills development initiatives;

19.4.20 "Supervisory" refers to the junior management and professional staff;

19.4.21 "TOMSA (Tourism Marketing South Africa) Levy Collectors" refers to tourism
enterprises who are registered to raise funds on behalf of the trust;

19.4.22 "Total Employee Time" refers to the total working hours calculated as the product of the total number of employees and their standard working hours;

19.4.23 "Total Staff" refers to all employees and/or contractors, excluding those accounted for under Strategic Representation, from whom the tourism enterprise is responsible for the collection and payment of applicable employee tax. The intention of the scorecard below is to include temporary staff in the definition of total staff, since tourism is an industry that relies heavily on temporary, casual and seasonal staff.

19.5 2104 Milestones and Targets

19.5.1 The Private Party shall ensure that the SPV/s, from the date of signature of the PPP Agreement to 31 December 2014, comply with the commitments and undertakings set out in the following table and score at least a Good BEE Contributor score for every SPV that falls within the Bid Package that are bid for:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2014 Weightings</th>
<th>2014 MILESTONES</th>
<th>2014 Weightings</th>
<th>2014 MILESTONES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014 Weightings</td>
<td>Sub-weighting</td>
<td>Indicators to measure BEE achievement</td>
<td>2014 Milestone</td>
</tr>
<tr>
<td>A</td>
<td>B</td>
<td></td>
<td>A</td>
<td>B</td>
</tr>
<tr>
<td>Ownership</td>
<td>20%</td>
<td>13%</td>
<td>Percentage share of economic benefits as reflected by direct shareholding by black people</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>7.0%</td>
<td></td>
<td>Local Community trust ownership</td>
<td>10%</td>
</tr>
<tr>
<td>Strategic representation</td>
<td>12%</td>
<td>2.5%</td>
<td>Black people as a percentage of board of directors</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>2.5%</td>
<td></td>
<td>Black women as a percentage of board of directors</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>2.0%</td>
<td></td>
<td>Local people as a percentage of board of directors</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>2.5%</td>
<td></td>
<td>Black people as a percentage of executive management</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>2.5%</td>
<td></td>
<td>Black women as a percentage of executive management</td>
<td>25%</td>
</tr>
<tr>
<td>Indicator</td>
<td>2014 Weightings</td>
<td>2014 MILESTONES</td>
<td>2014 Milestone</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>----------------</td>
<td>-----------------------------------------</td>
<td>----------------</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Weighting</td>
<td>Sub-weighting</td>
<td>Target</td>
<td></td>
</tr>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
<td></td>
</tr>
<tr>
<td>Employment equity</td>
<td>12%</td>
<td>1.0%</td>
<td>Black people as a percentage of management 50%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.0%</td>
<td></td>
<td>Black women as a percentage of management 25%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.0%</td>
<td></td>
<td>Local people as a percentage of management 25%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.0%</td>
<td></td>
<td>Black people as a percentage of supervisors, junior and skilled employees 65%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.0%</td>
<td></td>
<td>Black women as a percentage of supervisors, junior and skilled employees 35%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.0%</td>
<td></td>
<td>Local people as a percentage of supervisors, junior and skilled employees 45%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.0%</td>
<td></td>
<td>Black people as a percentage of total staff 75%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.0%</td>
<td></td>
<td>Black women as a percentage of total staff 40%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.0%</td>
<td></td>
<td>Local people as a percentage of total staff 60%</td>
<td></td>
</tr>
<tr>
<td>Skills development</td>
<td>18%</td>
<td>4.5%</td>
<td>Percentage of payroll spend on skills development (including skills development levy) on all accredited training 3%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.5%</td>
<td></td>
<td>Percentage of skills development spend on all black employees 75%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.5%</td>
<td></td>
<td>Number of learnerships as a percentage of total employees 2%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.5%</td>
<td></td>
<td>Number of black learners as a percentage of total learners 80%</td>
<td></td>
</tr>
<tr>
<td>Preferential procurement</td>
<td>18%</td>
<td>12.0%</td>
<td>Spend on BEE compliant companies as a percentage of total procurement spend 50%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.0%</td>
<td></td>
<td>Spend on local BEE compliant companies as a percentage of total procurement spend 25%</td>
<td></td>
</tr>
<tr>
<td>Enterprise development</td>
<td>10%</td>
<td>5.0%</td>
<td>The sum of percentage spend of post-tax profits on enterprise development and percentage employee time contributed to enterprise development over total management time 1%</td>
<td></td>
</tr>
</tbody>
</table>
## 2014 Weightings

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2014 Weightings</th>
<th>2014 MILESTONES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator</td>
<td>Weighting</td>
<td>Sub-weighting</td>
</tr>
<tr>
<td>A</td>
<td>B</td>
<td>C</td>
</tr>
<tr>
<td>Enhanced revenue and/or cost savings and/or twining initiatives facilitated for black owned SMMEs, as a percentage of revenue.</td>
<td>5.0%</td>
<td>1%</td>
</tr>
<tr>
<td>Percentage CSI spend of post-tax profits on education, community programmes, job creation, training, health, conservation, community tourism and marketing activities to develop local black tourist market (or percentage management time over total employee time)</td>
<td>1.0%</td>
<td>1%</td>
</tr>
<tr>
<td>Percentage of new recruits with no prior work experience</td>
<td>3.0%</td>
<td>10%</td>
</tr>
<tr>
<td>Status of TOMSA levy collector</td>
<td>3.0%</td>
<td>Yes</td>
</tr>
<tr>
<td>Total BEE points</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

### Milestones and Targets Post-2014

#### 19.6.1

The BEE Milestones and Targets for the duration of the PPP Term and in particular for the period from 1 January 2015 to the end of the PPP Term shall be determined by the restructured editions of the Tourism Charter and Scorecard as gazetted from time to time.

#### 19.6.2

The Tourism BEE Charter was developed to be in line with the Department of Trade and Industry’s first phase of the Codes of Good Practice. Once the Codes of Good Practice has been gazetted, the Tourism Charter will be guided of how best it can be aligned to the final draft Codes of Good Practice.

#### 19.6.3

The milestones and targets of the Tourism BEE Charter and Scorecard could thus be amended from time to time and the provisions of this Section and PPP Agreement would be modified accordingly. The Private Party would receive
notification of such amendments and be provided with a satisfactory remedy period to address the amendments.

19.7  **External BEE Verification**

19.7.1 The Private Party shall appoint a reputable external verification agency to determine the SPV/s BEE status and a copy of such an independent verification certificate shall be provided to SANParks within 15 (fifteen days) after the end of each Project Year.

19.7.2 The BEE Verification Certificate will categorise the SPV/s according to their contribution to BEE.

19.7.3 The Private Party shall be obliged in terms of the PPP Agreement to ensure that the SPV/s, at a minimum, complies with the category of a Good BEE Contributor for each Project Year.

19.7.4 In the event of default by the SPV's/Private Party to comply with this provisions and the default is not remedied before the expiry of the period referred to in the notice by SANParks, SANParks will have the right to terminate the PPP Agreement with immediate effect by written notice to the Private Party.
20. ANNEXURE 6: THE PPP FEE OFFER

**Important note to bidders**

Information about the Concession fee offer must be contained in Envelope 2 and is **not** to be submitted in Envelope 1 with the functionality and BEE proposals.

Bidders must present the Concession fee offer in the form of a letter on the bidder’s letterhead as follows, inserting the bidder’s name and the percentage of gross revenue for the variable PPP bid as indicated:

To:

Addo Elephant National Park, P.O. Box 52, Addo 6109

[Name of bidder] hereby commits to pay to SANParks the higher of

20.1 the minimum Concession fee and

20.2 the variable Concession fee, expressed as a flat percentage of aggregate gross revenue as defined in the PPP agreement.

The minimum Concession fee is R [sum payable monthly], which will be adjusted annually by 8%

The variable Concession fee bid by [name of bidder] is [percentage] % of gross revenue.

[Name of bidder] hereby warrants that the committed minimum Concession fee and the variable Concession fee shall be included in the Concession agreement, if accepted by SANParks.

For indicative purposes only, our projection of fees payable to SANParks is:
Adapt for the proposed term of the Concession

The person signing below is a duly authorised representative of the bidder with full power and authority to submit this financial offer and commit the bidder to its terms.

Signature: _____________________

Name: _____________________      Title: _____________________
21. ANNEXURE 7: DRAFT TOURISM CONCESSION AGREEMENT

The draft Concession Agreements are not attached hereto but will be made available to bidders.
22. ANNEXURE 8: BID COVER SHEETS

Cover sheets which include the following information must be attached to each envelope:

**Bid for the commercial use of the Jack’s Picnic Site in the Addo Elephant National Park through a commercial agreement**

**ENVELOPE 1: FUNCTIONALITY AND BEE BIDS**

Name of bidder:
Postal address:
Street address:
Telephone:
Cell phone:
Fax:
Contact person:
Email address:
Signature of bidder:
Date:
Capacity in which bid is signed:

*Signature of this document means that the bidder accepts the terms and conditions of this bid. Failure by the bidder to sign this form may disqualify the bid.*
Bid for the commercial use of the Jack’s Picnic Site in the Addo Elephant National Park through a commercial agreement

<table>
<thead>
<tr>
<th><strong>ENVELOPE 2: CONCESSION FEE OFFER AND MARKED-UP DRAFT CONCESSION AGREEMENT</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of bidder:</td>
</tr>
<tr>
<td>Postal address:</td>
</tr>
<tr>
<td>Street address:</td>
</tr>
<tr>
<td>Telephone:</td>
</tr>
<tr>
<td>Cell phone:</td>
</tr>
<tr>
<td>Fax:</td>
</tr>
<tr>
<td>Contact person:</td>
</tr>
<tr>
<td>Email address:</td>
</tr>
<tr>
<td>Signature of bidder:</td>
</tr>
<tr>
<td>Date:</td>
</tr>
<tr>
<td>Capacity in which it is signed:</td>
</tr>
</tbody>
</table>

*Signature of this document means that the bidder accepts the terms and conditions of this bid. Failure by the bidder to sign this form may disqualify the bid.*