TERMS OF REFERENCE

APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT AN ASSESSMENT OF SANPARKS WAREHOUSING WITH A VIEW TO ADVISE ON OUTSOURCING OR INSOURCING

Requisition Number: SANParks 038-11-18
# REQUEST FOR PROPOSAL

You are hereby invited to submit proposal / price quotation for:

**TO CONDUCT AN ASSESSMENT OF THE WAREHOUSING AT SANPARKS**

<table>
<thead>
<tr>
<th><strong>RFP Number:</strong></th>
<th>SANParks-038-11-18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Advertisement Date:</strong></td>
<td>05 February 2019</td>
</tr>
<tr>
<td><strong>Closing Date:</strong></td>
<td>20 February 2019</td>
</tr>
<tr>
<td><strong>Closing Time:</strong></td>
<td>11h00</td>
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<tr>
<td><strong>Bid Document Delivery Address:</strong></td>
<td><a href="mailto:scmquotations@sanparks.org">scmquotations@sanparks.org</a></td>
</tr>
<tr>
<td><strong>Bid Document Delivery Email Address:</strong></td>
<td><a href="mailto:scmquotations@sanparks.org">scmquotations@sanparks.org</a></td>
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<tr>
<td><strong>For Attention:</strong></td>
<td>Mr Ernest Hlungwani</td>
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<tr>
<td><strong>Contact details</strong></td>
<td>Tel: 012 426 5243</td>
</tr>
<tr>
<td><strong>Email Address</strong></td>
<td>Email: <a href="mailto:Ernest.Hlungwani@sanparks.org">Ernest.Hlungwani@sanparks.org</a></td>
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</tbody>
</table>
South African National Parks (SANParks) is a public entity functioning under National Environmental Management: Protected Areas Act 57 of 2003 (Act 57 of 2003); with the mandate to conserve; protect; control; and manage national parks and other defined protected areas and their biological diversity (Biodiversity). As a public entity, SANParks is also governed by the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and it is listed as Schedule 3 Part A: 25 public entities.

SANParks’ operations are totally guided by its vision statement and mission statement. As a public entity, the organisation is committed to act in pursuance of transformation of South Africa’s society in support of entrenching South Africa’s democracy. In this regard, the organisation has adopted a transformation mission to guide its efforts accordingly.

South African National Parks is running and managing its warehouses internally, where inventory and other commodities are procured and stored in the warehouse. The current management or running of the warehouse is not to the required standards or best practice. There is a need to improve the efficiency of the warehouse, and in so doing the services and expertise of an independent service provider to advise SANParks on the best way to either manage warehousing internally or by outsourcing is required.

Due to the nature of the operations the Kruger National Park is running and most importantly as well as the geographical location of the park, it is important that at all times there is sufficient stock available at the warehouse to support all the critical operations in order to minimize any disruptions to operations that may have a negative impact on the park, such as loss of revenue and customer complaints. The warehouse mainly keep items that are used on a daily basis mainly by Tourism division, Technical Services, Ranger Services as well as a few support departments such as Scientific Services, Veterinary Wildlife Services, etc. It is in the light of the above that the service that this proposal require is only for the Kruger National Park for now as it is critical.

The purpose of this Request for Proposal is therefore to source the services of a suitably qualified service provider with the requisite capacity, experience and expertise to do an assessment of the “as is” or current management of the warehouse at Kruger National Park, with a view to advise on the “to be” or best practice of managing a warehouse. The service provider will be required to give scenarios on both Insourcing and Outsourcing and come with a recommendation on the best possible way to manage the warehouse effectively and efficiently to the satisfaction of the internal clients.
2. THE SCOPE OF WORK

SANParks is expecting the appointed service provider to conduct an assessment of the entire warehousing processes, procedures, ERP system, people, skills and identify elements of weakness that needs improvement, capitalise on the strengths, identify and exploit opportunities and mitigating threats, then propose possible enhancements on all aspects for effective optimal operation of the warehouse.

The assessment should look at the overview of the entire warehousing function starting from the procurement of commodities, storage and issuing of same amongst others to assist SANParks in modernising of the Warehouse in order to better support the Organisation in achieving its objectives.

SANParks will always be willing to assist prospective bidders with more information should it be required for effective assessment of the current warehousing challenges.

3. PROJECT PURPOSE AND OBJECTIVES

Through the assessment/feasibility study the successful service provider should be able to assist SANParks in:

- Proposing the best solution that will improve the efficiency and effectiveness of KNP Warehouse management.
- Proposed implementation plan which includes suggested milestones, monitoring and evaluation of progress
- Achieve cost saving through efficient procuring of stock(inventory), optimal stockholding, efficiency, requisite staffing, skills, issuing and technology
- Ensure that the Warehouse does not keep obsolete and or expired inventory
- Benchmark warehousing management against best practice for similar organisations as SANParks
- Help identify bottlenecks along the value chain that are preventing optimum management of the warehouse.
- To identify any inbound, operations and outbound (issuing) deficiencies in the management of the warehouse.
4. PROJECT ORGANIZATION

4.1 The Client

SANParks is the client.

4.2 Overall Qualifications of the service provider

Provide information on overall qualifications, including

- Profile of relevant corporate qualifications.
- Professional expertise with qualitative and quantitative aspects of value chain assessment and baseline analysis.
- Academic Qualifications of key members of the proposed project team (attach CV(s) and provide details of back-up/standby teams).
- Number of years in business for both the company and the proposed team individually. Minimum three years of relevant experience for both the company and the proposed team.
- If your company has more than one location, please indicate these qualifications for the site that is responding. Confirm which office / branch will be servicing the client for this project.
- Written reference of where similar work has been done.

5. IMPLEMENTATION PLAN

5.1 Approach

The Service Provider should submit to SANParks a detailed project plan with clear milestones, deliverables for sign off before any work can commence.

5.2 Project Time-frame and expected Output

The selected service provider will be required to produce Warehouse assessment report within a period of one (01) month.
The Service Provider will be required to enter into a service level agreement/contract with SANParks with details of project schedule and payments schedule. Payment will be effected to the appointed service provider within 30 days from invoice receipt date. No partial or upfront payment will be acceptable for this project.
6. COMPLIANCE RESPONSIVENESS CRITERIA

In this phase All responses received will be verified for compliance and completeness of the submitted proposal per the below set of mandatory requirements.

- Submission of Company Profile,
- Submission of fully completed SBD 1 (Invitation to Bid),
- Submission of fully completed Pricing Schedule (Professional Services – SBD 3.3),
- Submission of fully completed SBD 4 (Declaration of Interest),
- Submission of fully completed SBD 6.1 (Preference Claim Certificate), accompanied by the original or certified B-BBEE Status Level Verification Certificate or original B-BBEE Sworn Affidavit,
- Submission of fully completed SBD8 (Declaration of Bidders Past SCM Practice),
- Submission of fully completed SBD9 (Certificate of Independent Bid Determination),
- Proof of registration with National Treasury Central Supplier Database (CSD) which confirms the bidders tax compliance status

7. PRE-QUALIFICATION COMPLIANCE RESPONSIVENESS CRITERIA

- Service provider should submit a Technical proposal including understanding of the brief when responding to this project / Request for proposal.
- Service provider should submit the breakdown of costs to be incurred for this project.
- The following evidence should be provided to fulfil the above criteria:
  - List of relevant services provided in the past three years in the field of the respective lot, with sums, dates and recipients, public or private. The most important services shall be accompanied by certificates of satisfactory execution, specifying that they have been carried out in a professional manner and have been fully completed;
  - The educational and professional qualifications of the persons who will provide the service for this project (CVs) including the management staff. Each CV provided should indicate the intended function in the delivery of the service.
8. PROPOSAL EVALUATION CRITERIA

The following is a list of significant criteria against which proposals will be assessed. The criteria are listed in order of priority.

Please follow the following functional criteria evaluation items and number each criteria clearly and place each criteria response on it separate divider or section in your response to enable the Evaluation Team to easily locate your information, thus affording your response the attention it deserves.

SANParks anticipates issuing a firm fixed-price agreement to the service provider whose proposal is most advantageous and cost-effective. A fixed-price contract calls for one price, not subject to any adjustment based on the service provider's cost experience in performance of the contract. This fixed-price is established at the outset, when the contract is negotiated and signed. Proposals will first be evaluated from a technical standpoint. Those proposals that are considered to be technically acceptable shall then be evaluated in terms of cost. Each technical proposal will be evaluated based on evidence of the following items:
<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>Scores</th>
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<tbody>
<tr>
<td><strong>TECHNICAL CRITERIA (40 points)</strong></td>
<td></td>
</tr>
<tr>
<td>Proposals reflects understanding of project and the scope of work in the RFP</td>
<td>10</td>
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<tr>
<td>Proposal illustrates knowledge of warehousing value chain analysis</td>
<td>10</td>
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<tr>
<td>Clearly demonstrates knowledge and understanding of the value chain analysis and baseline questions and objectives across the value chain and can justify the selected methodology for meeting the stated objective(s) as outlined in the Scope of Work</td>
<td>10</td>
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<tr>
<td>Experience conducting value chain analysis and baseline studies quantitative and qualitative analysis</td>
<td>10</td>
</tr>
<tr>
<td>Sub Total</td>
<td>40</td>
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<td><strong>QUALIFICATIONS and EXPERIENCE (30 points)</strong></td>
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<tr>
<td>Qualifications and Experience of the project team – attach the abridged CVs’ and qualification certificates. CV to indicate <strong>only</strong> the experience relevant to this project. Minimum of four resources (Director, Senior Manager, Manager, Assistant Manager)</td>
<td>10</td>
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<tr>
<td>Experience of the organization in similar work. Provide <strong>at least</strong> a minimum of an A4 page listing the clients the organization serviced in the last five years and the worked performed for such clients <strong>only</strong> those which are relevant to this project.</td>
<td>10</td>
</tr>
<tr>
<td>Experience of working in Organs of state and working experience with other value chain players (reference letters / certificate of completion / referral letter) – attach at least three (3) relevant experience conducted in the last five years</td>
<td>10</td>
</tr>
<tr>
<td>Sub Total</td>
<td>30</td>
</tr>
<tr>
<td><strong>WORK PLAN (30 points)</strong></td>
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<td>Clear outline of steps and activities to achieve deliverables</td>
<td>10</td>
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<td>Having required personnel on the team – Provide list of personnel to be assigned to this project and their brief background experience which is relevant to this project</td>
<td>10</td>
</tr>
<tr>
<td>Capacity to perform the work within the desired timeline – submit project plan linked with deliverables, resource, anticipated hours spend per allocated resource to demonstrate the relevancy of each allocated resource and timelines</td>
<td>5</td>
</tr>
<tr>
<td>Appropriateness of the budget to the plan suggested vis-à-vis institution/staff experience and qualification</td>
<td>5</td>
</tr>
<tr>
<td>Sub Total</td>
<td>30</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td>100</td>
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Note: SANParks reserves the right to subtract or include additional criteria.

NB: Qualification Threshold – Service providers must achieve 75% per the above criteria for consideration to the next phase evaluation. Bidders who fails to comply with the set minimum threshold of 75% per the above requirements WILL be eliminated and bidders who comply with the below progresses to the next phase of evaluation.

9. EVALUATION OF BID RESPONSES USING THE PRICE AND B-BEEE SCORES

Service Providers who achieved 75% and more from the technical evaluation phase will progress to the final phase of Price and Preference (BB-BEE Score) points allocation systems for the recommendation of the successful bidder.

NB: Service Providers who scores the highest total points on PRICE and B-BBEE claimed points shall be awarded the contract.

10. EVALUATION CRITERIA AND WEIGHTING

The RFP stipulated that the responses to be evaluated using the 80/20 preference points system in accordance with the PPPFA guidelines. Based on this system the points will be allocated as follows:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Points</th>
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<tbody>
<tr>
<td>Price</td>
<td>80</td>
</tr>
<tr>
<td>Preference points</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
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11. EVALUATION FORMULA

The following formula will be applied to calculate the scores:

**Price Formula**

The following PPPFA formula was used to evaluate the price proposals submitted by bidders, this formula was used because price was the only criterion that was scored i.e. the whole 80 points were allocated to price.

\[ PS = 80 (1 - \frac{Pt}{P_{\text{min}}}) \]

\[ \frac{P_{\text{min}}}{P_{\text{min}}} \]

\[ Ps = \text{Points scored for price of the bid under consideration.} \]

\[ Pt = \text{Rand value of bid under consideration.} \]

\[ P_{\text{min}} = \text{Rand value of lowest acceptable bid} \]

12. FINAL AWARD

Service provider who obtains highest total points on PRICE and B-BBEE claimed points shall be awarded the contract. SANParks reserves the right not to appoint any bidder.

13. TERMS AND CONDITIONS OF THIS PROJECT

13.1 Notice of non-binding solicitation

SANParks reserves the right to reject any and all bids received in response to this Request for Proposal, and is in no way bound to accept any proposal. All the work produced under this RFP will be sole property of SANParks.
13.2 Data

All the raw and final data collected by the organization will be handed over to SANParks in soft and hard copies.

13.3 Confidentiality

All information provided by SANParks as part of this solicitation must be treated as confidential. Proposals, discussions, and all information received in response to this RFP will be held as strictly confidential, except as otherwise noted.

13.4 Communication

All communications regarding this RFP shall be directed to appropriate parties at SANParks indicated on page 2 of this RFP. Contacting third parties involved in the project, the review panel, or any other party may be considered a conflict of interest, and could result in disqualification of the proposal.

13.5 Acceptance

Acceptance of a proposal does not imply acceptance of its terms and conditions. SANParks reserves the option to negotiate on the final terms and conditions. We additionally reserve the right to negotiate the substance of the finalists’ proposals, as well as the option of accepting partial components of a proposal if appropriate.

Right to final negotiations
SANParks reserves the option to negotiate on the final costs and final scope of work.

13.6 Third-party limitations

SANParks does not represent, warrant, or act as an agent for any third party as a result of this RFP. This RFP does not authorize any third party to bind or commit SANParks in any way without our express written consent.
14. SANParks Contacts

1. Procurement Contact: SCM Quotations ([scmquotations@sanparks.org](mailto:scmquotations@sanparks.org)) for submission of proposal / quotation.

2. Technical Contact: Ernest Hlungwani ([Ernest.Hlungwani@sanparks.org](mailto:Ernest.Hlungwani@sanparks.org)) Tel: 012 426 5243 for technical enquiries. Preferably enquiries to be sent via email for audit trail purposes.