



**eTHEKWINI MUNICIPALITY**  
**ECONOMIC DEVELOPMENT & INVESTMENT PROMOTION UNIT**  
**DEPARTMENT OF INVESTMENT PROMOTION**

Description	PQ Number
<b>BUSINESS RETENTION AND EXPANSION PROJECT AND PROGRAM MANAGEMENT</b>	<b>PQ: 7G-18581</b>

**Tender Closing on: 11:00am Wednesday, 4 November 2015**

**QUOTATIONS ARE TO BE DEPOSITED IN THE BOX PROVIDED IN THE FOYER OF THE MATERIALS MANAGEMENT BUILDING, CORPORATE PROCUREMENT(MATERIALS MANAGEMENT) ARCHIE GUMEDE PLACE, OLD FORT COMPLEX(AND NOT TO ANY OTHER DEPT)**

**OFFICIAL TENDER FORMS AND SPECIFICATIONS TO BE PICKED FROM:**

**Ntuthuko Dladla  
 Contracts Department  
 Old Fort Place**

**ECONOMIC DEVELOPMENT &  
 INVESTMENT PROMOTION UNIT**

**VYNESSA NAICKER  
 031 311 4133**

**DURBAN**

<b>FOR OFFICE USE ONLY</b>			
<b>TENDER NAME :</b>			<b>CIDB Register – Y N</b>
			<b>VAT Register – Y N</b>
	<b>Price (excl)</b>	<b>VAT</b>	<b>Price (incl)</b>
<b>Submitted</b>			
<b>Corrected</b>			



**CONTRACT NUMBER:**

**Reference PQ: 7G-18581**

**REQUEST FOR PROPOSALS:**

**Business Retention and Expansion Project and  
Program Management**

Economic Development and Investment Promotion Unit

EThekwini Municipality

# Request for Proposal:

## Business Retention and Expansion Project and Program Management

### 1. Introduction

According to the eThekweni Municipality's vision for the year 2030, the city is striving towards achieving the reputation of being Africa's most liveable city. In order to achieve this, they would need to promote economic growth and obtain higher standards of living. This project aims towards achieving this through Brownfields Redevelopment which relates to the revitalisation of dysfunctional sites found within predominantly industrial areas.

The eThekweni Municipality's Economic Development and Investment Promotion Unit seeks the services of a professional Business Retention and Expansion Specialist, for a maximum period of 12 months with an availability of 40 hours per month, in order to finalise and implement:

- 1.1 The BR&E process & Action Team Plan for New Germany for Brownfields Redevelopment and Industrial Revitalisation in eThekweni;

### 2. Background Information

eThekweni Municipality classified into five major economic sectors; namely financial services, manufacturing, logistics, community services (inclusive of all three spheres of government) and lastly retail and wholesale trade. Durban's economic history has on numerous occasions demonstrated that growth in the logistics and manufacturing sectors have a positive impact in the other three sectors of eThekweni's economy. In addition the low levels of skilled labour in eThekweni dictate that in order to reduce unemployment radically, there needs to be significant growth in the manufacturing sector.

International best practice has on countless occasions demonstrated that a well-structured and resourced Business Retention and Expansion strategy and plan has a positive impact on economic growth and job creation. The eThekweni Municipality is keen to extend the Business Retention & Expansion program to the greater New Germany area.

In wishing to do so, the City understands that there are no "quick fixes" or easy formulas for creating sustainable employment. Instead it takes a range of initiatives, which build steadily on local advantages and opportunities over a long period of time. These usually include actions to help existing business to grow and show that the contribution it makes is appreciated and that the City's rates base is expanded.

International research shows that when this is done:

- from **60% to 80% of all new jobs** are created by the growth of existing businesses,
- they provide most of the investment for new local economic initiatives,
- they generate ideas for new businesses,
- they play a vital part in encouraging outside businesses to relocate or establish within their community.

In order to create jobs and growth clearly it is important to listen to the concerns and ideas of existing businesses and help them do better. The Business Retention and Expansion (BR&E) Visitation Program was developed in the USA over 20 years ago and it is now in use in almost every state of the USA as well as in Canada, several European countries and Australia. BR&E Visitation Programs are managed and run by partnerships of local stakeholders.

### **3. Purpose and Objective of Project**

- Ensure signing of SLA in order to encourage better communication between businesses in the New Germany area and eThekwini officials
- Ensure that the information requests emanating from the business survey in 2015 are covered in the joint Partner seminar
- Ensure that the Action Teams deliver on their mandate further to the concerns raised at the Feedback Session
- Ensure that the companies located within New Germany have added business confidence

### **4. Scope of Project**

**The service provider is expected to:**

- Support the Action Teams through the co-ordination of secretariat duties in ensuring that the Action Teams meet regularly and that eThekwini Municipality Line Departments participate in order that the objectives of each Action Team is realized and implemented.
- Submit regular progress reports to the eThekwini Municipality for each of the Action Teams, outlining the progress as well as challenges on achieving the set objectives
- Craft the Service Level Agreement (SLA) between the New Germany Business Grouping and the eThekwini Municipality including key line departments being signatory to this SLA
- Develop a Scorecard to provide feedback to the City's Senior Leadership and the New Germany Business Grouping on how the delivery of services by the eThekwini Municipality is being managed

- Develop a Year Planner Schedule of regular service delivery by eThekweni Municipality officials
- Deliver an Exit Report to the eThekweni Municipality detailing the learned experiences, the successes and the challenges of the BR&E programme. A case study demonstrating the steps in achieving collaboration and participation from eThekweni Officials to be included in the final report.

## 5. Tasks and Duties

**The service provider is required to be consistently available in order to finalise:**

- Progressive implementation of the Municipality's BR&E Program in New Germany area, to retain existing business in eThekweni and encourage further investment.

## 6. Human Resource Requirements

**The service provider needs to demonstrate the experience, skill and competence outlined below:**

- Post graduate qualifications in marketing and/ or development studies
- At least 5 years marketing experience in local economic development and or investment promotion/marketing
- Demonstrate knowledge and the inter-relationship amongst the main sectors operating in the eThekweni Economy
- Ability to communicate and engage with multi-disciplinary stakeholders that influence investment destination marketing
- Research and investment information gathering capacity

## 7. Milestones and Timeframes

It is suggested that the on-going program be started by end October 2015 and finish by the end of October 2016. Our target time is to begin no later than the 30 October 2015.

The BR&E program was extremely successful in the following areas of the eThekweni Municipality namely, the South Durban Basin, the Jacobs and Mobeni corridor, Highway area encompassing Pinetown as well as the Phoenix Industrial Park.

Promoting New Germany and referencing investment recommendations that will retain and encourage existing business to invest in eThekweni is surely a recipe to grow the eThekweni economy and job creation.

## **8. Project Team Requirements**

The project team will be required to possess the following knowledge and/or experience, skill and competence outlined below:

- 8.1 Post graduate qualifications in marketing and/ or development studies
- 8.2 At least 5 years marketing experience in local economic development and or investment promotion/ marketing
- 8.3 Demonstrate knowledge and the inter-relationship amongst the main sectors operating in the eThekweni Economy
- 8.4 Ability to communicate and engage with multi-disciplinary stakeholders that influence investment destination marketing
- 8.5 Research and investment information gathering capacity

## **9. Meetings and Presentations Required to be Undertaken**

The appointed service provider will be required to attend meetings at Council to discuss the requirements for the project. Meetings will also be held to discuss the progress of the project at intervals to be specified upon appointment.

The service provider may also be required to present the draft material to Council upon sufficient notice.

## **10. Proposal and Financial Issues**

All interested service providers should submit a proposal that displays an understanding of the requirements of the project. The proposal should include a project plan which consists of a cost breakdown as well as timelines, keeping within the deadline specified in these terms.

In addition, service providers are required to submit a list of all team members that would work on the project as well as a one page CV on each member. Please note that the appointment will be made in terms of the Council's Procurement Policy.

**The following requirements must be adhered to as part of the tendering process:**

- The quotation shall include total cost, VAT and disbursements as separate figures
- SARS Tax clearance certificate
- (MBD) Forms:
  - Original Certificate of Independent Bid Determination
  - Original Declaration of Interest
  - Original Declaration of Municipal Fees

- Original Declaration of Points Claim
- Original Declaration for Local Production and Content
- Original Declaration of Bidders Past SCM Practices

These terms of reference are subject to any changes which may stem from a negotiation of the final terms with the service provider, as well as any additional budget which may be allocated to the project.

Payment arrangements will be negotiated on the basis of the completion of project milestones and will be outlined in the letter of appointment. Final payment will be paid on full completion of the project and the receipt of the final set of deliverables.

The adjudication of this Request for Proposal will be in terms of MFMA Circular 53 (Municipal Finance Management Act No. 56 of 2003), whereby FUNCTIONALITY is included in this bid as a criterion and will be assessed in terms of the evaluation criteria detailed in the table below. Any bid which fails to meet the minimum threshold of 70 out of 100 points for functionality will be disqualified. Thereafter, only qualifying bids will be evaluated in terms of the 80/20 preference points system where 80 points is used for price only and 20 points are used for BEE points.

The adjudication of this Request for Proposal will be in terms of the criteria presented below and be in compliance with the scope, purpose and methodology of the intervention.

**Evaluation Criteria**

In terms of amended guidelines in respect of bids that include functionality as a criterion for evaluation, the evaluation of the proposals will be conducted in two stages.

CRITERIA	MAX SCORE
<b>STAGE 1</b>	
<b>1. Response to the brief</b>	<b>30</b>
1.1. Does the proposal clearly demonstrate good understanding of the brief? All key deliverables are distinctly identified and adequately address. <ul style="list-style-type: none"> <li>○ Nil – No submission</li> <li>○ Poor (score 40%) – The proposal shows limited understanding of the brief and project, has not adequately dealt with the key challenges.</li> <li>○ Satisfactory (score 70%) – The brief is well understood, clearly articulated, and key components are adequately addressed. The proposal reflects necessary concepts but has insufficient detail</li> </ul>	

<p>for it to be distinctive.</p> <ul style="list-style-type: none"> <li>○ Good (score 90%) – the proposal clearly demonstrates an understanding of the project’s vision and the brief. All key components are adequately addressed.</li> <li>○ Very good (score 100%) - A unique proposal that is strongly aligned to and identifiable with the project. It identifies and deals well with all the brief criteria and has the potential to leave a broader legacy.</li> </ul> <p>1.2. Is the methodology innovative, detailed to adequately address all elements of the project and the technical approach stating how each will be executed?</p> <ul style="list-style-type: none"> <li>○ Nil – No submission</li> <li>○ Poor (score 40%) –The technical approach and the methodology is poor/ is unlikely to satisfy the project objectives or requirements. The tenderer has misunderstood certain aspects of the scope of work and does not deal with the critical aspects of it. The methodology is unacceptable.</li> <li>○ Satisfactory (score 70%) – The approach is generic and not tailored to address the specific project objectives and methodology. The approach does not adequately deal with the critical characteristics of the project. The quality plan, manner in which risk is managed is too generic.</li> <li>○ Good (score 90%) – The approach is specifically tailored to address the specific project objectives and methodology and is sufficiently flexible to accommodate changes that may occur during execution. The quality plan and approach to manage risk etc. is specifically tailored to the critical characteristics of the project. The methodology is reasonable.</li> <li>○ Very good (score 100%) – Besides meeting the “good” rating, the important issues are approached in an innovative and efficient way, indicating that the tenderer has outstanding knowledge of the state-of –the art approaches. The methodology is comprehensive.</li> </ul>	
<p><b>2. Expertise and experience</b></p>	<p><b>35</b></p>
<p>Does the service provider and team members have relevant and sufficient experience and expertise in projects of similar nature and scale?</p> <ul style="list-style-type: none"> <li>○ Nil – No submission</li> <li>○ Poor (score 40%) – The team has limited relevant experience in projects of similar nature and has not taken a project of this magnitude. The proposed team is weak in important areas and is unlikely to deliver within the specified time frames.</li> <li>○ Satisfactory (score 70%) – The tenderer has relevant experience in projects of similar nature but has not directly undertaken a project of this magnitude. Key personnel allocated to the project have reasonable relevant experience.</li> <li>○ Good (score 90%) – The tenderer has extensive experience in projects of similar nature and has directly undertaken similar projects. The key personnel allocated have extensive relevant experience.</li> </ul>	



<ul style="list-style-type: none"> <li>○ <i>Very good (score 100%) – The tenderer has outstanding experience in projects of similar nature and has taken many such projects. Key personnel allocated to the project have outstanding relevant experience.</i></li> </ul>	
<b>3. Capacity to deliver and capability</b>	<b>20</b>
<p>Has the operational plan and resources clearly explained?</p> <ul style="list-style-type: none"> <li>○ <i>Nil – No submission</i></li> <li>○ <i>Poor (score 40%) – The operational plan is sketchy, there is no clarity in terms of resources aligned to the project.</i></li> <li>○ <i>Satisfactory (score 70%) – Operational plan is complete &amp; reasonably detailed. Resources appear adequate.</i></li> <li>○ <i>Good (score 90%) – besides meeting ‘satisfactory’ rates and resources have been clearly defined and make provision for key risk areas.</i></li> <li>○ <i>Very good (score 100%) – Besides meeting “good” rating, the plan make provision for every eventuality.</i></li> </ul>	
<b>4. Cost and Time Breakdown</b>	<b>15</b>
<p>Are the costs and timeframes of work streams in proportion to their contribution to the end products? Is the cost and time breakdown clear i.e. cost and timing per item?</p> <ul style="list-style-type: none"> <li>○ <i>Nil – No submission</i></li> <li>○ <i>Poor (score 40%) – unacceptable proportion</i></li> <li>○ <i>Satisfactory (score 70%)– adequate proportion</i></li> <li>○ <i>Good (score 90%) – reasonable proportion</i></li> <li>○ <i>Very good (score 100%) – fully in proportion</i></li> </ul>	
<b>TOTAL</b>	<b>100</b>
<b>STAGE 2</b>	
Price: overall budget of the project	80
BEE: empowerment status	20
<b>GRAND TOTAL</b>	<b>100</b>

**THE MINIMUM THRESHOLD FOR FUNCTIONALITY IS 70 OUT OF 100 POINTS. ANY BID WHICH FAILS TO MEET THIS MINIMUM THRESHOLD WILL BE DISQUALIFIED. ONLY BIDS SCORING 70 AND ABOVE WILL PROCEED TO STAGE 2.**

### **11. Project Budget/Professional Re-imburement**

Proposals exceeding R200,000.00, inclusive of Vat and disbursement, will NOT be considered. In addition the contract period for this assignment is not expected to exceed 12 months. In order for the adjudication panel to be able to compare the proposals on a fair basis, the prospective service providers are to state what the hourly rate for providing the service is and must include a detailed budget.

## 12. Method of Re-imbusement

Payment will be made in accordance with the appointment letter, the agreed milestones and in accordance with eThekweni Municipality's payment policy that is guided by National Treasury.

## 13. Closing Date and Time

**THE CLOSING DATE FOR SUBMISSIONS OF PROPOSALS is Wednesday, 4 November 2015 by 11H00.**

Each service provider must submit an original proposal and 3 copies marked "**Business Retention and Expansion Project and Program Management**" and signed by or on behalf of the respondent. Quotations are to be sealed in an envelope and be deposited in the box provided in the foyer of The Materials Management Building, Corporate Procurement (Materials Management) Archie Gumede Place, Old Fort Complex (and not to any other Dept), Durban.

## 14. Council Contact Persons and Details

The primary contact at Council is Ms. Vynessa Naicker, Email: [vynessa.naicker@durban.gov.za](mailto:vynessa.naicker@durban.gov.za) or Work Tel: 031 311 4133.

## Appendix

### A. DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1. Full Name of bidder or his or her representative:.....

3.2. Identity Number: .....

3.3. Position occupied in the Company (director, trustee, shareholder<sup>2</sup>):.....

3.4. Company Registration Number: .....

3.5. Tax Reference Number:.....

3.6. VAT Registration Number: .....

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<sup>1</sup> MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of 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);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

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

3.7. The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8. Are you presently in the service of the state? **YES / NO**

If yes, furnish particulars.....

3.9. Have you been in the service of the state for the past twelve months? ..... **YES / NO**

If yes, furnish particulars.....

.....

3.10. Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? ..... **YES / NO**

If yes, furnish particulars.

.....

.....

3.11. Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

If yes, furnish particulars

.....

.....

3.12. Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

If yes, furnish particulars.

.....

.....

3.13. Is any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

If yes, furnish particulars.

.....  
.....

3.14. Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract? **YES / NO**

3.14.1 If yes, furnish particulars:

.....  
.....

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

Full Name	Identity Number	State Employee Number

.....

**Signature**

.....

**Date**

.....

**Capacity**

.....

**Name of Bidder**

**B. DECLARATION OF MUNICIPAL FEES**

I/We do hereby declare that the Municipal fees of \_\_\_\_\_ (company name), are, as at the date of the tender closing, fully paid up, or arrangements have been concluded with the Municipality to pay the said fees :

<b>ACCOUNT</b>	<b>ACCOUNT NUMBER</b>
ELECTRICITY	_____
WATER	_____
RATES	_____
JSB LEVIES	_____
OTHER	_____

I acknowledge that should it be found that the Municipal fees are not up to date, the Council may take such remedial action as is required, including termination of contract, and any income due to the Contractor shall be utilised to offset any monies due to the Council.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Designation

\_\_\_\_\_  
Date

## **C. CERTIFICATE OF INDEPENDENT BID DETERMINATION**

1. This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
  
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
  
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
  
4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
  
5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

## MBD 9 CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

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(Bid Number and Description)

in response to the invitation for the bid made by:

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(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:  
I certify, on behalf

of: \_\_\_\_\_ that:  
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
6. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - a) has been requested to submit a bid in response to this bid invitation;
  - b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - a) prices;
  - b) geographical area where product or service will be rendered (market allocation)
  - c) methods, factors or formulas used to calculate prices;
  - d) the intention or decision to submit or not to submit, a bid;



- e) the submission of a bid which does not meet the specifications and conditions of the bid;  
Or
- f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

.....

Signature

.....

Date

.....

Position Name of Bidder

.....

Date

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.