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 Department:
 Trade and Industry
 REPUBLIC OF SOUTH AFRICA

THE TERMS OF REFERENCE

REQUEST FOR QUOTATIONS: Facilitating the development of the Digital Economy Masterplan (DEM) indicators, baseline against which change can be measured over the next 5 years, and develop a theory of change.

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REQUEST FOR PROPOSALS (RFQ):

To Invite Bids on Facilitating the development of the Digital Economy Masterplan (DEM) indicators, baseline against which change can be measured over the next 5 years, and develop a theory of change.

Title of the RFQ: Facilitating the development of the Digital Economy Masterplan (DEM) indicators

RFQ number: IGP_RFP_10

NOTE: Should a vendor have reason to believe that the Terms of Reference are not open to promote competition or that it is written based on a particular brand / product / entity; the vendor shall notify the Office of the IGP within ten (10) calendar days after publication of the RFQ.

1. BACKGROUND AND OBJECTIVES

- 1.1. Government approved the Re-Imagined Industrial Strategy (RIS) for South Africa (SA) in June 2019. A cornerstone of the Industrial Strategy is the development of sector-focused Master Plans in 15 priority sectors, which amongst others includes the ICT and Digital Economy Masterplan. The Strategy further puts emphasis on concrete actions and economic sectors that must be effectively supported to grow the economy. To date, the Digital Economy Masterplan (DEM) has been developed and approved by Minister of Communications and Digital Technologies, following a highly consultative process (with public sector, business and labour).
- 1.2. 1.2 The Digital Economy Masterplan's vision for is for "All South africans to be digitally empowered and to create and participate in tech-enabled opportunities that drive inclusiveness, employment and economic transformation across all cities towns and provinces." The Materplan also highlights four unfolding processes in the digital economy which offer concrete opportunities for generating inclusive growth, jobs and transformation across multiple sectors which are:
 - Physical technology production - With the onset of the Fourth Industrial Revolution, producing the components that make up transformative technologies is rapidly becoming a lucrative opportunity for manufacturers and a promising driver of job creation.
 - Transformative tech applications - The application of transformative technologies in specific domains (industry verticals) contributes to a vibrant digital economy.
 - Digital platforms - Digital platforms facilitate commercial interactions between actors, destroying many of the economic barriers preventing markets from functioning optimally and generating inclusive outcomes.
 - Digitally traded services - Global business services (GBS) are growing at a faster rate and incline trend than many traditional sectors of both advanced and maturing economies.

- 1.3. The document further unpacks five critical enablers which must be in place for these concrete opportunities to pay off. The enablers include digital inclusion, skills for work, responsive governance and innovation and competitiveness.
- 1.4. The Masterplan is also considered key to enabling and facilitating the realization of the country's Economic Reconstruction and Recovery Plan, announced by Honourable President Cyril Ramaphosa in 2020. In order to effectively monitor and evaluate progress in achieving the objectives of the Masterplan, key indicators and baseline information is required.
- 1.5. Therefore, these TOR solicit qualified Service Providers to submit proposals for the development of the DEM key indicators and baseline against which change can be measured over the next 5 years.
- 1.6. The primary objective of the assignment is to develop an agreed set of indicators, including the baseline against which progress in the implementation of the DEM can be monitored and measured. This work would need to be undertaken in collaboration with key stakeholders in the ICT sector/digital economy value-chain, including consultations with the Digital Economy Masterplan Executive Oversight Committee structures .

2. SCOPE OF WORK

2.1. The scope of this assignment includes the following:

2.1.1. Undertake an analysis of the Digital Economy Masterplan (DEM), including its implementation and compile a list of key indicators to be monitored over the next 5 years. In compiling the list of key indicators the Service provider should thoroughly consider the following:

- Vision and objectives of the DEM – “All South Africans to be digitally empowered to create and participate in tech-enabled opportunities that drive inclusiveness, employment and economic transformation.”
- All the big bets/opportunities (Physical technology production, Transformative tech applications, Digital platforms and Digitally traded services)
- Critical enablers (Digital inclusion, Skills for work, Responsive governance, Innovation and competitiveness and Government digitization).

2.1.2. Based on the key indicators, the Service provider is required to establish the baselines against which change can be measured (enabling effective monitoring and evaluation of the impact of the DEM over the next 5 years).

2.1.3. Develop a theory of change for the DEM.

3. METHODOLOGY

3.1. Bidders must clearly stipulate the methodological approach that will be followed to conduct this analysis and clearly stipulate what research methods and techniques will be used, why the

specific methods and techniques are proposed, what advantage, disadvantage and risk factors there are.

- 3.2. In addition, a detailed project implementation plan outlining key activities, timelines and outputs must be submitted with the proposal.

4. DELIVERABLES

Appointed service provider will be expected to submit the following deliverables:

- 4.1. An indepth analysis of the Digital Economy Masterplan and deliver on the the following
- 4.2. A list of key indicators to be monitored over the next 5 years, in line with section 3.1 above.
- 4.3. Establish the baseline against which change can be measured (enabling effective monitoring and evaluation of the the impact of the DEM over the next 5 years).
- 4.4. Develop a theory of change for the Digital Economy Masterplan.

5. QUALIFICATIONS, EXPERIENCE AND EXPERTISE

Service Providers must propose well-qualified and experienced teams which meet the following minimum requirements:

- 5.1. The team members must have relevant post graduate qualifications in (inter alia) ICT/digital economy related fields, development studies, entrepreneurship, or business management; a minimum of ten (10) years experience in research on ICT/digital economy and all strategic sectors, enterprise development, project management and implementation, programme design and/or industrial finance. Finally, the team must have knowledge and understanding of the socio-economic challenges facing SA, key local stakeholders, and relevant economic and/or industrial policies and programmes implemented in post-Apartheid SA.
- 5.2. In addition, the team must have expertise in monitoring and evaluation, economics and business administration, development studies, entrepreneurship.

6. CONDITIONS

- 6.1. A Service Level Agreement (SLA) will be signed with the successful bidder.
- 6.2. Proposed key staff members must participate actively and be available to perform services in accordance with the SLA and the project implementation plan. In instances where a proposed key staff member is not available to perform services at a specific period in time, the bidder will be responsible to provide a replacement with similar qualifications and experience in order to guarantee the same standard of work to the IGP.
- 6.3. The IGP reserves the right to vet all qualifications and other documentation provided by bidders to prove relevant qualifications, experience and expertise prior to appointment.
- 6.4. Copyright and intellectual property rights to all documentation, reports etc. that emanate from assignments commissioned to Strategic Partners will vest with the IGP.
- 6.5. proposals received after the closing date and time, at the address indicated in the RFQ documents, will not be accepted for consideration and where possible, be returned unopened to the bidder.
- 6.6. Bidders' attention is drawn to the fact that amendments to any of the RFQ Conditions or setting of counter conditions by bidders may result in the invalidation of such bids.

- 6.7. The IGP reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits.
- 6.8. The Office Officials of the IGP may communicate with bidders where clarity is sought after the closing date of the RFQ and prior to the award of the contract, or to extend the validity period of the bid, if necessary.
- 6.9. All communication between the bidder and the Office Officials of the IGP must be done in writing.

7. PRICE

- 7.1. Bidders must submit a detailed budget which indicates professional hourly fee rates of the proposed key staff.
- 7.2. The hourly and daily rates quoted must be quoted in RSA currency.

8. THE IGP OBLIGATIONS

- 8.1. The IGP Project Manager will serve as the contact person on all matters relating to the project;
- 8.2. The IGP Project Manager will review, evaluate and approve the services provided by the Service Provider against the Service Level Agreement on an ongoing basis and prior to payment is made;
- 8.3. The IGP will supply all reasonable, relevant, available data and information required and requested by the Service Provider for the proper execution of the services and such assistance as shall reasonably be required by Service Provider in carrying out their duties under this contract.

9. OBLIGATIONS OF APPOINTED SERVICE PROVIDER

- 9.1. The appointed service provider undertakes to act as an independent contractor in respect of the work;
- 9.2. Work closely with the Project Manager of the IGP.
- 9.3. Attend meetings when required by the Project Manager for the purposes of obtaining information or advice with regard to the work and assignments or any matters arising from or in connection therewith;
- 9.4. Be responsible for its own computers and technical literature to adequately perform all the functions;
- 9.5. Exercise all reasonable skill, care and diligence in the execution of the work and shall carry out their obligation in accordance with professional standards;
- 9.6. In all professional matters act as a faithful partner and advisor to the IGP, as well as respecting the laws and customs of any country and provinces in which any business in relation to the project is conducted;
- 9.7. Keep all information availed in the course of the project confidential and as the property of the IGP;
- 9.8. Not disseminate any information gathered during the conduct of the project, publicize or release media statements in relation to the assignment;

- 9.9. Not distribute without prior written approval of the IGP, any information gathered during the conduct of the assignment as such information will remain the property of the IGP
- 9.10. Deemed to have been satisfied as to the correctness and sufficiency of the rates and prices set out in their proposal for the services to be rendered;
- 9.11. Must plan and provide for all possible risks that may affect the delivery of the project on time and indicate what mechanisms are in place to manage such risks.

10. BID SUBMISSION AND EVALUATION PROCESS

- 10.1. The **80/20** principle and **two envelope / file system** will apply in evaluating the proposals in accordance with the amended PPP Regulations pertaining to the Preferential Procurement Policy Framework Act; Act no 5 of 2000 that came into effect on 7 December 2011. The reason for applying the **two envelope / file system** is to ensure that price does not influence the evaluation of the functional proposals.
- 10.2. **Two envelope system** is based on the submission of the functional and financial proposals in two separate envelopes / files. **NO** financial / pricing information may be contained in the functional envelope as this will lead to automatic disqualification. Submission must be done as follows:
 - 10.3. **Functional proposal:** Bidders must submit their functional proposal in word or PDF format indicating the following details on the cover page:
 - (a) Name of the bidder.
 - (b) RFQ Number.
 - (c) Closing date and time.This document should *only* contain the functional proposal **NO** financial / pricing information.

Financial / pricing information in a functional proposal will lead to automatic disqualification of that specific proposal.
 - 10.4. **Financial proposal:** Bidders must submit their financial proposal in a separate file indicating the following details:
 - (a) Name of the bidder.
 - (c) RFQ Number.
 - (d) Closing date and time.
- 10.5. **FAILURE TO COMPLY WITH THE TWO ENVELOPE / FILE REQUIREMENT WILL AUTOMATICALLY INVALIDATE A PROPOSAL.**
- 10.6. All proposals will be evaluated in terms of the two phase process once the pre-qualifying of proposals received is done. All proposals received will be subjected to a pre-qualification process to determine compliance with compulsory requirements / conditions. All proposals that pass the pre-qualification process will then be evaluated as follows:
- 10.7. **First phase: Functional evaluation.** This evaluation is based on the functional proposal submitted in envelope one (functional envelope). For this phase there is a cut-off score of 60% and only the proposals that score 60% and above during the functional evaluation will be considered during the second phase of evaluation.

10.8. **Second phase: Price and B-BBEE status level.** During the second phase all proposals that scored 60% and above during the interview phase will be considered for the third phase where points will be calculated for price and B-BBEE scores in accordance with the amended PPP Regulations pertaining to the Preferential Procurement Policy Framework Act, Act no. 5 of 2000 that came into effect on 7 December 2011.

11. Key scores

Score	Description
0 – Non-compliant	No evidence provided to substantiate compliance
1 – Poor	Unacceptable, does not meet set requirements
2 – Average	Reasonable but not sufficient to fully satisfy the set requirements
3 – Good	Fully complies to the set minimum requirements
4 – Very Good	Above average compliance to the set requirements
5 – Excellent	Meets and exceeds the set requirements

12. PHASE 1: FUNCTIONAL EVALUATION

No.	Criteria	Weight	Rate (0-5)	Total Score
1.	Team’s Qualifications & Relevant Experience	40%		
2.	Proposed methodology	30%		
3	Service Provider’s interpretation and understanding of the TORs	30%		
	TOTAL	100%		

PHASE 2: PRICE AND PREFERENCE POINTS

	<u>80/20 PRINCIPLE</u>	POINTS
1	<u>Price</u>	80
2	<u>B-BBEE status level of contribution</u>	20
	MAXIMUM POINTS	100

13. CONTRACTUAL PERIOD

13.1. The study should be completed within 3 months. The commencement and end date will be indicated in the Service Level Agreement.

14. DEADLINE AND ENQUIRIES

14.1. Proposals must be submitted by email to mira.blumbergpahad@uct.ac.za. The deadline for the submission of proposals is **13 September 2021 no later than 17.00**.

Please use the email subject line "IGP RFP 09 Proposal: SEZ"

14.2. All RFQ-related questions should be directed in writing to the following official:

Ms. Kezia Lilenstein

Project Manager: Inclusive Growth Programme

Development policy Research Unit

University of Cape Town

Email: kezia.lilenstein@uct.ac.za

ANNEXURE A: FORMAT AND CONTENT OF PROPOSALS

In order to facilitate ease of evaluating submitted bids, bidders are encouraged to submit their technical proposals in the following format.

PROPOSAL COVER/TITLE PAGE:

- **Title of the BID:** (as written on the tender documents)
- **Bid number:** (as written on the tender documents)
- **Name of Bidder:** (Name of the bidding organisation)
- **Contact details:** (Physical address, telephone numbers and email address)
- **Date:** (Closing date as specified on the tender document)

SECTION 1: INTRODUCTION & BACKGROUND

- Purpose of the proposal
- Brief description of the bidding organisation (e.g. type of business, core business, services, areas of specialisation, achievements etc.).
- Understanding/interpretation of the terms of reference and the scope of work
- The structure of the proposal.

SECTION 2: ECONOMIC AND SECTORAL CONTEXT

The purpose of this section is for the bidder to demonstrate that they have the knowledge and understanding of the SA's and global environments and of the technical areas of this study.

SECTION 3: PROPOSED METHODOLOGY

Bidders must clearly stipulate the methodological approach that will be followed to conduct this analysis and clearly stipulate what research methods and techniques will be used, why the specific methods and techniques are proposed, what advantage, disadvantage and risk factors there are.

SECTION 4: QUALIFICATIONS AND RELEVANT EXPERIENCE OF THE PROPOSED TEAM

This section should outline relevant qualifications and experience of the proposed team as per the example in the table below:

Name and role of proposed team member	Relevant qualification(s) and courses successfully completed	Relevant experience the project	Year and client contact details
Thabo Modise – Team Leader	Masters in Development agricultural Economics - 1999 Post graduate diploma in research methods - 2005	<ul style="list-style-type: none">▪ Led a project that investigated the impact of subsidies on the agricultural sector▪ Was part of the team that conducted value-	2009, Department of agriculture, Ms Jabu Jones 012 394 8891

		chain analysis in the agro-processing analysis	2010, USAID Agri. Support programme. Mr. S Smith. 012 983 7391
Nirashne Naidoo – Agricultural specialist	Degree in Economics, 2011 Post graduate diploma in M&E	<ul style="list-style-type: none"> ▪ Conducted a literature review and wrote a position paper on bilateral trade agreements 	2011, Department of Trade and Industry, Dr. R Zwane. 012 394 0000

The above summary table should be followed by a detailed description of the relevant experience of each proposed key team member.

SECTION 5: PROJECT IMPLEMENTATION PLAN

A comprehensive project implementation outlining key activities, timelines, outputs and proposed dates for presentations and submission of progress reports must be provided.

SECTION 6: ANNEXURES TO BE ATTACHED

- a) CVs of all proposed team members.
- b) Relevant assignments completed.
- c) BEE Certificate