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Date: 25 November 2022

RFQ/25/November/2022_Finance

Dear Prospective Bidder

Subject Matter: TRAVEL MANAGEMENT COMPANY FOR A PERIOD OF TWELVE (12) MONTHS.

The South African Tourism Board (South African Tourism) was established by section 2 of the Tourism Act No 72 of 1993 and continues to exist in terms of section 9 of the new Tourism Act No 3 of 2014. SA Tourism is a schedule 3 A Public Entity in terms of schedule 3 of the Public Finance Management Act 1 of 1999.

The mandate of South African Tourism in terms of the Tourism Act is to provide for the development and promotion of sustainable tourism for the benefit of the Republic, its residents and its visitors. It is common cause that tourism is a strategic industry in terms of the National Tourism Sector Strategy as it supports government objectives of alleviating the triple challenges of unemployment, poverty and inequality.

The scope of South African Tourism's business includes four (4) distinct areas of business focus and delivery, with different target markets and segments:

- I. International Leisure and Domestic Leisure Tourism (travel trade and consumer),
- II. Business events through the delivery unit the South African National Convention Bureau (Meetings, Incentives, Conferences, Exhibitions);
- III. Quality assurance of the tourism sector/industry through the delivery of both Visitor Experience and the Tourism Grading Council of South Africa.
- IV. Corporate - enhancing the South African Tourism brand

Section 217 of the Constitution of the Republic of South Africa, 1996, prescribes that goods and services must be contracted through a system that is fair, equitable, transparent, competitive and cost-effective and also confers a constitutional right on every potential supplier to offer goods and services to the public sector when needed.

The submission of proposals will be in terms of this document. All information requested, must be supplied and all annexures completed, whether such information or annexure refers to the eventual RFQ or not. This information will form part of the eventual RFQ and must therefore be completed, as there will not be an opportunity to do so later. Thus, it is essential that the information supplied is both correct and true.

South African Tourism has a detailed evaluation methodology premised on Treasury Regulation 16A.3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No. 5 of 2000) read with Preferential Procurement Regulations 2017, and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003).

The purpose of this Request for Quotation (RFQ) is to solicit proposals from potential bidder(s) for the provision of a turnkey travel management solution to South African Tourism for a period of 12 months

It should specifically be noted that South African Tourism is looking at appointing a traditional Travel Management Company (TMC) who will need to manage all South African Tourism's corporate travel.

South African Tourism also uses hosting as a marketing, sales and educational tool, with the main aim being to promote South Africa as a leisure and business events destination, and is based on the premise that first-hand experience and/or exposure to the destination and the brand better equips the target audience to promote South Africa. To this extent, the TMC will not be able to also provide Destination Management Consultancy (DMC) services but will be required to procure those services based on pre-define itineraries developed by South African Tourism from independent DMC's in order to mitigate any possible conflict of interest should the TMC also provide DMC services.

The appointed service provider will therefore be required to only deliver on the following services after appointment:

1 General

The successful bidder will be required to provide travel management services. Deliverables under this section include without limitation, the following:

- The travel services will be provided to all Travellers travelling on behalf of South African Tourism, locally and internationally. This will include employees and contractors, consultants, hosted guest and clients where the agreement is that South African Tourism is responsible for the arrangement and all cost of travel.
- Provide travel management services during normal office hours (Monday to Friday 8h00 - 17h00) and provide after hours and emergency services.
- Familiarisation with current South African Tourism travel business processes.
- Familiarisation with current travel suppliers and negotiated agreements that are in place between South African Tourism, The National Treasury and third parties. Assist with further negotiations for better deals with travel service providers.
- Familiarisation with current South African Tourism Travel Policy and implementations of controls to ensure compliance.
- Penalties incurred as a result of the inefficiency or fault of a travel consultant will be for the TMC's account, subject to the outcome of a formal dispute process.
- Provide an on-line web-interface facility for South African Tourism to update their travellers' profiles.
- Manage the third party service providers by addressing service failures and complaints against these service providers.
- Consolidate all quotations and invoices from travel suppliers.
- Provide a detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.
- Provide reference letters from at least three (3) contactable existing/recent clients (within the past 1 year) which are of a similar size to South African Tourism. The letters must include: company name, contact name, address, phone number, and duration of contract, value of the travel expenditure, a brief description of the services that you provided and the level of satisfaction.
- It will be an added advantage to be a member of ASATA (Association of South African Travel Agents). Proof of such membership must be submitted with the bid at closing date and time.
- Bidders are required to submit their International Air Transport Association (IATA) licence/certificate (certified copy) at closing date. Where a bidding company is using a 3rd party IATA licence, proof of the agreement must be attached and copy of the certificate to that effect at closing date.

2 Reservations

The Travel Management Company will:

- Receive travel requests from travellers and/or travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the relevant approval, the travel agent will issue the required e-tickets and vouchers immediately and send it to the travel Booker and traveller via the agreed communication medium.
- Always endeavour to make the most cost effective travel arrangements based on the request from the traveller and/or travel Booker.

- Apprise themselves of all travel requirements for destinations to which travellers will be travelling and inform the traveller of alternative plans that are more cost effective and more convenient where necessary.
- Obtain a minimum of three (3) price comparisons for all travel requests where the routing or destination permits.
- Book the negotiated discounted fares and rates where possible.
- Must keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.
- Book parking facilities at the airports if and when required for the duration of the travel.
- Respond timely and process all queries, requests, changes and cancellations timeously and accurately.
- Must be able to facilitate group bookings (e.g. for meetings, conferences, educational, events, etc.) and be able of procuring DMC, SMME (Tour Operators) services on behalf of South African Tourism from no less than 3 DMC's (on a competitive price basis) at any given point in time
- Must issue all necessary travel documents, itineraries and vouchers timeously to traveller(s) prior to departure dates and times.
- Advise the traveller of all visa and inoculation requirements well in advance.
- Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- Facilitate any reservations that are not bookable on the global distribution system (GDS).
- Facilitate the bookings that are generated through their own or third party online booking tool (OBT) where it can be implemented.
- Note that, unless otherwise stated, all cases include domestic, regional and international travel bookings.
- Visa applications must be an option if and when required, where not required the relevant information must be supplied to the traveller(s) where visas will be required.
- Negotiated airline fares, accommodation establishment rates, car rental rates, etc. that are negotiated directly or established by National Treasury or by South African Tourism are non-commissionable, where commissions are earned for South African Tourism bookings all these commissions should be returned to South African Tourism on a quarterly basis.
- Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by South African Tourism.
- Timeous submission of proof that services have been satisfactorily delivered (invoices) as per South African Tourism's instructions. This must be a turn-key back-office solution where invoices need to be matched to copies of quotes, 3rd party invoices and Purchase Orders and submitted to South African Tourism for signature and payment.

3 Air Travel

- The TMC must be able to book full service carriers as well as low cost carriers.
- The TMC will book the most cost effective airfares possible for domestic travel.
- For international flights, the airline which provides the most cost effective and practical routings may be used.
- The TMC should obtain three or more price comparisons where applicable to present the most cost effective and practical routing to the Traveller.
- The airline ticket should include the applicable airline agreement number as well as the individual loyalty program number of the Traveller (if applicable).
- Airline tickets must be delivered electronically (SMS and/or email format) to the traveller(s) and travel bookers promptly after booking before the departure times.
- The TMC will also assist with the booking of charters utilising the existing transversal term contract from National Treasury where applicable as well as the sourcing of alternative service providers for other charter requirements.
- The TMC will be responsible for the tracking and management of unused e-tickets as per agreement with the institution and provide a report on refund management once a quarter.
- The TMC must during their report period provide proof that bookings were made against the discounted rates on the published fairs where applicable.

- Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.);
- TMC to process all invoicing for air immediately

4 Accommodation

- The TMC will obtain price comparisons within the maximum allowable rate matrix as per the cost containment instruction of the National Treasury.
- The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveller.
- This includes planning, booking, confirming and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with South African Tourism's travel policy.
- South African Tourism travellers may only stay, as far as practically possible, at Tourism Grading Council star graded establishments and at accommodation establishments with which South African Tourism has negotiated corporate rates. Should there be no Tourism Grading Council star graded establishments and no rate agreement in place in the destination, or should the contracted establishment be unable to accommodate the traveller, the TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National Treasury or South African Tourism.
- Accommodation vouchers must be issued to all South African Tourism travellers for accommodation bookings and must be invoiced to South African Tourism as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges (3rd party invoice).
- The TMC must during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.
- Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

5 Car Rental and Shuttle Services

- The TMC will book the approved category vehicle in accordance with South African Tourism's Travel Policy with the appointed car rental service provider from the closest rental location (airport, hotel and venue).
- The travel consultant should advise the Traveller on the best time and location for collection and return considering the Traveller's specific requirements.
- The TMC must ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages and accidents, etc.
- For international travel the TMC may offer alternative ground transportation to the Traveller that may include rail, buses and transfers.
- The TMC will book transfers in line with South African Tourism's Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services.
- The TMC should manage shuttle companies on behalf of South African Tourism and ensure compliance with minimum standards. The TMC should also assist in negotiating better rates with relevant shuttle companies.
- The TMC must during their report period provide proof that negotiated rates were booked, where applicable.

6 After Hours and Emergency Services

- The TMC must provide a consultant or team of consultants to assist Travellers with after hours and emergency reservations and changes to travel plans.
- A dedicated consultant/s must be available to assist VIP/Executive Travellers with after hour or emergency assistance.
- After hours' services must be provided from Monday to Friday outside the official hours (17h00 to 8h00) and twenty-four (24) hours on weekends and Public Holidays.
- A call centre facility or after hours contact number should be available to all travellers so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.

- The TMC must have a standard operating procedure for managing after hours and emergency services. This must include purchase order generation of the request within 24 business hours.

7 Key considerations when preparing proposals:

- A cover letter introducing your company
- Proposed rate card (indicating rates based per unit measurement per applicant) for services to be rendered based on your understanding of the scope of services required under this bid;
- It should be noted that South African Tourism is not intending to pay any placement fees for the successful placement of any candidates and this should be factored in when developing a pricing model.
- Evidence of professional/industry memberships/affiliations
- National Treasury Centralized Supplier Database (CSD) registration summary report;
- Valid certified copy of B-BBEE certificate;
- Valid Tax Certificate
- Completed Standard Bidding documents (SBD's)
- Latest Audited financial statements in order to verify the financial health and Solvency ratio for the TMC

8 Evaluation Method

The evaluation process of bids will comprise of the following phases:

Phase 1	Phase 2	Phase 3	Phase 4
Administration and Mandatory bid requirements	Functionality	Price and B-BBEE	Objective Criteria
Compliance with administration and mandatory RFQ requirements	The proposal will be evaluated in terms of functionality	Price and B-BBEE will be evaluated as per PPPFA	The award of the RFQ will be subjected to the objective criteria over and above the price and B-BBEE highest scoring points:

a. Points awarded for functionality:

TO BE COMPLETED BY THE TENDERING INSTITUTION		
	Phase 2 Desktop Technical Evaluation Criterion	Weight
	Points allocation will be full points on satisfactory of the below criterion or none scoring of points for failure to submit satisfactory information.	
1	GENERAL	
	Provide the reference letters from at least three (3) contactable existing/recent clients (within past 3 year from the closing date of the bid) which are of a similar size to SA Tourism whom we may contact for references. This should include where you have or are delivering corporate travel including sourcing for DMC services	20
2	FINANCIAL MANAGEMENT	
	Describe how you will implement the negotiated rates and maximum allowable rates established either by the SA Tourism or the National Treasury.	20
	Describe how you will manage the 30-day bill-back account facility.	

	Describe how pre-payments will be handled where it is required for smaller Bed & Breakfast /Guest House facilities and SMME's .	
	Describe how invoicing will be handled, including the process of rectifying discrepancies between purchase orders and invoices, supporting documentation, reconciliation of transactions and the timely provision of invoices to SA Tourism	
	Please describe credit card(Lodge card) reconciliation process, timing and deliverables (if applicable).	
3	ACCOUNT MANAGEMENT	
	Provide the proposed Account Management structure / organogram.	
	Describe what quality control procedures/ processes you have in place to ensure that your clients receive consistent quality service.	
	Describe how queries, requests, changes and cancellations will be handled. What is your mitigation and issue resolution process? Please provide a detailed response indicating performance standards with respect to resolving service issues. Complaint handling procedure must be submitted.	40
	What is in place to ensure that SA Tourism's travel Policy is enforced.	
	How will you manage the service levels in the SLA and how will you go about doing customer satisfaction surveys?	
	Indicate what workshops/training will be provided to Travelers and /or Travel Bookers.	
4	OFFICE MANAGEMENT	
	Provide an overview of your back-office processes detailing the degree of automation for air tickets workflow, ground arrangements and bill back workflow.	
	Describe roles and responsibilities of assigned staff. Please provide the management hierarchy.	
	Describe how you will submit invoices for payment process including matching of supporting documents including, but not limited to, Purchase orders, copy if e-tickets, quotations, 3rd party invoices etc.	20
	Describe type of training provided to travel agency personnel	
	Describe the forecasting system employed to staff operations in response to volume changes owing to conferences, project-related volumes, etc.	
	Minimum of 70%	
	Total Points	100

“functionality” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, considering, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder.

- I. Bids will be evaluated strictly according to the bid evaluation criteria stipulated in this section.
- II. Bidders must, as part of their bid documents, submit supportive documentation for all functional requirements. The official responsible for scoring the respective bids will evaluate and score all bids based on bid submissions and the information provided.
- III. The score for functionality will be calculated in terms of the 0 - 3 rating scale as shown in the functionality criteria matrix.
- IV. The value score for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These scores will be added and expressed as a fraction of the best possible score for all criteria.

- V. The points for functionality and the points for B-BBEE level of contribution will be added together and the proposal from the bidder which meets the highest score will be deemed the preferred proposal.

Technical Functional Evaluation Matrix

Rating	Definition	Score
Excellent	Exceeds the requirement. Exceptional demonstration by the supplier of the relevant ability, understanding, experience, skills, resources, and quality measures required to provide the goods/services. Response identifies factors that will offer potential value, with supporting evidence.	3
Acceptable	Satisfies the requirement with minor additional benefits, above average demonstration by the supplier of the relevant ability, understanding, experience, skills, resources, and quality measures required to provide the goods/services. Response identifies factors that will offer potential required services, with supporting evidence.	2
Average	Submission meets the minimum requirement with major reservations. Considerable reservations of the supplier's relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods/services, with little or no supporting evidence.	1
Unacceptable	Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the supplier has the ability, understanding, experience, skills, resources & quality measures required to provide the goods/services, with little or no supporting evidence.	0

4.4 Awarding of Points for Price and Broad-Based Black Economic Empowerment

The bidders that have successfully progressed through to Phase 3 (bidders who meet the minimum threshold for the functionality of **(70%)**) will be evaluated in accordance with the 80/20 preference point system contemplated in the Preferential Procurement Policy Framework Act, 2000 and the Preferential Procurement Regulations of 2017.

80 points will be awarded for price while 20 points will be allocated for preference points for BBBEE as prescribed in the regulations.

Points for B-BBEE level of contribution will be awarded in accordance with the below table: -

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

9 Adjudication and Final Award of Bid

The final award will be subjected to the below objective criteria over and above the price and B-BBEE highest scoring points:

The objective criteria will comprise and not limited to the following (at SA Tourism's discretion):

The recommended bidder will be required to submit a full set of the latest financials upon request from South African Tourism. SA Tourism may assess the financial health (Liquidity, solvency ratio, etc.) of the recommended bidder. Should the result of the financial assessment reflect financial distress that may hinder the supplier from successfully delivering the project, SA Tourism reserves the right not to award the Bid to the highest point scorer.

Upon the successful negotiation and signing of a contract and services level agreement with the preferred service provider, all other service providers will be considered unsuccessful.

10 Deadline for submission

Bidder must submit their proposal to the below link <https://forms.gle/KcGtSgniBpCa6xue7>

Should bidders encounter any issues, queries must be directed in writing to raymond@southafrica.net

Closing date for submission is no later than 12h00 on Wednesday, 07 December 2022 and should remain valid for at least 45 days after the closing date.

11 Confidentiality

- The request for a technical and cost proposal and all related information shall be held in strict confidence by bidders and usage of such information shall be limited to the preparation of the bid. All bidders are bound by a confidentiality agreement preventing the unauthorized disclosure of any information regarding SA Tourism or of its activities to any other organization or individual. The bidders may not disclose any information, documentation, or products to other clients without the written approval of SA Tourism.

12 Terms of engagement

- Prior to commencing with the assignment, the successful bidder will be required to meet with the project leader to align the final statement of work (SOW) and criteria for approval.

13 Payments

- No advance payments will be made in respect of this assignment. Payments shall be made in terms of the deliverables as agreed upon and shall be made strictly in accordance with the prescripts of the PFMA (Public Finance Management Act, 1999. Act 1 of 1999).
- The successful bidder shall after completion of the contract, invoice SA Tourism for the services rendered. No payment will be made to the successful bidder unless an invoice complying with section 20 of VAT Act No 89 of 1991 has been submitted to SA Tourism.
- Payment shall be made into the bidder's bank account normally 30 days after receipt of an acceptable, valid invoice.

14 Non-compliance with delivery terms

- The successful bidder must ensure that the work is confined to the scope as defined and agreed to. As soon as it becomes known to the bidder that they will not be able to deliver the services within the delivery period and/or against the quoted price and/or as specified, SA Tourism's Sourcing Specialist must be given immediate written notice to this effect.

15 Retention

- Upon completion of the assignment and / or termination of the agreement, the successful bidder shall on demand hand over to the project leader all documentation, information, etc. relevant to the assignment without the right of retention.

16 Cost

- The bidder will bear all the costs associated with the preparation of the response and no costs or expenses incurred by the bidder will be borne by SA Tourism.
- Cancellation of the request for a technical and cost proposal
- SA Tourism may, prior to the award of the bid, have the right to cancel the bid if:
 - Due to changed circumstances, there is no longer a need for the service; or
 - Funds are no longer available to cover the part and/or total envisaged expenditure; or
 - No acceptable bids are received.
- SA Tourism reserves the right to withdraw this request for technical and cost proposals, to amend the term or to postpone this work by email notice to all parties who have received this request.

17 Clarification

- Any clarification required by a bidder regarding the meaning or interpretation of the Terms of Reference, or any other aspect concerning this request for technical and cost proposals, is to be requested in writing from the Sourcing Specialist.
- Thanking you and looking forward to your proposal in this regard.

Yours in Tourism
Raymond Mabuela