

**CONFIDENTIAL**

**DIRECTOR-GENERAL**

**BRANCH: FINANCIAL AND ASSET MANAGEMENT**

File	<b>DIRCO: 06/2018/19</b>	DG Ref
Date	29 July 2019	
Type	Submission	DDG Ref
Status	For Approval	

**SUBJECT: DIRCO 06:2018-19 Cancellation of the bid for the provisioning, support and maintenance of desktops, laptops and to re-advertise the bid.**

**1. PURPOSE**

1.1 To request the Director-General (DG) to approve the cancellation of the tender for the provisioning, support and maintenance of desktops, laptops and to re-advertise the bid.

**2. SUMMARY**

2.1 The Department of International Relations and Cooperation (DIRCO) advertised a tender on the National Treasury and Departmental portals on 16 November 2018 **Annexure A**. The Bid closed on 10 December 2018 with 25 bids received. **Annexure B**

2.2 Bid Evaluation Committee (BEC) meetings took place on the following dates: 31 January 2019, 5 February 2019, 7 February 2019, 8 February 2019, 11 February 2019 and 22 February 2019 **Annexure C**. The matter was presented at the Bid Adjudication Committee (BAC) on 1 March 2019 and was referred back to the BEC to reconsider their recommendation.

2.3 Supply Chain Management (SCM) sought a legal opinion from the Office of the Chief State Law Advisor (OCSLA) to give advice regarding the recommendation by both BEC and BAC. **Annexure D**

2.4 The BEC met again on the 5 March 2019 to reconsider the recommendation based on the reasons tabled by the BAC. **Annexure E**. The BEC invited the Directorate: Risk, Governance & Compliance Management to assist the committee to identify the risks that the Department might be exposed to when recommending the service provider. Risk, Governance & Compliance Management drafted a report to assist the BEC with their recommendation. **Annexure F**

2.5 The matter was presented again at the BAC on the 4 June 2019 **Annexure G**. The recommendation was forwarded to office of the Acting Chief Financial Officer (CFO) to support the BAC's recommendation. The Acting CFO raised concerns regarding the recommendations made by both the BEC and BAC on the submission and the matter was submitted to the DG's Office for final approval. The Acting CFO raised the following concerns:

2.5.1 The qualifying bids, it was discovered that all the companies did not meet the responsive criteria as was indicated in the TOR:

2.5.2 Letter of guarantee and warranty on hardware – 5 year onsite next business day services warranty for MacBook Desktops and MacBook Laptop.

2.5.3 Letter of Accreditation as a reseller from the Original Equipment Manufacturer (OEM) – authorisation for distribution and sale of equipment from OEMs.

2.5.4 Further on functionality no.2 the TOR in its scoring for qualification, it did not cater for non-responsiveness of references and as such the bidders were allocated points even if they did not qualify.

2.6 The DG referred the matter back to the BEC on 27 June 2019 based on the issues raised by the Acting CFO discussed under 2.5 of the submission. See the DG Submission **Annexure H**. It must be noted that the validity of the tender was expiring on 18 June 2019 and the request for extension was forwarded to all 25 service providers on 14 June 2019. Only 19 service providers responded of which two accepted the extension with conditions to change the bid prices to align it to the foreign exchange rate. Furthermore, six service providers did not respond to the extension request.

2.7 The BEC reconvened on 8 July 2019 to reconsider the evaluation process. The BEC re-evaluated the tender and established that none of the proposals received met the Administrative Compliance requirements and therefore the bid was non-responsive and the committee recommended the bid to be cancelled and re-advertised. BEC minutes as **Annexure I**.

**3. RECOMMENDATION(s)**

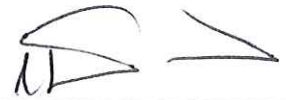
3.1 It is recommended that the DG approves:

- 3.1.1 The cancellation of the tender for the provisioning, support and maintenance of desktops and laptops.
- 3.1.2 The re-advertising of the tender.

**List of Annexures:**

- A:** Proof of advert
- B:** List of received bids
- C:** BEC minutes (31 January 2019, 05 February 2019, 07 February 2019, 08 February 2019, 11 February 2019 and 22 February 2019)
- D:** Legal opinion
- E:** BEC minutes (05<sup>th</sup> of March 2019)
- F:** Risk Assessment report
- G:** BAC minutes (04<sup>th</sup> of June 2019)
- H:** Signed DG Submission
- I:** BEC minutes (08<sup>th</sup> of July 2019)

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 08/08/2019

Director-General: \_\_\_\_\_ Date

DIRCO OFFICE OF THE Office of The Director-General 2019-00-07 DIRECTOR GENERAL REPUBLIC OF SOUTH AFRICA		Ref No 666/08
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Approved	<del>Not Approved</del>	Approved as amended
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*Approved. The redvert must be done promptly.*


 07/08/2019

CFO \_\_\_\_\_ Date

DIRCO REPUBLIC OF SOUTH AFRICA Office of The Chief Financial Officer 2019-00-07 CHIEF FINANCIAL OFFICER		Ref No 078/19
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<del>Supported</del>	<del>Not Supported</del>	Supported as amended
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*Noted!!*

 05/08/2019

BAC: Chairperson \_\_\_\_\_ Date

Bid Adjudication Committee		Ref No
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<input checked="" type="checkbox"/> Recommended	Not Recommended	Recommended as amended
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 30/7/2019

BEC: Chairperson \_\_\_\_\_ Date

Bid Evaluation Committee		Ref No
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<input checked="" type="checkbox"/> Recommended	Not Recommended	Recommended as amended
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Name	Date	Signature
Ms E Mazibuko X18536 Deputy Director: Supply Chain Management		
Drafter: Molekoa S	10362	molekoas Ext.: 10362

**4. DISCUSSION**

4.1 As per paragraph 2

**5. FINANCIAL IMPLICATIONS**

5.1 None