small business development
Department: Small Business Development
REPUBLIC OF SOUTH AFRICA

REQUEST FOR QUOTATION

Reference No:	

You are hereby requested to submit a quotation in respect of goods and services as per **Annexure A**, and/or attached Specification/Terms of Reference.

SUPPLIER DETAILS	
Name of supplier	
Contact person	
Fax number	
Contact number	

	BUSINESS CLASSIFICATION				
Turn over(TICK appropriate box below) **Please note that this information is compulsory and must therefore be provided. If uncertain use the attached schedule for guidance**					
Exempted Micro-Enterprises (EMEs) R0.00 to R10m				Qualifying Small Enterprises (QSE)	Large Company
Small	Micro	Medium	Cooperative	>R10m <R50m	>R50 million

ENQUIRIES AND SUBMISSION DETAILS	
Contact person	Nhlakanipho Msane
e-mail address	DSBDtenders@dsbd.gov.za
Telephone number	060 981 0616
Issue/Request date	23 SEPTEMBER 2026
Closing date and time	05 OCTOBER 2026 @ 11H00

Terms and Conditions

#	**REQUIREMENTS**	**COMMENTS**
1	Quotations should be dated.	
2	Quotations should be valid for 30 days unless indicated otherwise.	
3	Does it comply with cost containment (Yes or No)	
3	All prices quoted must be VAT inclusive, if no indication is indicated prices will be evaluated as inclusive.	
4	Should you not be registered for VAT it should be clearly indicated on the quotation.	
5	Please indicate the delivery period and confirm whether the delivery period is firm.	
6	Please indicate whether the prices quoted are firm for the duration of the validity period of the quotation.	
7	Please indicate whether the quotation is strictly to specification and if not state deviations and reasons for deviating from the requested specifications.	
8	This quotation is subject to the **Department of Small Business Development's** general conditions of contract unless otherwise stated by the supplier.	
9	Quotations should be on the service provider's letter head.	
10	**Failure to submit quotation on the closing date and time with all supporting documents MAY invalidate you quotation**	

Definition of small enterprise/business in South Africa: means "a separate and distinct business entity, together with its branches or subsidiaries, if any, including co-operative enterprises and non-governmental organisations, managed by one owner or more predominantly carried on in any sector or subsector of the economy mentioned in the schedule and classified a micro, a very small, a small or medium enterprise by satisfying the criteria mentioned in in column 3, 4 and 5 of the schedule"

Please note: *Quotations with an amount value of R2 000.00 and above but not exceeding R999 999.99 80/20 preference point system shall be applied where 80 points will be allocated towards price and 20 points allocated towards specific goals, Size of Enterprise, Spatial (rural/ Township/ City) and Youth*.

ANNEXURE A

REQUIREMENTS LIST

Item No	No of units	Item description	Value per item
1	1	**RFQ TO CONDUCT A RESEARCH STUDY ON UNDERSTANDING THE DETERMINANTS OF SUSTAINABILITY AND COMPETITIVENESS AMONG SPAZA SHOPS IN SOUTH AFRICA: BUSINESS MODELS, SUPPORT NEEDS, AND IMPLICATIONS FOR INCLUSIVE MSME DEVELOPMENT**	
Compulsory documents to be returned.		**(a) Fully completed Standard Bidding Documents; SBD 4 and 6.1** **(b) Points for tender shall be awarded for Price and B-BBEE, SMMEs, Spatial (rural/ Township/ City) and Youth.** **To claim points following should be provided.** **i. For B-BBEE require a Certified copy of BEE Certificate/or Affidavit,** **ii. A Confirmation of SMMEs, take note of the above table (business classification)** **iii. For Spatial (Rural/ Township/ City) a Certified copy of your proof of residence 6 months**	

SCHEDULE 1

The new National Small Enterprise Act thresholds for defining enterprise size classes by sector, using two proxies

Column 1	Column 2	Column 3	Column 4
Sectors or sub-sectors in accordance with the Standard Industrial	**Size or class of enterprise**	**Total full-time equivalent of paid employees**	**Total annual turnover**
Agriculture	Medium	51 - 250	≤ 35,0 million
	Small	11- 50	≤ 17,0 million
	Micro	0 – 10	≤ 7,0 million

Definition of small enterprise/business in South Africa: means “a separate and distinct business entity, together with its branches or subsidiaries, if any, including co-operative enterprises and non-governmental organisations, managed by one owner or more predominantly carried on in any sector or subsector of the economy mentioned in the schedule and classified a micro, a very small, a small or medium enterprise by satisfying the criteria mentioned in in column 3, 4 and 5 of the schedule”

Mining and Quarrying	Medium	51 - 250	≤ 210,0 million
	Small	11- 50	≤ 50,0 million
	Micro	0 – 10	≤ 15,0 million
Manufacturing	Medium	51 - 250	≤ 170,0 million
	Small	11- 50	≤ 50,0 million
	Micro	0 – 10	≤ 10,0 million
Electricity, Gas and Water	Medium	51 - 250	≤ 180,0 million
	Small	11- 50	≤ 60,0 million
	Micro	0- 10	≤ 10,0 million
Construction	Medium	51 - 250	≤ 170,0 million
	Small	11- 50	≤ 75,0 million
	Micro	0- 10	≤ 10,0 million
Retail, motor trade and repair services.	Medium	51 - 250	≤ 80,0 million
	Small	11- 50	≤ 25,0 million
	Micro	0 – 10	≤ 7,5 million
Wholesale	Medium	51 - 250	≤ 220,0 million
	Small	11- 50	≤ 80,0 million
	Micro	0 – 10	≤ 20,0 million
Catering, Accommodation and other Trade	Medium	51 - 250	≤ 40,0 million
	Small	11- 50	≤ 15,0 million
	Micro	0 – 10	≤ 5,0 million
Transport, Storage and Communications	Medium	51 - 250	≤ 140,0 million
	Small	11- 50	≤ 45,0 million
	Micro	0 – 10	≤ 7,5 million
Finance and Business Services	Medium	51 - 250	≤ 85,0 million
	Small	11- 50	≤ 35,0 million
	Micro	0- 10	≤ 7,5 million
Community, Social and Personal Services	Medium	51 - 250	≤ 70,0 million
	Small	11- 50	≤ 22,0 million
	Micro	0 – 10	≤ 5,0 million

APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT A RESEARCH STUDY ON UNDERSTANDING THE DETERMINANTS OF SUSTAINABILITY AND COMPETITIVENESS AMONG SPAZA SHOPS IN SOUTH AFRICA: BUSINESS MODELS, SUPPORT NEEDS, AND IMPLICATIONS FOR INCLUSIVE MSME DEVELOPMENT

RFQ DSBD RESEARCH STUDY ON SPAZA SHOPS IN SOUTH AFRICA

DATE ISSUED	**: 23 September 2026**
CLOSING DATE AND TIME	**: 5 October 2026**
BID VALIDITY PERIOD	**: 120 DAYS.**

Tender submission DSBDtenders@dsbd.gov.za

1. PURPOSE

1.1. Appoint a service provider to conduct a research study on Understanding the Determinants of Sustainability and Competitiveness among Spaza Shops in South Africa: Business Models, Support Needs, and Implications for Inclusive MSME Development.

2. BACKGROUND AND PROBLEM STATEMENT

2.1. The Department of Small Business Development (DSBD) is mandated to lead and coordinate an integrated approach to the promotion and development of entrepreneurship and Micro, Small, and Medium Enterprises (MSMEs). To achieve this, DSBD is committed to strengthening evidence-based policy development and improving support interventions for MSMEs, particularly enterprises operating within the township, rural and informal economy.

2.2. According to Statistics South Africa (StatsSA), the official unemployment rate climbed to 33.6% in the second quarter of 2026, with the number growing to 43.8% when using the expanded definition (which includes discouraged work seekers)[1]. Within this context of slow economic growth and persistently high unemployment, the informal economy has become an important source of livelihoods, entrepreneurship and income generation for millions of South Africans who are unable to access formal employment opportunities.

2.3. Spaza shops constitute one of the most prominent forms of informal entrepreneurship in South Africa and remain a critical component of township and rural economies. These enterprises provide communities with access to essential goods and services, generate household income, create employment opportunities and contribute significantly to local economic activity. As highly accessible neighborhood retailers, spaza shops, defined as a small-scale convenience store[2], continue to play an important role in supporting livelihoods and improving food security in many low-income communities. The scale and importance of the sector further reinforce the need for a deeper understanding of its performance dynamics. Estimates from SME South Africa indicate that there are more than 150,000 spaza shops operating across South Africa, serving millions of consumers daily. However,

[11] https://iol.co.za/capetimes/news/2026-08-24-how-south-africas-informal-economy-is-supporting-families-amid-rising-unemployment/

[2] https://www.langeberg.gov.za/documents/policies/policies-2021-2022-1/4363-spaza-shops-policy-considering-applications/file.html

enterprises operating within this environment must navigate a range of challenges, including municipal by-laws, zoning regulations, licensing requirements, health compliance standards and business registration processes.

2.4. In addition, operators face varying market conditions, infrastructure constraints, crime and security concerns, and competition from both formal retailers and other informal businesses. Despite many enterprises operating under similar conditions, business outcomes differ significantly, with some spaza shops remaining competitive and sustainable while others stagnate or fail. According to Vhuthu (2019), Spaza Shops have a relatively short lifespan and hardly grow. It is estimated that their failure rate is between 70% and 80%, with 50% of them failing within the first five years. In a Parliamentary report in 2025, it is estimated that the 'high failure rate (estimated at 65% to 75% for South African MSMEs generally) is driven by a combination of internal and external factors [4].

2.5. The reasons for these differing outcomes remain poorly understood. While previous studies have generated valuable insights into specific challenges such as access to finance, competition and regulatory compliance, limited empirical evidence exists regarding the factors that enable some spaza shops to remain sustainable, competitive and capable of long-term growth. In particular, little is known about how business models, ownership arrangements, procurement systems, entrepreneurial capabilities, operational practices, supplier networks, customer relations and technology adoption interact to influence enterprise performance. Furthermore, there is limited evidence on which factors have the greatest influence on sustainability and competitiveness, and how these shape enterprise growth and formalization outcomes.

2.6. This evidence gap presents a significant challenge for policy makers and development practitioners seeking to design effective support interventions for the sector. Without a comprehensive understanding of the determinants of sustainability and competitiveness among spaza shops, support programmes may not adequately respond to the realities and needs of operators. There is therefore a need for a comprehensive national study that examines the factors influencing enterprise sustainability and competitiveness, analyses

[3] Vhuthu, M. (2019). Entrepreneurial success factors of Immigrant Spaza Shop owners in Thulamela Local Municipality.

[4] https://www.parliament.gov.za/storage/app/media/Docs/atc/01ls62wgdnnnohn6ds3vaz3y2uvnpophjw.pdf?utm_source=chatgpt.com

the business models adopted by spaza shops, assesses their support needs and identifies practical interventions that can strengthen inclusive MSME development, enterprise growth and economic participation within township and rural economies.

3. RATIONALE

3.1. Despite ongoing public investment in financial and non-financial support interventions aimed at strengthening township and rural enterprises, limited empirical evidence exists regarding the factors that enable some spaza shops to remain sustainable, competitive and capable of long-term growth (e.g., transitioning into supermarkets, multiplication of spaza shops), while others experience stagnation or business failure. Existing evidence identifies a range of constraints affecting the sector; however, there remains insufficient understanding of the relative influence of these factors and how they interact to shape enterprise performance, sustainability and growth outcomes.

3.2. Previous studies have largely focused on specific challenges experienced by informal enterprises, including access to finance, competition, regulatory compliance and the broader operating environment of township businesses. Access to finance remains one of the most frequently cited constraints, with many spaza shops operating informally and lacking the business registration, financial records and compliance requirements often needed to access formal financial services and government funding programmes. Spaza shops also face increasing competition from large formal retailers expanding into township economies, as well as competition from businesses that benefit from collective procurement systems and other operational efficiencies.

3.3. While these studies have generated valuable insights into the constraints facing spaza shops, relatively little research has examined the determinants of sustainability and competitiveness in a comprehensive manner. In particular, there is limited evidence on how business models, entrepreneurial capabilities, operational practices, supply chain management, customer relationships, ownership structures, technology adoption and support interventions influence enterprise sustainability and competitiveness. Furthermore, there is insufficient understanding of how the various factors affecting spaza shops interact and collectively shape business performance, formalisation and growth trajectories.

3.4. There is also limited evidence regarding which forms of government support are best aligned to the needs of spaza shop operators, the extent to which existing programmes respond to the realities of operating in township and rural economies, and what additional forms of support may be required to strengthen enterprise sustainability and competitiveness. This limits the availability of evidence required to inform policy development, programme design and support interventions targeted at the sector.

3.5. It is therefore prudent for the DSBD to undertake a comprehensive national study that will identify the determinants of sustainability and competitiveness among spaza shops, analyse the business models adopted by operators, assess support needs, examine the role of formalisation, and generate evidence-based insights and recommendations to inform future policy development and MSME support interventions. The study will contribute to a stronger evidence base on the factors associated with enterprise sustainability, competitiveness and growth, thereby supporting more informed decision-making regarding support for spaza shops.

4. OBJECTIVES

The objectives of the project are:

4.1. **Assess Key Dimensions of Competitiveness of Spaza Shops**

- Analysis of price competitiveness, product range, location and accessibility, financial capacity, business management, network and relationship matters, etc.

4.2. **Identify the Determinants of Sustainability**

- The assessment should examine the enterprise-level, operational and external factors that contribute to long-term business performance and resilience. This should include, but not be limited to entrepreneurial characteristics, education and business management skills, management practices, access to finance and suppliers, pricing strategies, inventory management, business location, customer relationship management, technology utilization, infrastructure, crime and security, regulatory compliance, and the broader business environment.
- Assess the relative influence of these factors on business sustainability and identify those that have the greatest impact on enterprise competitiveness and long-term growth.

4.3. **Analyze Business Models**

- Identify, classify, and analyze the business models adopted by South African spaza shops and assess their effect on enterprise sustainability and competitiveness.

- Assess ownership structures, procurement, inventory management, pricing, marketing, customer engagement, technology adoption, and value-added services to identify business models that enhance resilience, profitability, and long-term growth.

4.4. Identify Barriers to Enterprise Growth

- Analyze the key barriers limiting the sustainability, competitiveness, and growth of spaza shops. The assessment should examine constraints relating to, but not limited to, access to finance, supply chain challenges, infrastructure, market competition, regulatory requirements, crime and security, municipal services, digital exclusion, market concentration, informal trading dynamics, and access to business information.

4.5. **Assess Spaza Shop support needs**

- Assess the business development support needs of South African spaza shops and identify interventions that improve sustainability, competitiveness, and long-term growth.

4.6. **Examine Existing Government Support**

- Examine the relevance, accessibility, and perceived adequacy of existing government support programmes available to spaza shops through national and provincial departments, municipalities, development finance institutions (DFIs), and other relevant public sector agencies in order to identify implementation gaps, programme overlaps, and opportunities to improve coordination and accessibility of support.

4.7. **Understanding the formalization paradox among spaza shops.**

- Assess how formalization influences business competitiveness, sustainability and growth, while also highlighting the benefits, costs, barriers and unintended consequences associated with formalizing Spaza Shops.

5. METHODOLOGY

5.1. The study shall employ and apply a rigorous and scientifically sound mixed-method research approach that combines both quantitative and qualitative research methodologies, including document analysis, surveys, interviews, focus group discussions, and financial data review. The methodology will be designed to ensure objectivity and comprehensive coverage of the subject matter.

In response to the objectives and methodology of the study, the prospective service provider ***should*** utilize the following, but not limited to:

5.2. **Conceptual and analytical framework**:

- The service provider should develop a framework indicating clearly the dimensions of focus for the study. The framework should highlight the analytical logic, from business model to competitiveness to sustainability and growth. The framework should ultimately highlight how these analytical dimensions are connected, providing a structure of how the study aims to answer what makes Spaza Shops competitive and sustainable, what prevents growth, support needs and whether current support addresses those needs.

5.1. **Literature and Document Review:**

- Comprehensive review of existing literature, government reports, policy documents, programme evaluations and academic publications relating to spaza shops, township economies, informal enterprises and MSME development. The review should identify existing knowledge, research gaps, and best international practices and lessons that will inform the study.

5.2. **Government Support Inventory:**

- Compile a comprehensive inventory of Spaza Shop support programs (non-financial and financial) currently offered by national, provincial, DFIs and other informal economy support agencies, including details of their objectives, budgets (allocation and expenditure).
- Assess existing government support programmes available to spaza shops and evaluate their relevance, accessibility and effectiveness. The assessment should identify implementation gaps and opportunities to strengthen coordination and improve support for township enterprises.

5.3. **Stakeholder Mapping and Consultation:**

- The service provider should identify and engage relevant stakeholders that play a role in the spaza shop ecosystem. These may include national and provincial government departments, municipalities, development finance institutions, wholesalers, manufacturers, business associations, financial institutions, community organizations, researchers and spaza shop operators.
- Stakeholder consultations should be conducted through appropriate methods such as key informant interviews, focus group discussions or workshops to obtain diverse perspectives on the sustainability and competitiveness of spaza shops.

5.4. **National Survey on Spaza Shops:**

- The study shall include a nationally representative survey of spaza shop operators to collect quantitative data on business characteristics, operational practices, business performance, competitiveness, support received, challenges experienced and future growth aspirations.

5.4.1. **Sampling Framework:**

- It is acknowledged that approximately 80,000 spaza shops have been registered with municipalities during the Spaza Shop registration period between November 2024 and February 2025. However, the Department recognizes that municipal registration does not necessarily capture the full population of spaza shops operating in South Africa, as a significant number of enterprises may operate without municipal registration. Thus, the Service Provider shall therefore be responsible for developing and implementing a robust, statistically defensible sampling strategy that accounts for both registered and unregistered spaza shops. The proposed methodology must clearly demonstrate how the known population of approximately 80,000 municipally registered spaza shops will be incorporated into the sampling framework, while making provision for the identification and inclusion of unregistered enterprises.
- The Service Provider shall propose a detailed sampling strategy and demonstrate how the sample will be distributed to ensure adequate representation across provinces, settlement types (including townships, informal settlements, urban areas and rural areas), enterprise characteristics, and key demographic categories such as gender, youth, persons with disabilities, formal and informal enterprises and segmentation on citizens and non-citizens.
- Where warranted by the analytical requirements of the study, particularly to support robust comparisons across provinces, settlement types and enterprise categories, the Service Provider may propose a larger sample size and provide justification for the proposed approach. The sampling approach should be statistically sound and designed to support meaningful analysis and comparison across the key dimensions of the study, while ensuring that the findings are representative of the broader spaza shop sector in South Africa.

5.5. **Best Practices and Case Studies:**

- Identify and document best practices within the reviewed programs and make recommendations for their scalability and replication (Consider case studies on best performing Spaza Shop support programmes).
- Undertake case studies of selected spaza shops demonstrating different levels of business performance. The case studies should provide practical insights into successful business models, operational practices, innovation, resilience and factors influencing long-term sustainability.

5.6. **Business Model and Competitiveness Analysis:**

- Analyze the different business models adopted by spaza shops and assess the factors influencing their sustainability and competitiveness. The analysis should identify good practices, success factors and business characteristics that contribute to improved enterprise performance. Ultimately, develop a model that is informed by the analysis conducted.

5.7. The proposed methodology should demonstrate a clear understanding of the assignment and be appropriate for generating reliable, representative and policy-relevant evidence to inform future MSME development interventions. The service provider shall be responsible for designing the research methodology, sampling framework, data collection instruments and analytical approach. The proposed methodology should ensure adequate representation of spaza shops operating across different provinces, settlement types and business contexts. The Service Provider is required to expand on the sampling framework to be employed and on data collection methods and approaches, to source the required information and data.

6. DELIVERABLES

The following deliverables will be expected from the appointed service provider:

Deliverables	Description	Timeframe
Inception Report	Detailed methodology, work plan, implementation schedule, stakeholder engagement plan and data collection approach.	Two (2) weeks after project inception
Literature and Diagnostic Report	Review of literature, policy environment, existing government support programmes, and identification of research gaps.	Four (4) weeks after project inception

Data collection tools	Proposed data collection tools, i.e., survey instruments, interview guides	Four (4) weeks after inception.
Fieldwork Report	Summary of stakeholder engagements, national survey, case studies and fieldwork findings.	Three (3) months after project inception
Draft Research Report	Comprehensive draft report including findings, policy implications and preliminary recommendations for DSBD review.	Four (4) months after project inception
Validation Workshop	Presentation of draft findings to DSBD and incorporation of comments received during validation.	Within two (2) weeks of submission of the Draft Research Report.
Final Research Report with executive summary, Policy Brief and Presentation	Final report incorporating all comments, together with practical recommendations and an implementation roadmap (evidence-based recommendations, appropriate policy and regulatory reforms, institutional support mechanisms, financing models, enterprise development interventions, partnership opportunities, implementation strategies and monitoring frameworks)	Five (5) months after project inception
	Executive summary, policy brief and PowerPoint presentation highlighting key findings and recommendations for decision-makers.	Five (5) months after project inception
Research Evidence Pack	Complete dataset, attendance registers, photographs (where applicable), presentations and supporting evidence collected during the study.	One (1) week after submission of the Final Research Report

7. DSBD OBLIGATIONS

7.1. Communicate with the service provider appointed regarding matters pertaining to the project.

7.2. Schedule monthly progress meetings for timely updates, tack milestones and address challenges (if any).

7.3. The DSBD will establish a Project Steering Committee which will review, evaluate and approve the services provided by consultants or researchers against the Service Level Agreement on an on-going basis.

7.4. Facilitate data access by providing necessary support for information and documents across departments and ensure information security.

7.5. Manage the project by continuously checking up on the service provider on the project deliverables and timelines.

7.6. Provide time frames for the service provider for the completion of the work.

7.7. Often join service provider for data collection / observations / skills transfer.

8. SERVICE PROVIDER OBLIGATIONS

8.1. The service provider undertakes to act as independent contractors in respect of the work.

8.2. Attend meetings with DSBD officials whenever required to do so for the purposes of obtaining information or advice regarding the work and assignments or for discussing any matters arising from or in connection therewith.

8.3. The service provider is responsible for its own computers and its own technical infrastructure to adequately perform their functions.

8.4. The service provider shall exercise all reasonable skills, care, protection of information and diligence in the execution of the work and shall carry out their obligations in accordance with international professional standards.

8.5. The service provider shall act as a faithful advisor to the DSBD and respect the laws and customs of the country and provinces in which any business in relation to the project is conducted.

8.6. The service provider should in their proposal demonstrate how they will transfer skills to the DSBD employees during the execution of this project. The areas of skills transfer are data collection and analysis. The DSBD Project Manager will closely monitor the implementation and progress of skills transfer to the employees.

8.7. The service provider shall retain the personnel identified in its proposal for the duration of the assignment. Where replacement becomes necessary, the service provider shall obtain prior approval and ensure that any replacement personnel possess qualifications, skills, and experience equivalent to or exceeding those of the originally proposed personnel.

9. CONTRACT PERIOD

9.1. The scope of work should be completed **within seven (7) months** of the commencement of the contract.

10. TENDER/PROPOSAL EVALUATION CRITERIA

The 80/20 principle will be applied in evaluating the proposal. Please note that the proposals/bids will follow a three-phased evaluation process as follows

10.1. PHASE 1: PROPOSAL PRELIMINARY COMPLIANCE REQUIREMENTS

a) The service provider must submit quotation together with the proposals.
b) SCM will conduct and confirm compliance and completeness of documents, i.e., Registration on Central Supplier Database (CSD), Tax compliance, complete SBD forms (SBD 4 and SBD 6.1) and other documentation that might have been required for the tender (e.g., certification of professional bodies).
c) DSBD may request clarification or further information regarding any aspect of the bid, e.g., update of the Tax Compliance status where a bidder is non-tax compliant on the closure of the tender or incomplete). The bidder must supply the requested information within 7 days (tax compliance) or within 3 days (Incomplete SBD Forms) after the request has been made otherwise the bid will be disqualified.
d) Only those proposals whose compliance is in order will move to Phase 2.

10.2. PHASE 2: FUNCTIONALITY EVALUATION

The Bid Evaluation Committee (BEC) will conduct the technical evaluation. The Bid proposals shall be evaluated individually on score sheets by the BEC according to the evaluation criteria indicated below and only those service providers that scores 70 points and above out of 100 will be considered for phase 3: Price and Specific Goals contribution.

Measurement Matrix for Proposal

Scoring System					
0	**1**	**2**	**3**	**4**	**5**
Does not comply with the requirements	**Poor** (significantly below requirements)	**Average** (below requirements)	**Good** (Satisfactory and meets the requirements)	**Very Good** (Above average compliance to the requirements	**Excellent** (Exceeds the functionality requirements

No	Category	Weight	Key score	Total
1.	Experience of service provider	**15**	1-5	
1.1	The service provider must have experience in conducting research and evaluations aligned to the informal economy, policy, legislation, strategies and business development and support Must demonstrate extensive experience in enterprise development research, informal economy studies, MSME policy analysis, quantitative and qualitative research methodologies and stakeholder engagement.	**10**		
	9 years or more of relevant experience	5		
	7-8 years of relevant experience	4		
	5-6 years of relevant experience	3		
	3-4 years of relevant experience	2		
	Less than 3 years of relevant experience	1		
	No relevant experience	0		
	Provide proof of relevant experience by means of case studies and signed reference letters with letterheads detailing the type of project linked to the case studies, the period of the project, the magnitude of the project, and the result of the project.	**5**		
	Five case studies and five signed reference letters	5		
	Four case studies and four signed reference letters	4		
	Three case studies and three signed reference letters	3		
	Two case studies and two signed reference letters	2		
	One case study and one signed reference letter	1		
	No case study and reference letter(s) provided	0		
2.	Qualifications, experience and expertise of the Project Manager	**25**		

2.1	The Project Manager must have a qualification in Economics/Development Economics/Development studies/Business Management/Entrepreneurship/ M&E specific degrees	**10**		
	Project Manager with a master's or above degree	5		
	Project Manager with an honors degree	4		
	Project Manager with a degree	3		
	Project Manager with a diploma	2		
	Project Manager with a certificate	1		
	Does not comply with the requirements	0		
2.2	The Project Manager must have extensive experience and knowledge, demonstrate extensive experience in enterprise development research, informal economy studies, MSME policy analysis, financial analysis, quantitative and qualitative research methodologies and stakeholder engagement. The Curriculum Vitaes must be attached.	**15**		
	Project Manager with 14 or more years' experience	5		
	Project Manager with 12 to 13 years' experience	4		
	Project Manager with 10 to 11 years' experience	3		
	Project Manager with 8 to 9 years' experience	2		
	Project Manager with 7 years' experience and below	1		
	No evidence of experience attached.	0		
3.	Qualifications, experience and expertise of the key staff/ task team. ***The key staff/task must have a minimum of 4 people***	**15**		
3.1	Key staff/task team members must have qualifications in Economics, Development Economics, Development Studies, Business Management, Entrepreneurship, Statistics, Monitoring and Evaluation, Data Analytics, Public Policy, Social Sciences, or related fields relevant to the study.	**5**		
	One (1) Ph.D. holder and two (2) or more Master's degree holders in relevant field(s)	5		

	Two (2) Master's degree holders in relevant field(s), with the remaining team members possessing at least Bachelor's degrees in relevant field(s)	4		
	Four (4) Bachelor's degree holders in relevant field(s), meeting the minimum team requirement	3		
	Team does not fully meet the minimum qualification requirements, with fewer than four (4) proposed personnel possessing Bachelor's degrees in relevant field(s)	2		
	Team demonstrates significantly below the minimum qualification requirements and lacks the appropriate qualifications required for the assignment.	1		
	Does not comply with the requirements	0		
3.2	Key staff/task team must have a collective experience in project management, knowledge and experience of policy research, informal economy, economic support strategies and programmes, business support services and/or interventions for the benefit of MSMEs within the different lifecycles, including informal sector specific support, business climate surveys, national and international best practices support. Business and strategy development, economic and statistical analysis as well as monitoring and evaluation mechanisms. Skills in data analysis, financial analysis, surveys, interviews, focus groups, theory of change, critical thinking, report writing and stakeholder engagement.	**10**		
	Key staff/task team demonstrates a collective of 8 and above years relevant experience.	5		
	Key staff/task team demonstrates a collective of 6 to 7 years relevant experience	4		
	Key staff/task team demonstrates a collective of 5 years relevant experience.	3		
	Key staff/task team demonstrates a collective of less than 5 years relevant experience.	2		

	Team demonstrates significantly below the minimum experience requirements and lacks relevant experience required for the assignment	1		
	No relevant experience	0		
4.	Composition of the Team	**10**		
4.1.	The proposed team must consist of a minimum of four (4) personnel assigned to the project. At a minimum, the team should include a Lead Researcher, Data Analyst/Statistician, Financial/Business Analyst, and Fieldwork Manager/Coordinator (or equivalent roles). The Service Provider must clearly indicate the roles and responsibilities of each proposed team member			
	Proposed team includes all four (4) required key personnel and additional specialist expertise relevant to the study, with clearly defined roles and responsibilities	5		
	Proposed team includes all four (4) required key personnel, with clearly defined roles and responsibilities.	4		
	Proposed team includes all four (4) required key personnel; however, roles and responsibilities are not sufficiently detailed.	3		
	Proposed team does not fully meet the minimum personnel requirements, with one or more key personnel not included.	2		
	Proposed team demonstrates significantly below the minimum personnel requirements and lacks the key personnel required for the assignment.	1		
	Does not comply with the requirements	0		
5.	Methodology & Project Plan	**30**		
5.1	The proposed methodology should demonstrate a clear understanding of the assignment and be appropriate for generating reliable, representative and policy-relevant evidence to inform future MSME development interventions. The proposed methodology should ensure adequate representation of spaza shops operating across different provinces, settlement types and business contexts			

	5.1.1. Methodology proposed in line with all requirements stipulated in the Terms of Reference (Item 5). The methodology must also include the project plan outlining activities, outputs, milestones and ability to complete the project. The proposed methodology must provide an analytical framework, research design and approach, sampling strategy, data collection methodology, stakeholder mapping and engagement, data analysis, ethical considerations, data quality assurance, risks and mitigation, workplan and deliverables, and potential limitations and mitigation strategies.			
	Proposed methodology exceeds the ToR requirements, with a detailed methodology, analytical approach, comprehensive project and implementation plans, and clearly defined activities, outputs, milestones, responsibilities, sequencing and deliverables.	5		
	Proposed methodology fully addresses the ToR requirements and includes both a detailed project plan and detailed implementation plan, with clear activities, outputs, milestones and deliverables.	4		
	Standard methodology addresses the ToR requirements and includes a detailed project plan, but some methodological elements lack sufficient detail.	3		
	Standard methodology that addresses the main ToR requirements and includes a project plan, but provides limited detail on activities, outputs, milestones or methodological approaches.	2		
	Proposed methodology is high-level and insufficiently detailed and the project plan without outlined activities, outputs, and milestones (high-level proposal).	1		
	Does not comply with the requirements and fails to provide an adequate methodology and/or project plan to demonstrate the ability to undertake the assignment.	0		
6.	Skills Transfer	**5**		

6.1	Skills transfer plan proposed in line with requirements stipulated in the Terms of Reference. The skills transfer plan must also include the activities, outputs and timelines.			
	Proposed skills transfer plan with detailed activities, outputs and timelines	5		
	Proposed Skills transfer plan with detailed activities but without outputs and timelines, or Proposed Skills transfer plan with detailed outputs but without activities and timelines, or Skills transfer plan with detailed timelines but without activities and outputs	4		
	Standard skills transfer plan as per the TOR	3		
	Basic skills transfer plan with a general indication of the proposed skills transfer but lacks sufficient detail on activities, outputs and timelines.	2		
	Skills transfer plan without activities, outputs and timelines	1		
	No skills transfer plan provided	0		
Total Score		**100**		
A FUNCTIONALITY SCORE OF LESS THAN (70) POINTS WILL ELIMINATE THE PROPOSAL FOR FURTHER EVALUATION FOR PREFERENCE POINTS AND PRICE				

10.3. **PHASE 3: PRICE AND BEE CONTRIBUTION STATUS LEVEL**

Please note that only service providers that score 70 points and above on functionality will be evaluated on Price and Specific Goals contribution.

The bid price must be inclusive of VAT and quoted in RSA currency.

	80/20 PRINCIPLE	**POINTS**
1	PRICE	80
2	B-BBEE STATUS LEVEL OF CONTRIBUTION	20
	MAXIMUM POINTS	**100**

10.4. **Preference Points allocation**

Only bidders that score at least 70 points on the above out of 100 points on Functionality will be considered to the next phase, which will determine the bidder (s) to be recommended for approval by the delegated authority. The 80/20 Preference points system will be applied using the formula below to calculate the price:

The following formula will be used to calculate the points for price: Criteria	Points
Price Evaluation **Ps 80** $\left(1-\frac{Pt-P\min}{P\min}\right)$	80

Where,

Ps = Points scored for the comparative price of a bid under consideration

Pt = Comparative price of a bid under consideration

Pmin = Comparative price of lowest acceptable bid

In terms of Regulations 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points will be awarded to a bidder for attaining the Specific goals status level of contribution by the table as set out in the Preference Points Claim Form (SBD 6.1).

Table 1: Specific goals for the tender and points claimed are indicated on the table below. ***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.*****)**

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
ENTERPRISE OWNERSHIP **(BBBEE certificate)**	**2** Level 1 = 2 pts Level 2 = 1,75 pts Level 3 = 1,5 pts Level 4 = 1,25 pts Level 5 = 1 pts Level 6 = 0,75 pts Level 7 = 0,5 pts Level 8 = 0,25 pts Non-compliant contributor= 0	
Size of Enterprise (MSMEs): MICRO, SMALL, MEDIUM ENTERPRISES	**8** Micro = 8 Small = 5,6 Medium = 3,2 Large = 0,8	
Spatial (Rural/ Township/ City)	**4** Rural = 4 Township = 2,4 City = 0,8	
Youth and non-youth	**6**	

11. TERMS AND CONDITIONS

11.1. Only fully compliant National Treasury's Central Supplier Database (CSD) registered service provider's proposals will be considered.

11.2. The completed SBD 4 and 6.1 documents attached to this RFP must be completed and returned with the quotation.

11.3. No late quotations will be accepted under any circumstances.

11.4. Suppliers must complete and return all the required documents, failing which, the supplier's quotation will be declared invalid.

12. PROPOSAL SUBMISSION

The deadline for the submission of proposals to DSBD is as follows:

Issue Date	: 23 September 2026
Closing date	: 5 October 2026
Time	: 16h00
Submission Email Address	: DSBDtenders@dsbd.gov.za

13. ENQUIRIES

Direct all technical enquiries to:

Ms. Lesego Maruping

Telephone: 066 477 9777

Email: LMaruping@dsbd.gov.za and

Direct all tendering processes enquiries to:

Mr. Nhlakanipho Msane, Ms. Mighty Mothobekhi, Mr. Mpho Munzhedzi

Telephone: 012 394 3014

Email: dsbdtenders@dsbd.gov.za/ NMsane@dsbd.gov.za

ANNEXURE A

Please note this checklist must be completed and submitted together with the **Proposal**

Document that must be submitted	**Non-submission may result in disqualification?**	
Declaration of Interest – SBD 4	YES/NO	Complete and sign the supplied pro forma document
Preference Point Claim Form – SBD 6.1	YES/NO	Non-declaration and non-submission of the Sworn Affidavit and a valid BEE Certificate issued by a SANAS Accredited supplier will lead to a zero (0) score on BBBEE
Registration on Central Supplier Database (CSD	YES/N O	The Service Provider must be registered on the CSD. If you are not registered proceed to complete the registration of your company prior to submitting your proposal. Visit https://secure.csd.gov.za/ to obtain your vendor number. Submit proof of registration.
Functional Proposal, including Pricing Schedule	YES/NO	Submit a functional proposal in line with the Terms of Reference including the SBD documents above.

Vuyisa Dayile

SIGNIFLOW

20 September 2026

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

1.1 Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa, 1996 (Constitution), and further expressed in the various applicable legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

1.2 If a person is listed in the Register for Tender Defaulters and/or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. DECLARATION ON EMPLOYMENT BY ORGAN OF STATE

2.1 Is the bidder, or any of the directors / trustees / shareholders / members / partners of the bidder employed by an organ of state, as defined in section 239 of the Constitution? **YES/NO**

2.2 If YES, furnish particulars of the names, individual identity numbers, in the table below:

Full Name	Identity Number	Name of organ of state

---

1. the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.3 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.3.1 If so, furnish particulars:

……………………………………………………………………………………
……………………………………………………………………………………
……………………………………………………………………………………

2.4 Does the bidder or any of its directors/trustees/shareholders members/partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise, whether or not they are bidding for this contract? **YES/NO**

2.4.1 If so, indicate all companies registered in the CSD in the table below:

Supplier registration number (MAAA)	Status (active/inactive/deleted)

Failure to disclose all CSD-registered active companies linked to all Directors will lead to disqualification**.**

3 GENERAL DECLARATION

I, ………………………………………………….............................., the undersigned, in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

3.1 I have read and I understand the contents of this disclosure.

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found to be false.

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.5 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.

3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

3.7 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, 1998 (Act No. 89 of 1998) and or may be referred to law enforcement agencies for criminal investigation and or may be restricted from conducting business with the state for a period not exceeding 10 years in terms of the Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004) or any other applicable legislation.

I CERTIFY THAT THE ABOVE IS CORRECT.

I ACCEPT THAT THE PROCURING INSTITUTION MAY REJECT THE BID OR TAKE APPROPRIATE ACTION AGAINST ME IF THIS DECLARATION IS FALSE.

………………………………	…………………………………………
Signature	Date
………………………………	………………………………………...
Designation	Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

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1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 **To be completed by the organ of state**

(*delete whichever is not applicable for this tender*).

a) The applicable preference point system for this tender is the 90/10 preference point system.

b) The applicable preference point system for this tender is the 80/20 preference point system.

c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

(a) Price; and

(b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
OWNERSHIP	2
SIZE OF ENTERPRISE (SMMES): MICRO, SMALL, MEDIUM ENTERPRISES	8
SPATIAL (RURAL/ TOWNSHIP/ CITY)	4

YOUTH AND NON-YOUTH	6
TOTAL POINTS FOR PRICE AND SPECIFIC GOALS	**100**

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

(a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

(b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

(c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

(d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 **or** **90/10**

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right) \quad \text{or} \quad Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. **FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT**

3.2.1. **POINTS AWARDED FOR PRICE**

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20	**or**	**90/10**
$\boldsymbol{Ps = 80\left(1 + \frac{Pt - P\,max}{P\,max}\right)}$	or	$\boldsymbol{Ps = 90\left(1 + \frac{Pt - P\,max}{Pmax}\right)}$

Where

Ps	=	Points scored for price of tender under consideration
Pt	=	Price of tender under consideration
Pmax	=	Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
OWNERSHIP	**1**	**2**		
	Level 1 = 1 pts Level 2 =0,125pts Level 3 = 0 pts Level 4 = 0 pts Level 5 = 0 pts Level 6 = 0 pts Level 7 = 0 pts Level 8 = 0 pts Non-compliant contributor= 0	Level 1 = 2 pts Level 2 = 1,75 pts Level 3 = 1,5 pts Level 4 = 1,25 pts Level 5 = 1 pts Level 6 = 0,75 pts Level 7 = 0,5 pts Level 8 = 0,25 pts Non-compliant contributor= 0		
Size of Enterprise (SMMES): MICRO, SMALL, MEDIUM ENTERPRISES	**4**	**8**		
	Micro = 4 Small = 3,6 Medium = 2 Large = 1,6	Micro = 8 Small = 5,6 Medium = 3,2 Large = 0,8		
Spatial (Rural/ Township/ City)	**2**	**4**		
	Rural = 2 Township = 1,2 City = 0,4	Rural = 4 Township = 2,4 City = 0,8		
Youth and Non-Youth	**3**	**6**		
	Youth = 3 None-Youth = 0,9	Youth = 6 None-Youth = 1,8		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm……………………………………………..……………………

4.4. Company registration number: ……………….…………………………………………..

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution, if deemed necessary.

………………………………………………

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: ……………………………………………………

DATE: ……………………………………………………

ADDRESS: ……………………………………………………

……………………………………………………