REQUEST FOR PROPOSALS

REQUEST FOR PROPOSALS ISSUED BY SOUTH AFRICAN NATIONAL PARKS IN RESPECT OF THE PROPOSED PUBLIC PRIVATE PARTNERSHIP PROJECT FOR THE MANAGEMENT OF THE SKUKUZA SAFARI LODGE IN THE KRUGER NATIONAL PARK
This Request for Proposals ("RFP"), incorporating all its attachments, has been produced by South African National Parks ("SANParks"), in connection with the tourism public private partnership opportunity available for the Management of the Skukuza Safari Lodge in the Kruger National Park.

No representation or warranty, express or implied, is made, or responsibility of any kind is or will be accepted, by South African National Parks, with respect to the accuracy and completeness of the RFP, and any liability in connection with the use by any interested party of the information contained in this RFP is hereby disclaimed.

The RFP is provided to the recipient to assist in making its own appraisal of the Public Private Partnership ("PPP") opportunity presented herein and in deciding whether to submit a proposal in connection with the opportunity. However, this RFP is not intended to serve as the basis for an investment decision on the opportunity, and each recipient is expected to make such independent investigation and to obtain such independent advice, as he or she may deem necessary for such a decision.

South African National Parks may amend or replace any information contained in this RFP at any time, without giving any prior notice or providing any reason. Should this RFP lead to the award of the PPP Project, the award will only become binding after SANParks and the Private Party have signed the agreement.

August 2018
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1. **INTRODUCTION**

1.1 This Request for Proposals ("RFP") is issued by South African National Parks ("SANParks") in accordance with the guidelines for Public Private Partnerships ("PPPs") contained in National Treasury's Tourism PPP Toolkit, and in compliance with Treasury Regulation 16 issued in terms of the Public Finance Management Act 1999.

1.2 SANParks, as part of its Strategic Plan for Commercialisation, identified the tourism PPP opportunity for the management of the Skukuza Safari Lodge in the Kruger National Park ("KNP").

1.3 It is intended that by SANParks entering into the PPPs with a Private Party, SANParks may be able to generate additional revenue through PPP fees paid to SANParks by the Private Party, while enabling SANParks to focus on its core activity of conservation. It is intended that the project will be managed by the Private Party in compliance with strict environmental standards maintained by SANParks as well as the Green Operation Strategy. In keeping with SANParks' objectives, particular attention will be paid to the implementation of broad-based Black Economic Empowerment ("BEE"), particularly those from land claimants and local communities adjacent to the Parks. In addition, the Operator will have to respect existing SANParks regulations regarding protection of the environment.

1.4 **Value-for-Money Objectives**

The value-for-money objectives for the project are aligned with SANParks’ strategic objectives included in the Strategic Plan for Commercialisation. Setting these objectives at the inception phase are vital as they provide the benchmarks for the feasibility and procurement phases. For the duration of the Management Agreement, they are used to measure the success of the project.

The Value-for-Money Objectives for the Management of the Skukuza Safari Lodge are:

1.4.1 *Revenue generation for SANParks;*
1.4.2 BEE, job creation, land claimants and community development;

1.4.3 Tourism promotion;

1.4.4 Biodiversity protection and conservation; and

1.4.5 Promotion of the Green Operations Strategy.

2. GENERAL RULES OF THE TENDER

2.1 This RFP supersedes all other SANParks communication to Bidders about this PPP opportunity and the rules and conduct of the bid.

2.2 No verbal discussion with any staff or advisor of SANParks can change, add to or clarify any of the terms and conditions contained in this RFP. Bidders should only rely on written changes, additions or clarifications from the duly authorised Project Officer of SANParks, circulated to each bidder. E-mail communications from SANParks to Bidders will count as written communication.

2.3 SANParks reserves the right to modify the timetable in Article 17 or otherwise amend, supplement or clarify the RFP at any time. SANParks may cancel the bid at any time without prior notice, and may disqualify any bidder as provided for in this RFP. SANParks shall not incur any liability whatsoever in exercising any rights in this Article 2.3 or otherwise granted in this RFP or available under the laws of the Republic of South Africa.

2.4 The bid will be conducted in accordance with, and shall be governed by the laws of the Republic of South Africa and this RFP.

2.5 Bids and all correspondence and documents relating to Bids shall be in the English language.

2.6 The submission of a Bid by a Bidder implies full knowledge and acceptance of, and submission to, all the terms and conditions set out in this RFP, the Management Agreement and under the applicable laws of the Republic of South Africa.
2.7 Bidders shall be responsible for any and all costs, expenses and losses incurred by them in the preparation and submission of Bids or otherwise in connection with the Tender. SANParks will not compensate Bidders for any such costs, expenses or losses, regardless of the outcome of the Tender.

2.8 Each Bidder must appoint one or more duly authorised representatives ("Legal Representatives"), mandated by an executive decision of the project company and legal power of attorney to represent the Operator.

3. IDENTIFY OF OPERATORS

3.1 An Operator may be a single company, an incorporated joint venture, or a trust. The Operator must meet the prequalification criteria as contained in this document.

3.2 Public institutions are specifically excluded from submitting proposals or bidding for the tender.

3.3 Each submission must set out, in detail, the structure that will be adopted for the entity. The shareholders should be clearly identified, and their roles and responsibilities listed. The submission should list the equity, ownership and directorships held by shareholders. Where any parties are not shareholders, but will be integrally involved in the operation of the lodge, such parties should also be listed.

3.4 As the project might require substantial cash flows, Interested Parties must demonstrate their ability to finance the Skukuza Safari Lodge Operations inclusive of labour and maintenance until such time that SANParks reimburses, the Operator.

3.5 When preparing submissions on the identity of the Operators, Interested Parties are required to structure their submissions following the format:

3.5.1 submit to SANParks the information set out in Annexure 1A in relation to the Pre-Qualification Criteria;

3.5.2 submit to SANParks the information set out in Annexure 1B in relation to
SANParks Request for Proposals – PPP Opportunity Management of the Skukuza Safari Lodge Kruger National Park

3.5.3 certify to SANParks that the information contained therein is true, accurate and complete in all respects.

3.6 SANParks reserves the right to request, at any time, additional information or documentation from Operators.


The Management of the Skukuza Safari Lodge PPP opportunity available to Operators is discussed in detail in the Information Memorandum provided to Operators. Herewith summarised as follows:

4.1 Introduction

SANParks has resolved to develop the Skukuza Safari Lodge adjacent to the Conference Facility in the Kruger National Park. SANParks appointed a professional team to design and project manage the implementation of the new Skukuza Safari Lodge. The Design is based on the following:

4.1.1 A 3-star facility offering 4-star service and price;

4.1.2 128 keys (256 bed) with a combination of 8 luxury suites, standard rooms and family rooms including universal access rooms;

4.1.3 Staff accommodation facilities in Skukuza for essential staff. Housing for the senior staff will not be completed at inception. Senior staff must be housed in the lodge until such time that these houses are completed.

4.1.4 Upgrades to service infrastructure within Skukuza to accommodate the additional demand;

4.1.5 Green building initiatives to ensure the greenest lodge possible within the framework of international best practice; and

4.1.6 Community beneficiation through economic opportunities in the
construction and operation of the lodge.

4.2 Lodge Vision

The bigger Kruger National Park offer a wide range of accommodation choices; from camping to luxury concession lodges. Skukuza Camp currently offer camping, chalets and corporate style houses. The number of ‘rooms’ are limited. A modern conference centre has been built. It is currently under-utilised as the current accommodation available cannot provide adequately for conference guests. Skukuza Safari Lodge has been built to develop additional accommodation choices that plans to:

4.2.1 Provide accommodation for conferences and attract the MICE market with its own requirements and needs; and through them attract guests who would for the first time be exposed to the Kruger National Park;

4.2.2 Meet the needs of the local emerging tourist market that would be exposed to Kruger (perhaps for the first time) and may become loyal to Kruger Park;

4.2.3 Draw the International Group Tourist and FIT market for whom camping or self-catering would not be attractive; and

4.2.4 Attract the corporate and business market.

The vision of the Skukuza Safari Lodge is to widen the guest base for SANParks and Kruger National Park; and to provide an acceptable hotel style accommodation option for tourists and delegates of the conference centre.

4.3 Underlying Principles

The following underlying principles needs to be taken into consideration:

- Skukuza Safari Lodge and the adjacent Conference Centre are designed to operate as one business entity. It is managed independently from other services and products of the camp.
- Rooms are loosely based on a 4-star standard, but graded as 3-star.
- No room service is envisaged.
- The room stock is on the Lodge Property Management System (PMS) and is managed from the lodge. Room stock must be linked to SANParks room
stock on the SANParks website.

- The lodge can have its own stand-alone website, as well as its inventory on the SANParks website.
- The lodge complies with all the relevant Universal Access legal requirements.
- Green principles have been applied in the construction process and the Operator is expected to apply green principles in the Management of the property.
- Minimising noise is important in the Kruger National Park. The Operator is responsible for controlling noise levels on the property.
- The Operator shall ensure that condiments sachets, paper serviettes, butter tubs/pads, straws and any packaging that may pollute the environment is not used at Skukuza Safari Lodge.
5. OPERATORS REQUIRED QUALIFICATION CRITERIA

In order to participate in the bidding process, Operators are required to meet the following qualification criteria:

5.1 Financial capacity

Given the fact that the project is of a high value and may entail risk to both the preferred Operator and SANParks, it is important that interested parties demonstrate financial strength. In this regard the Gross Asset Value of the interested party must be at least R10 million.

5.2 Tourism Qualification Criteria

The project requires interested parties with substantial experience and expertise in the tourism market. Interested parties are therefore required to provide examples of a minimum of two similar projects conducted by the interested parties. The interested party must be able to meet this tourism track-record requirement in the following ways:

5.2.1 A Hotel Operator or Hospitality Management company.

5.2.2 Experience: Proven ability to manage at least two properties of 100 beds plus each, currently in operation.

5.2.3 Operator must have been in existence for a minimum of 5 years.

5.2.4 Operator must have proven experience in conferencing and events.

5.3 Green Operations Commitments

5.3.1 The Operator is to submit brief method statement confirming the process and methodology that will be applied to obtain the GSSA EBP 4-Star target or similar and maintain its membership annually on an ongoing basis.

5.3.2 The Operator needs to confirm that the new Skukuza Safari Lodge will be operated in accordance with the green star rating or similar.
5.4 BEE Qualification Criteria

5.4.1 The Operator must be a Level One Contributor according to the provisions of the November 2015 Amended Tourism B-BBEE Code gazetted in terms of Section 9 (1) of the Broad Based Black Economic Empowerment Act No. 53 of 2003 as amended by Act 46 of 2013 and the Preferential Procurement Regulations of 2017.

5.4.2 The Operator shall commit to the following additional requirements:

5.4.2.1 Hotel Management Operations - The Operator is required to have a 30% partnership with an EME or QSE in the hospitality industry, which is, at least 51% black owned for purposes of the hotel management operations. The intention of this requirement is to ensure significant skills transfer to the EME or QSE.

5.4.2.2 Subcontracting as a condition of tender – The successful Operator must subcontract a minimum of 30% of the project to:
- An EME or QSE which is at least 51% owned by black people;
- An EME or QSE which is at least 51% owned by black people who are youth; or
- An EME or QSE which is at least 51% owned by people who are woman.

5.4.2.3 At least 90% of total labour cost must be paid to South African employees;

5.4.2.4 Employment Equity - At least 70% of jobs created must be for Black People located within a 50 km radius of the Skukuza Safari Lodge;

5.4.2.5 At least 51% of total measured procurement spend must be from black South African Suppliers within a 200km radius of the Skukuza Safari Lodge;

5.4.2.6 Greenfield Enterprise Development – The Operator will be required to develop a minimum of four (4) enterprises with tourism related services and commodities, over the duration of the contract term distributed evenly over the period;

5.4.2.7 Failure to meet these requirements will be seen as a material breach of the contract, which will result in termination.
6. **SITE VISITS AND DUE DILIGENCE**

6.1 The Site Visit and Due Diligence process is being organised for the Operators with the following objectives:

6.1.1 to provide all Operators the opportunity to ascertain all information they need to present informed and competitive bids for the sites they are qualified to bid for, including physical facilities; and

6.1.2 to ensure that such access to information is equal for all Operators.

6.2 Due Diligence site information will be provided to Operators by means of a site visit to the Skukuza Safari Lodge on 29 August 2018.

6.3 For this purpose, all interested Operators are required to register for this site visit by sending their Names, Company, Contact telephone and e-mail, latest 22 August 2018 to:

   Mr Ibraheem Dockrat
   E-mail: ibraheem.dockrat@sanparks.org

6.4 Attendance will inform Operators of possible challenges and opportunities that may or may not have an impact on the feasibility studies conducted by Operators and will further serve to ensure the accuracy of viabilities conducted for the facility.

6.5 This site visit will form part of the due diligence process and should be attended by the Operators or a duly authorized representative.

6.6 The programmes will be distributed to interested Operators upon registration.

6.7 Please note that traveling and accommodation costs for this visit will be for your own account.

6.8 Each Operator shall be solely responsible for its own due diligence investigation of the investment opportunity, the proposed Management Agreement terms and all matters relating to this RFP. Neither SANParks nor any of their respective officers, employees, agents or advisers makes any representation or warranty, express or implied, concerning any matter affecting the PPP opportunity, except for the representations and warranties of SANParks that will be set out in the Management Agreement.
6.9 No verbal agreement or conversation with, nor any verbal clarification from, any officer or employee of SANParks or any of their advisers shall affect or modify any of the terms and conditions contained in this RFP. Only written amendments, supplements or clarifications to this RFP from Annemi van Jaarsveld as the duly authorised Project Officer of SANParks, circulated to each Operator, should be relied upon as authorised. For the purposes of this Article 6.9, communications sent from duly authorised staff of SANParks to Operators via electronic mail shall be deemed as communications in writing.

6.10 **Contact for Due Diligence-related Matters**

The principal contact in SANParks for all matters relating to the Due Diligence process will be:

Mr Ibraheem Dockrat  
Tel: (012) 426-5276  
E-mail: Ibraheem.Dockrat@sanparks.org

7. **MANAGEMENT AGREEMENT**

7.1 The draft Management Agreements is not included in the Tender Documents but will be ready for distribution at the end of August 2018.

7.2 SANParks reserves the right to modify or otherwise amend, supplement or clarify the Management Agreement at any time. SANParks shall not incur any liability whatsoever in exercising any rights in this Article 7.2 or otherwise granted in this RFP, Management Agreement or available under the laws of the Republic of South Africa.

8. **BID SUBMISSIONS**

8.1 Bids must be placed in the tender box at the entrance of the Groenkloof National Park for the attention of:

General Manager Business Development Unit  
Annemi van Jaarsveld  
South African National Parks
8.2 Bid Submissions should be made between 08:00 and 12:00 on 12 October 2018 (the “Bid Date”).

8.3 Submissions delivered after 12:00 on the Bid Date shall be regarded as invalid, and returned to the Operator, unopened.

9. RELATIVE WEIGHTING OF BID SUBMISSIONS

The evaluation of Bid Submissions will consider several factors, in a scoring methodology that awards points against criteria and quantitative weights.

9.1 Functionality will be weighted at 80% of the overall bid score and a minimum threshold of 70% should be achieved.

9.2 BEE will be weighted at 20% of the overall bid score (The provisions of the Preferential Procurement Policy Framework Act, 2000 (“PPPFA”) Preferential Procurement Regulations 2017 apply).

9.3 The Management Fee Offers will be opened for all Operators that achieved the minimum threshold of 70% for Functionality.

10. SCORING FOR FUNCTIONALITY

The functionality aspects of a bid will be scored out of 100 points. An Operator must meet the minimum threshold of 70%. Functionality is made up of the following elements, each elaborated in the relevant annexure to this RFP, and each bid will be scored as indicated in the functionality scorecard below:

10.1 Financing and Capital Plan (10%)

The purpose of the Financing and Capital Plan is to assess the ability of the Operator to secure adequate finance to fund the payroll costs of staff and all expenses until
reimbursement by SANParks.

10.2 **Business and Operational Plan (50%)**

The purpose of the Business and Operational plans is to ensure that the Operator has fully developed all business aspects of the proposed tourism project, and is proposing credible schemes which are based on generally accepted business principles applicable to tourism projects, and which are in line with SANParks’ specifications given in the Information Memorandum.

10.3 **Development and Environmental Plan (10%)**

The purpose of the evaluation of development and environmental proposals is to ensure that Operators understand and have fully planned for the prevailing environmental issues that apply to the project as well as the Environmental Guidelines and have factored those issues into their plans.

10.4 **Green Operations Plan (30%)**

The purpose of the evaluation of the green operating plan is to ensure that the Operator understand the green operating issues that apply to the Skukuza Safari Lodge, to ensure that the Operator subscribes to becoming a member of the GBCSA and maintain its membership annually.

11. **CONTENTS OF BID SUBMISSIONS**

11.1 Bids and all related correspondence and documents must be in English.

11.2 The bid submission from each Operator must contain all the information necessary for SANParks to evaluate the financial, broad-based black economic empowerment and functionality capabilities of the Operator. Operators are required to submit two sealed Envelopes in accordance with the directions below.

11.3 The contents of **both the Functionality Envelope and the BEE Proposal and Management Fee Envelopes** must also be provided on a memory sticks to be included in the envelopes.

11.4 The first Envelope shall be clearly marked “Functionality - original” on the outside and
shall contain all the original non-financial and BEE aspects of the Submission ("Functionality"). The contents of the Technical Offer shall consist of:

11.4.1 Original of the Operator Information, in the format given in Annexure 1A,

11.4.2 Original of the Operator Information, in the format given in Annexure 1B;

11.4.3 Original of the Financing and Capital plan, in the format given in Annexure 2;

11.4.4 Original of the Business and Operational plan, in the format given in Annexure 3;

11.4.5 Original of the Development and Environmental Proposal, in the format given in Annexure 4 – Environmental Proposal and

11.4.6 Original of the Green Operational Plan, in the format given in Annexure 5.

11.5 The second Envelope shall be clearly marked “BEE Proposal and Management Fee Offer” on the outside.

11.6 The contents of this Envelope shall contain the original Operator's Management Fee Offer, in the format in Annexure 7 and the BEE proposal, in the format given in Annexure 5.

11.7 Envelopes should be clearly marked as to whether they are Envelope 1 or 2, and must have the bid cover letter in the format provided in Annexure 9 – Bid Cover Sheets, attached to the front of each envelope.

11.8 All information provided in the bid must be valid for 90 business days from the Bid Date.

11.9 Submitting a bid implies that the Operator knows and understands all the terms and conditions set out in this RFP and under the applicable laws of the Republic of South Africa, and that the Operator accepts these terms and conditions.

12. **HOW THE BIDS WILL BE OPENED**

12.1 The Project Officer will separate Envelopes 1 and 2 from all the bids.
12.2 The Functionality elements will be evaluated and scored according to the procedure set out in this RFP.

12.3 The BEE and Management Fee offer evaluation will follow for all Operators who met the minimum thresholds of 70%.

13. OPENING OF FINANCIAL AND BEE ENVELOPES

13.1 BEE Proposal

13.1.1 SANParks will evaluate the Operator’s BEE proposal (details of the format and information required are in Annexure 6 – BEE Proposal and will allocate scores according to the methodology and weightings in Annexure 6.

13.2 Management Fee

13.2.1 The Management Fee Offer, as per the schedule set out in Annexure 7 – Management Fees

13.2.1.1 A Base Fee as a % of Gross Revenue; plus

13.2.1.2 An Incentive Fee as a % of EBITDA.

13.2.2 The Base Fee and Incentive Fee shall accrue and be payable by SANParks to the Operator within 30 (thirty) days following the end of each month, free of deduction or set-off.

14. THE FINAL SCORE

14.1 SANParks retains the right not to award the Bid in the unlikely event that only one Bid is received and the Management Fee Offer does not meet SANParks’ minimum requirements.

14.2 The final score for Operators who achieved the minimum threshold of 70% will be as follows:

14.2.1 BBBEE - 20% of the overall bid score (The provisions of the Preferential Procurement Policy Framework Act, 2000 (“PPPFA”) Preferential Procurement
14.2.2 The Management Fee Offers – 80% of the overall bid score.

14.3 SANParks shall calculate the scores of each bid to calculate an overall bid score.

14.4 The Operator that receives the highest overall bid score will be declared the preferred Operator; and the Operator that receives the second highest overall bid score will be declared the reserve Operator.

14.5 Final Scores will be subject to approval by the Bid Adjudication Committee of SANParks.

15. **INCOMPLETE BIDS**

15.1 The bid evaluation committee, in consultation with its financial and legal advisors, will check Envelope 1 and 2 of each bid to see whether the all the documentation that this RFP requires has been submitted correctly.

15.2 If a bid is not complete or something in it is not clear, the bid evaluation committee may, but is not obliged to, ask Operators for more information. Operators will receive such requests for more information in writing. No substantial changes to the bid will be asked for or allowed, except if there is a clear mistake in the bid.

15.3 SANParks may, but is not obliged to, disqualify a bid that is not complete or requires clarification without a request for further information.

15.4 SANParks shall not be obliged to reimburse Operators for any costs and/or damage they incurred during the preparation of Bid Submissions, in the event of cancellation, disqualification, suspension, modification or delay of the Tender.

16. **BID BOND**

16.1 At the time of submitting its Bid, each Operator for Bid Package 1 must submit a single Bid Bond ("Bid Bond") payable to SANParks in the format prescribed in Annexure 10 - Acceptable wording of bid and development bond.

16.2 Bid Bonds should be for the amount of R250,000 (Two Hundred and Fifty Thousand
16.3 The posting of the Bid Bond is for the purpose of ensuring that the all Operators present valid and serious bids, and that the Winning Operator subsequently executes the Management Agreement.

16.4 Bid Bonds must be valid until the Effective Date, which shall not be later than 18 months from signature date.

16.5 The Bid Bonds of all Operators other than the Winning Operator shall be returned to them following signature by SANParks of the Management Agreement.

16.6 Any of the following shall be grounds for the forfeiture of an Operator's Bid Bond:

16.6.1 Any material misrepresentation made by the Operator in its Bid Submission, or any other information and documentation submitted by it under this RFP;

16.6.2 The withdrawal or modification of its Bid during the period of validity;

16.6.3 Failure by the preferred Operator to furnish the required Performance Bond under the Management Agreement in accordance with the provisions of the Management Agreement.

16.7 The Bid Bond shall be callable upon first demand by SANParks in the event that one or more of the circumstances described at Article 16.6 above has occurred. Forfeiture of the Bid Bond shall not preclude SANParks from pursuing any other remedies it may have against the Operator under the laws of South Africa.

17. **BID TIMETABLE**

The Tender shall take place in accordance with the timetable set out in this Article 17. SANParks reserves the right to modify the timetable at any time. SANParks shall not incur any liability whatsoever in exercising any rights in this Article 17 or otherwise granted in this RFP or available under the laws of the Republic of South Africa.
<table>
<thead>
<tr>
<th>Action</th>
<th>Dates</th>
</tr>
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<tbody>
<tr>
<td>Public Advertisements for the Management of Skukuza Safari Lodge</td>
<td>12 August 2018</td>
</tr>
<tr>
<td>Provide Information Memorandum and RFP to Operators</td>
<td>12 August 2018</td>
</tr>
<tr>
<td>Registration for Due Diligence Site Visit</td>
<td>22 August 2018</td>
</tr>
<tr>
<td>Due Diligence Site Visits</td>
<td>29 August 2018</td>
</tr>
<tr>
<td>Provide Management Agreement to Interested Operators</td>
<td>30 August 2018</td>
</tr>
<tr>
<td>Receive Operators Questions</td>
<td>31 August 2018</td>
</tr>
<tr>
<td>Response to Operators Questions</td>
<td>7 September 2018</td>
</tr>
<tr>
<td>Registration of Interested Operators for Operators Conference</td>
<td>10 September 2018</td>
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<tr>
<td>Operators Conference</td>
<td>17 September 2018</td>
</tr>
<tr>
<td>Facilitate and distribute minutes of Conference Qs and As</td>
<td>25 September 2018</td>
</tr>
<tr>
<td>Tender Submissions</td>
<td>12 October 2018</td>
</tr>
<tr>
<td>Bid Evaluation of Bids received</td>
<td>17-18 October 2018</td>
</tr>
<tr>
<td>Bid Adjudication</td>
<td>26 October 2018</td>
</tr>
<tr>
<td>Contract Award</td>
<td>31 October 2018</td>
</tr>
</tbody>
</table>

18. **FURTHER INFORMATION**

18.1 All enquiries and requests for further information in respect of the RFP must be in writing, and directed to SANParks at the following address:

**SOUTH AFRICAN NATIONAL PARKS**
Annemi van Jaarsveld

P O Box 787
PRETORIA, 0001
643 Leyds Street
Muckleneuk, Pretoria

Telephone: +27 12 426 5027
E-mail: annemi.vanjaarsveld@sanparks.org

18.2 All responses to enquiries may be circulated to other Interested Parties. No other communication with SANParks in respect of the RFP will be permitted.
19. **ANNEXURE 1A – QUALIFICATION SUBMISSIONS**

19.1 **Financial capacity**

Given the fact that the project is of a high value and may entail risk to both the preferred Operator and SANParks, it is important that interested parties demonstrate financial strength. In this regard the Gross Asset Value of the interested party must be at least R10 million.

19.2 **Tourism experience**

The project requires interested parties with substantial experience and expertise in the tourism market. Interested parties are therefore required to provide examples of a minimum of two similar projects conducted by the interested parties. The interested party must be able to meet this tourism track-record requirement in the following ways:

19.2.1 A Hotel Operator or Hospitality Management company.

19.2.2 Experience: Proven ability to manage at least two properties of 100 beds plus each, currently in operation.

19.2.3 Operator must have been in existence for a minimum of 5 years.

19.2.4 Operator must have proven experience in conferencing and events.

19.3 **Green Operation Commitments**

19.3.1 The Operator is to submit brief method statement confirming the process and methodology that will be applied to obtain the GSSA EBP 4-Star target or similar and maintain its membership annually on an ongoing basis.

19.3.2 The Operator needs to confirm that the new Skukuza Safari Lodge will be operated in accordance with the green star rating or similar.

19.4 **BEE Qualification Criteria**
19.4.1 The Operator must be a Level One Contributor according to the provisions of the November 2015 Amended Tourism B-BBEE Code gazetted in terms of Section 9 (1) of the Broad Based Black Economic Empowerment Act No. 53 of 2003 as amended by Act 46 of 2013 and the Preferential Procurement Regulations of 2017.

19.4.2 The Operator shall commit to the following additional requirements:

19.4.2.1 Hotel Management Operations - The Operator is required to have a 30% partnership with an EME or QSE in the hospitality industry, which is, at least 51% black owned for purposes of the hotel management operations. The intention of this requirement is to ensure significant skills transfer to the EME or QSE.

19.4.2.2 Subcontracting as a condition of tender – The successful Operator must subcontract a minimum of 30% of the project to:
- An EME or QSE which is at least 51% owned by black people;
- An EME or QSE which is at least 51% owned by black people who are youth; or
- An EME or QSE which is at least 51% owned by people who are woman.

19.4.2.3 At least 90% of total labour cost must be paid to South African employees;

19.4.2.4 Employment Equity - At least 70% of jobs created must be for Black People located within a 50 km radius of the Skukuza Safari Lodge;

19.4.2.5 At least 51% of total measured procurement spend must be from black South African Suppliers within a 200km radius of the Skukuza Safari Lodge;

19.4.2.6 Greenfield Enterprise Development – The Operator will be required to develop a minimum of four (4) enterprises with tourism related services and commodities, over the duration of the contract term distributed evenly over the period;

19.4.2.7 Failure to meet these requirements will be seen as a material breach of the contract, which will result in termination.
20. **ANNEXURE 1B – INFORMATION ON OPERATORS**

Operators must provide the following information labelled as "Information on (Operator Name)";

20.1 **Special purpose vehicle constitutional information**

The following must be specified:

20.1.1 The name, address, telephones and fax numbers of Operator, and the trading name of the Operator if different from the registered name.

20.1.2 Directors/Partners/Trustees and their responsibilities.

20.1.3 Place of registration.

20.1.4 Registration number.

20.1.5 Memorandum and Articles of Association (or equivalent constitutive documents).

20.1.6 Direct shareholder(s) joint venture, partner or beneficiary and percentage shareholding or other beneficial interest or participation held by each; if there is more than one class or share or funding the percentages held by each.

20.2 A letter confirming that the Operator and each of its members has irrevocably waived any right it may have to seek and obtain a writ of injunction or prohibition or restraining order against SANParks to prevent or restrain the Tender or any proceedings related to it. However, such waiver shall be without prejudice to the right of a disqualified or losing Operator to question the lawfulness of their disqualification or the rejection of its Bid by appropriate administrative or judicial processes not involving the issuance of a writ or injunction or prohibition or restraining order.

20.3 An original tax clearance certificate, issued by the South African Revenue Service ("SARS") within six months of the bid date, for each South African member of the Operator;

20.4 An original signed version of the final Management Agreement including all the relevant
sections the Bid Submission to be included in the Management Agreement, with each page initialled by the duly authorised representative; and

20.5 An original Bid Bond from a reputable bank in a form substantially similar to that set out in Annexure 10 - Acceptable wording of bid and development bond.
21. **ANNEXURE 2 - FINANCING AND CAPITAL PLAN**

21.1 The Operator should provide the following information:

21.1.1 A recent auditor’s report confirming that all the members of the Operator are solvent and liquid; if a member of the Operator does not produce audited financial statements, it must produce a notarised statement of assets; and

21.1.2 A cash flow forecast (net of VAT) for the proposed term of 10 years of the Management agreement. This may be in a spreadsheet format of the Operator’s choice, but must at least present the following:

<table>
<thead>
<tr>
<th>Cash inflows</th>
<th>Year 1 R’000</th>
<th>Year 2 R’000</th>
<th>Year 3 R’000</th>
<th>Year 4 R’000</th>
<th>Year 5* R’000</th>
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<tbody>
<tr>
<td>Cash from sales and other</td>
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<td>operating revenue</td>
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<td>Cash from other sources</td>
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<td><em>Total cash inflow (A)</em></td>
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<tr>
<td>Cash outflows</td>
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<td>Project costs and start-up</td>
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<tr>
<td>expenses</td>
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<tr>
<td>Salaries, wages and staff costs</td>
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<td>All other operating costs and</td>
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<td>expenses</td>
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<tr>
<td>Infrastructure upgrades/Building</td>
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<td>additions/ internal décor etc.</td>
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<tr>
<td>Replacement of equipment and</td>
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<td>vehicles</td>
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<tr>
<td><em>Total cash outflow (B)</em></td>
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* Adapt for the applicable term of the PPP Opportunity
22. **ANNEXURE 3 – BUSINESS AND OPERATIONAL PLAN**

Bidders should provide the following information, with back-up evidence where possible.

22.1 **Background of Bidding Company (weighting 30%)**

22.1.1 **Rationale (weighting 25%)**

22.1.1.1 The bidder’s objectives, the company, the concept and product and service offered

22.1.2 **Current Operations (weighting 25%)**

22.1.2.1 Size of current operations i.e. Number of rooms/Number of Seats/Current Turnover

22.1.2.2 Type of operation and similarity to the PPP opportunity

22.1.3 **Track Record (weighting 10%)**

22.1.3.1 The bidder’s track record on and knowledge of existing products or activities offered in the tourism industry

22.1.3.2 Memberships and registrations (list any awards, accolades or ratings)

22.1.4 **Operating standards (weighting 25%)**

22.1.4.1 Current operating standards, including an outline of any operations and procedures manuals

22.1.5 **Management/Employees (weighting 15%)**

22.1.5.1 Current company structure with specific reference to the expertise required for the relevant PPP Opportunity

22.1.5.2 Number of personnel working in the hospitality industry and their qualifications

22.1.5.3 Where skills and experience are lacking, outline the strategy to in source these skills

22.2 **Operational Vision, Plan and Service Standards (weighting 30%)**

22.2.1 **Products/Activities (20%)**
Detailed description of product envisaged for the Skukuza Safari Lodge. Specific reference given to:

22.2.1.1 Restaurant model, target audience (only overnight guests or Skukuza Camp and day visitors), included in rate, etc.;

22.2.1.2 Activities offered to guests and practicality thereof; and

22.2.1.3 Proposed incentive model for encouraging the use of the Park & Ride Facility (when completed)

22.2.2 Operating Standards (15%)

22.2.2.1 Proposed Operating Standards for the Skukuza Safari Lodge with focus on practicality of the operations and procedures.

22.2.3 Hygiene/Service Standards (15%)

22.2.3.1 Detail description of how hygiene and service standards will be maintained.

22.2.4 Proposed organisational and staffing structures, including (15%)

22.2.4.1 Management policies

22.2.4.2 Involvement of Land Claimants

22.2.4.3 Measures to transfer knowledge and expertise / training

22.2.4.4 Labour plan, including details of numbers of permanent and part-time staff that will be employed, staff recruitment policies, employment policies and socio-economic goals with employment

22.2.4.5 Incentives & Bonuses (Equity, Bonus etc.);

22.2.4.6 Disciplinary Procedures

22.2.4.7 Staff Transport

22.2.4.8 Staff Housing

22.2.5 Menu (10%)

22.2.5.1 Food Philosophy – values/commitment freshness and uniqueness

22.2.5.2 Variety – vegetarian/non vegetarian, choice of meats, choice of courses, Health Options, Halaal, Vegan etc.
22.2.5.3 Ambience and atmosphere
22.2.5.4 Wine List, Cultivar selection
22.2.5.5 Beverage Service

22.2.6 Customer Service (10%)

22.2.6.1 Guest feedback mechanism
22.2.6.2 Guest complaints procedure
22.2.6.3 Telephone Ethics
22.2.6.4 Reservation/ Booking Policy
22.2.6.5 Group and Conference Procedures & Policy

22.2.7 Proposed Health & Safety (10%)

22.2.7.1 Hygiene Policies
22.2.7.2 Emergency evacuation plans
22.2.7.3 Operational Procedure
22.2.7.4 Cleaning procedures
22.2.7.5 Guest Payment, Cash-up and Banking procedures
22.2.7.6 IT Operating Systems
22.2.7.7 Procurement Policies – Supply Chain

22.2.8 Proposed Distribution Channels (5%)

22.2.8.1 Stock storage and rotation procedures
22.2.8.2 Stock control measures

22.3 Institutional Depth to sell the Product (weighting 25%)

22.3.1 Current Sales & Marketing (60%)

22.3.1.1 Bidders existing client base and market penetration
22.3.1.2 Existing plans and knowledge of market including existing relationships with tour operators and travel trade (include references)
22.3.1.3 Time taken to establish market
22.3.1.4 Current marketing programs
22.3.1.5 Current marketing channels
22.3.1.6 Data Base Management
22.3.1.7 Discount Policies

22.3.2 Understanding of the market for PPP Opportunity (40%)

22.3.2.1 Market surveys
22.3.2.2 Differentiation
22.3.2.3 Target Market (geographical, income, nature of activity, etc.)
22.3.2.4 Product branding plans
22.3.2.5 Pricing Range
22.3.2.6 Revenue growth strategy
22.3.2.7 Competitive analysis
22.3.2.8 Ongoing market evaluation

22.4 The Economics of the Business (weighting 15%)

Provide feasibility studies reflecting the following:

22.4.1 Turnovers (30%)
22.4.2 Gross and operating margins (40%)
22.4.3 Fixed, variable and semi variable costs (30)
23. **ANNEXURE 4 – ENVIRONMENTAL PROPOSAL**

Items to address in Development and Environmental Proposals.

23.1 **Legislative Requirements**

23.1.1 Confirmation that all legislative requirements are understood and will be complied with.

23.1.2 Acknowledgement that Development and Environment Proposals lacking sufficient detail may be disqualified.

23.2 **SANParks Requirements**

23.2.1 Acknowledgement that the Operator must comply at all times with SANParks Environmental Guidelines as they may change from time to time.

23.2.2 Acknowledgement that the Operator will comply with the accreditation in terms of the National Standard for Responsible Tourism, once complete as well as any other applicable Responsible Tourism Standards as stipulated in the Information Memorandum.

23.3 **Appointment of Environmental Control Officer**

23.3.1 Acknowledgement by the Private Party that an Environmental Control Officer (“ECO”) will be appointed.

23.4 **Code of Conduct**

23.4.1 The Operator undertakes to induct all staff employed on the Kruger National Parks Code of Conduct.

23.4.2 The Operator confirms that the Code of Conduct is understood and will be complied with.

23.5 **Environmental responsibility:**
23.5.1 The Operator acknowledges that SANParks has an active role to play in Responsible Tourism and expects the same from Private Parties that operates in National Parks. SANParks subscribes to the minimum standard of Responsible Tourism (SANS 1162) and expects the same from Operators that operate commercial outlets in National Parks.

23.5.2 Undertaking from the Operator to conduct, manage and carry out the Project at all times in environmentally responsible way by adopting appropriate operating methods and practices for conducting such a Project in a proclaimed National Park.

23.5.3 The Operator undertakes to take all reasonable steps in conducting of the Project to prevent and limit the occurrence of any environmental or health hazards and to ensure the health and safety of the Private Parties and the public.

23.6 **Regulatory Provisions**

23.6.1 The Operator undertakes to adhere to the Regulatory Provisions and the Environmental Specifications.

23.6.2 The Operator undertakes to comply with its statutory duties in terms of the Environmental Laws and to take reasonable measures to prevent pollution or degradation from occurring, continuing or recurring or, in so far as such harm to the Environment is authorized by SANParks, to minimize and rectify such pollution or degradation of the Environment.

23.6.3 The Operator acknowledges that the terms and conditions set forth in the Environmental Guidelines are subject to amendment.

23.6.4 The Operator undertakes to comply with amended Environmental Guidelines.

23.7 **Environmental Impact**

23.7.1 The Operator undertakes to bring to the attention of SANParks any matter, which may, in its view, have a detrimental impact on the Environment within the Protected Area.

23.7.2 Where fish might be part of the menu, the Operator needs to subscribe to the South African Seafood Initiative (SASSI) and only sell fish with green status or SASSI
23.8 **Solid Waste Management:**

23.8.1 The Operator undertakes to manage all waste that is generated in such a way that direct and indirect impacts are kept to a minimum.

23.8.2 The Operator undertakes to achieve Solid Waste Management Best Practices which implies the following:

23.8.2.1 Manage solid waste from source to disposal (use of green bags for recycle waste and black bags for non-recycle waste as per KNP Waste management system);

23.8.2.2 Strive to eliminate non-recyclable or hazardous packaging or containers at the procurement phase;

23.8.3 The Operator undertakes to include the following policies in the waste management:

23.8.3.1 Green Procurement Policy: This policy defines the procedures that the Operator will implement to ensure that all produce, containers and packaging comes from suppliers that under-write environmental principles, and that waste be recyclable as far as possible;

23.8.3.2 Hazardous Waste Policy: The Hazardous Waste Policy defines procedures that the Operator will implement to manage any hazardous waste, to ensure that it is firstly minimized, but also that it is stored and discarded in a safe and legal way.

23.8.4 The Operator will follow the following guidelines to minimize the effect of the solid waste on the ecosystem:

23.8.4.1 Minimize solid waste production at all sources, by striving for the minimization of all waste.

23.8.4.2 Maximize the recycling of solid waste. Glass, tin, paper and cardboard must be sorted on site for recycling, while actual recycling will take place off site at the approved camp waste disposal site.

23.8.4.3 All waste must be removed to the respective approved camp waste disposal site and incinerator for disposal and recycling. The dumping and disposal of waste other than at the approved waste site is strictly prohibited and failure to comply may result in termination.
23.8.4.4 Waste storage and sorting areas must be properly constructed and maintained. Back-of-house waste cages and waste storage areas must remain clean and secure from problem animals.

23.8.4.5 Waste storage areas must remain visually hidden from visitors to the park.

23.8.4.6 Packaging and containers given to visitors must be environmentally friendly, biodegradable and recyclable.

23.8.4.7 The distribution of plastic bags and polystyrene to visitors is strictly prohibited and only brown paper bags are allowed to be given for the purpose of carrying items purchased.

23.8.4.8 In terms of packaging the Private Operator undertakes to not use the following in outside seating and eating areas as this pollutes the park:

23.8.4.8.1 Sachets (for sugar, tomato sauce, salt and pepper, etc.);

23.8.4.8.2 Paper serviettes;

23.8.4.8.3 Butter tubs/pads

23.8.4.8.4 Plastic Straws

23.8.4.8.5 Plastic cutlery

23.8.4.9 The Operator must undertake to continuously strive towards eliminating plastic water bottles and single-use plastics in their operations as part of an initiative by the KNP.

23.8.4.10 Ensure that the all areas are kept free of litter by promoting an ethic amongst guests and staff alike and soliciting the co-operation of all staff to pick up litter wherever they find it.

23.9 Liquid Waste Management:

23.9.1 Liquid waste refers to sewerage as well as grey water;

23.9.2 The Operator undertakes to manage liquid waste in accordance with national and local legislation requirements;

23.9.3 The Operator undertakes to design management techniques to be both economically viable and environmentally sustainable;
23.9.4 The Operator undertakes to implement waste procedures that optimize the principles of waste reduction and waste recycling and ensures that the end product do not pollute the environment;

23.9.5 The Operator undertakes to maintain the grease taps for:

23.9.5.1 Pot and Rinse Sinks attached to Dish Washers;

23.9.5.2 Fixtures or drains through which significant amount of fats, oils or grease may be introduced;

23.9.5.3 Soup Kettles or similar devices;

23.9.5.4 All sinks that are used to clean any dishes, pots, pans or cooking utensils.

23.9.6 The Operator undertakes to implement processes and procedures which stipulates the following:

23.9.6.1 Kitchen staff should inspect and clean grease traps and interceptors at daily and maintain a log sheet of each trap inspection detailing condition of the trap and any maintenance activity;

23.9.6.2 that grease traps are cleaned daily ; and

23.9.6.3 That waste recovered from the grease traps be removed from the park and disposed of at an authorized facility.

23.10 Water Management and guidelines:

23.10.1 The Operator undertakes to implement water conservation measures in the design and implementation of their operations;

23.10.2 The Operator undertakes to:

23.10.2.1 Monitor the use of water;

23.10.2.2 Educate staff via on-site notices on the use of water;

23.10.2.3 Set water usage targets (monitored weekly/monthly) and manage these targets

23.10.2.4 Aim to avoid accidental loss through effective maintenance, installing quality storage and reticulation systems and implementing leak detection systems.
23.11 **Chemical substances**

23.11.1 The Operator (including staff of the Operator) undertakes to not use any of the chemicals that are banned from use in KNP (as determined by any Environmental Manager in National Parks);

23.11.2 The Operator acknowledges that all chemicals listed as “Prohibited” may not be brought into or used in the KNP.

23.11.3 The Operator undertakes to ensure safe storage and disposal of preferred chemicals and their containers;

23.11.4 The Operator undertakes to have a specific disposal system for toxic or other waster regarded as being dangerous under supervision of the Technical Services Department;

23.11.5 The Operator undertakes to only use environmentally friendly and biodegradable detergents and cleaning agents.

23.12 **Pest Control**

23.12.1 The Operator undertakes to comply with the integrated pest management plan as provided by SANParks;

23.12.2 Where and if required the Operator undertakes to control bats as outlined in in the SANParks Bat Management Plan;

23.12.3 The Operator undertakes to make use of preferred pest control chemicals as outlined in the SANParks Pest Control Report.

23.13 **Visual Impacts**

23.13.1 Describe efforts to minimize the visual impacts of the development, including lighting;

23.13.2 The Operator undertakes to implement mitigation measures in order to reduce the visual impact in the park.
23.14 Monitoring and Compliance

23.14.1 The Operator agrees to cooperate with SANParks in compiling a monitoring checklist that encompasses all environmental conditions. The checklist would be used for auditing purposes and would be conducted once every 6 months; and

23.14.2 The Operator agrees that SANParks will monitor, evaluate and score the operations (based on the line items in the checklist) and that a score of less than 85% for three (3) consecutive audits would imply material breach of the Management Agreement.

23.14.3 The Operator acknowledges and agrees that failure to comply with any of the environmental standards and requirements will result in a fine / penalties being issued to the Operator.

23.15 Energy use

23.15.1 The Private Operator undertakes:

23.15.1.1 To measure energy use and continuously aim to implement measures to reduce energy usage until optimal levels are reached;

23.15.1.2 Monitor the use of energy;

23.15.1.3 Educate staff via on-site notices on the use of energy;

23.15.1.4 Set energy usage targets (monitored weekly/monthly) and manage these targets.

23.16 Monitoring

23.16.1 Acknowledgement of SANParks’ right to undertake necessary conservation management activities in all of the Project Sites.

23.16.2 Confirmation of willingness to participate in a SANParks-Private Parties forum and to comply with any standards thereby agreed or established.
24. **ANNEXURE 5 – GREEN OPERATIONS STRATEGY**

Bidders should provide the following information, with back-up evidence where possible.

24.1 **Green operating principles (weighting 40%)**

24.1.1 Proposed green procurement policy or protocols (weighting 45%)

24.1.1.1 The bidder’s proposed green procurement policy (weighting 50%)

24.1.1.2 The bidder’s proposed green operating protocols (weighting 50%)

24.1.2 Water and energy reduction strategies (weighting 40%)

24.1.2.1 Bidders proposed metering programme (weighting 25%)

24.1.2.2 Bidders proposed water and fossil fuel energy consumption analysis (weighting 25%)

24.1.2.3 Bidders proposed advanced monitoring and analysis (weighting 25%)

24.1.2.4 Benchmarking of consumption (weighting 25%)

24.1.3 Responsible landscaping and irrigation operations (weighting 15%)

24.1.3.1 Proposed operating invasive species management (weighting 50%)

24.1.3.2 Proposed water wise garden maintenance and irrigation protocols (weighting 50%)

24.2 **Waste management (weighting 20%)**

24.2.1 Solid waste management (weighting 50%)

24.2.1.1 Re-use protocols (weighting 20%)

24.2.1.2 Re-cycling protocols (weighting 20%)

24.2.1.3 Hazardous waste management protocols (weighting 20%)

24.2.1.4 Garden waste protocols (weighting 10%)

24.2.1.5 Infrastructure maintenance waste protocols (weighting 10%)

24.2.1.6 Annual waste stream analysis (weighting 20%)
24.2.2 Liquid waste management (Weighting 20%)

24.2.2.1 Hazardous liquid waste management protocols (weighting 50%)
24.2.2.2 Environmental friendly cleaning products protocols (weighting 50%)

24.2.3 Food waste management (Weighting 30%)

24.2.3.1 Initiatives to reduce food waste to be incinerated (weighting 50%)
24.2.3.2 Initiatives to reduce food container and packaging (weighting 50%)

24.3 **Customer awareness programmes (weighting 20%)**

24.3.1 Customer awareness programmes on fossil fuel energy consumption (20%)

24.3.2 Customer awareness programmes on water consumption (20%)

24.3.3 Customer awareness programmes on waste management (20%)

24.3.4 Staff awareness programmes on fossil fuel energy consumption (20%)

24.3.5 Staff awareness programmes on water consumption (20%)
25. **ANNEXURE 6 – BEE PROPOSAL**

25.1 **The provisions of the Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017 will apply.**

25.2 The Operator must be a Level One Contributor according to the provisions of the November 2015 Amended Tourism B-BBEE Code gazetted in terms of Section 9 (1) of the Broad Based Black Economic Empowerment Act No. 53 of 2003 as amended by Act 46 of 2013.

25.3 In accordance with the Preferential Procurement Regulations of 2017, all Operators that adhere to paragraph 25.2 will be scored 20 points.

25.4 A tenderer must submit proof of its B-BBEE status level of contributor.

25.5 **The Operator shall commit to the following additional requirements:**

25.5.1 **Hotel Management Operations** - The Operator is required to have a 30% partnership with an EME or QSE in the hospitality industry, which is, at least 51% black owned for purposes of the hotel management operations. The intention of this requirement is to ensure significant skills transfer to the EME or QSE.

25.5.2 **Subcontracting as a condition of tender** – The successful Operator must subcontract a minimum of 30% of the project to:

25.5.2.1 An EME or QSE which is at least 51% owned by black people;
25.5.2.2 An EME or QSE which is at least 51% owned by black people who are youth; or
25.5.2.3 An EME or QSE which is at least 51% owned by people who are woman.

25.5.3 At least 90% of total labour cost must be paid to South African employees;

25.5.4 **Employment Equity** - At least 70% of jobs created must be for Black People located within a 50 km radius of the Skukuza Safari Lodge;

25.5.5 At least 51% of total measured procurement spend must be from black South African Suppliers within a 200km radius of the Skukuza Safari Lodge;
25.5.6 Greenfield Enterprise Development – The Operator will be required to develop a minimum of four (4) enterprises with tourism related services and commodities, over the duration of the contract term distributed evenly over the period;

25.5.7 Failure to meet these requirements will be seen as a material breach of the contract, which will result in termination.

25.6 **External BEE Verification**

25.6.1 The Operator shall appoint a reputable external verification agency to determine the Operator’s BEE status and a copy of such an independent verification certificate shall be provided to SANParks within 15 (fifteen days) after the end of each Financial Year.

25.6.2 The Operator shall be obliged in terms of the Management Agreement to, at a minimum, adhere to the requirements is paragraph Error! Reference source not found.. In the event of default by the Operator to comply with this provisions and the Operator default is not remedied before the expiry of the period referred to in the notice by SANParks, SANParks will have the right to terminate the Management Agreement with immediate effect by written notice to the Operator.
26. **ANNEXURE 7 – MANAGEMENT FEES**

26.1 **Important note to Operators**

26.1.1 Information on the Management Fees must be contained in Envelope 2 and is **not** to be submitted in Envelope 1 with the functionality proposals.

26.1.2 Operators must present the Management Fee in the form of a letter on the Operator’s letterhead as follows, inserting the Operator’s name and the percentage requirements as indicated below.

26.2 **Form of Letter**

To: South African National Parks

[Name of Operator] hereby requires the following Management Fees payable by SANParks in arrears, a monthly fee equal to:

26.2.1.1 A Base Fee of ________% of Gross Revenue; plus

26.2.1.2 An Incentive Fee of__________ % of EBITDA.

26.2.2 The Base Fee and Incentive Fee shall accrue and be payable by SANParks to the Operator within 30 (thirty) days following the end of each month, free of deduction or set-off.

For indicative purposes only, our projection of fees payable by SANParks is:

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenue (net of VAT)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of gross revenue due as Base Management Fee</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of EBITDA as Incentive Fee</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Management Fee Payable</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Adapt for the 10-year term of the PPP.

The person signing below is a duly authorised representative of the Operator with full power and authority to submit this financial offer and commit the Operator to its terms.
27. ANNEXURE 8 - MANAGEMENT AGREEMENT

The Management Agreement does not form part of the RFP but will be available on the SANParks website: www.sanparks.org end August 2018.
28. **ANNEXURE 9 – BID COVER SHEETS**

Cover sheets, which include the following information, must be attached to each Envelope:

<table>
<thead>
<tr>
<th>Bid for the commercial use of the Management of the Skukuza Safari Lodge in the Kruger National Park.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ENVELOPE 1: FUNCTIONALITY</strong></td>
</tr>
<tr>
<td>Name of Operator:</td>
</tr>
<tr>
<td>Postal address:</td>
</tr>
<tr>
<td>Street address:</td>
</tr>
<tr>
<td>Telephone:</td>
</tr>
<tr>
<td>Cell phone:</td>
</tr>
<tr>
<td>Fax:</td>
</tr>
<tr>
<td>Contact person:</td>
</tr>
<tr>
<td>Email address:</td>
</tr>
<tr>
<td>Signature of Operator:</td>
</tr>
<tr>
<td>Date:</td>
</tr>
<tr>
<td>Capacity under which bid is signed:</td>
</tr>
</tbody>
</table>

*Signature of this document means that the Operator accepts the terms and conditions of this bid. Failure by the Operator to sign this form may disqualify the bid.*
### Bid for the commercial use of the Management of the Skukuza Safari Lodge in the Kruger National Park.

**ENVELOPE 2: BEE PROPOSAL AND MANAGEMENT FEE OFFER**

<table>
<thead>
<tr>
<th>Name of Operator:</th>
<th>postal address:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street address:</td>
<td>Telephone:</td>
</tr>
<tr>
<td>Cell phone:</td>
<td>Fax:</td>
</tr>
<tr>
<td>Contact person:</td>
<td>Email address:</td>
</tr>
<tr>
<td>Signature of Operator:</td>
<td>Date:</td>
</tr>
</tbody>
</table>

**Capacity under which bid is signed:**

*Signature of this document means that the Operator accepts the terms and conditions of this bid. Failure by the Operator to sign this form may disqualify the bid.*
29. **ANNEXURE 10 - ACCEPTABLE WORDING OF BID AND DEVELOPMENT BOND**

To: South African National Parks

[Name of Operator] ("the Operator") is to submit to SANParks a bid to enter into Management agreement with SANParks for the purpose of the development and operation of the Malelane Hotel Development in the Kruger National Park;

And you require the Operator to include in the bid a bid bond for the amount of R250,000 (Two Hundred and Fifty Thousand Rand);

And we have agreed to give you such a bid bond.

We hereby irrevocably and unconditionally undertake to pay you, upon your first written demand and without objection or argument, the sum of R R250,000 (Two Hundred and Fifty Thousand Rand), upon any or all of the following occurrences:

- any material misrepresentation made by the Operator in its bid submission or any other information and documentation submitted by it under the request for qualifications or the request for proposals;
- the withdrawal or modification of its bid during the period of bid validity;
- failure by the preferred Operator to furnish the required performance bond under the Management agreement in accordance with the provisions of the Management agreement.

This bid bond shall be valid until operation commences which should not be more than 18 months after the signature date.

This bid bond shall be governed by the laws of the Republic of South Africa.

**SIGNATURE AND SEAL**

Name of bank_________________

Address_________________

Date_________________