

RFP 33/2025

**THE APPOINTMENT OF A SERVICE PROVIDER FOR THE
PROVISION OF INTEGRATED STRATEGIC SOURCING AND
EPROCUREMENT SOLUTION SYSTEM FOR A PERIOD OF
FIVE (5) YEARS**

BUSINESS REQUIREMENTS SPECIFICATION

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ABBREVIATIONS

Abbreviation	Description
AGSA	Auditor General of South Africa
API	Application Programming Interface
B-BBEE	Broad-Based Black Economic Empowerment
BEC	Bid Evaluation Committee
BRF	Bid Request Form
BRS	Business Requirements Specification
BSC	Bid Specification Committee
CIDB	Construction Industry Development Board
CSD	Central Supplier Database
GCC	General Conditions of a Contract
NBAC	National Bid Adjudication Committee
NT	National Treasury
PFMA	Public Finance Management Act No. 1 of 1999
PPPFA	Preferential Procurement Policy Framework Act No. 5 of 2000
RFQ	Request for Quotation
RFx	Request related to Quotation, Proposals, Bids, Information
RTP	Request To Procure form
SaaS	Software-as-a-Service
SARS	South African Revenue Service
SFTP	Secured File Transmission Protocol
SLA	Service Level Agreement

1. INTRODUCTION

This Business Requirements Specification (BRS) defines the functional, technical, and compliance requirements for an integrated Electronic Procurement (eProcurement) solution for SARS. The system must be secure, transparent, efficient, and fully compliant with PFMA, PPPFA, POPIA, and National Treasury SCM frameworks.

System Capabilities:

The integrated solution must support

- Strategic and Tactical Requisitioning
- Source (Demand) Plan Management
- Supplier Management and Compliance including registration, BBBEE, Performance Evaluation, Risk Scoring, and communications.
- Supplier ePortal
- Tender Management and Bid Submission
- Document Management
- BID Evaluation and Adjudication
- Workflow, Approvals and Notifications
- Contract Management
- Catalogue Management
- Purchase Orders and Goods Receipting
- Reverse Auctioning
- Spend Analysis and Reporting including Dashboards
- Monitoring, Alerts and Audit Trails
- Integration with Financial, HR, Inventory, and Asset Systems

2. BACKGROUND

SARS has embarked on a modernization journey under new leadership, aiming to transform its procurement operations into a more agile, technology-driven, and competitive function. The challenges presented by the Covid-19 pandemic in 2020 further highlighted the need for robust, integrated systems to support SARS's vision of becoming a smart, modern organization recognized for integrity, trust, and excellence.

The current procurement landscape consists of two primary solutions: one supporting strategic sourcing and the other supporting tactical buying. These solutions operate independently, not fully integrated leading to inefficiencies and fragmented reporting.

A unified platform is required to consolidate procurement processes, ensure compliance, enhance data integrity, and improve operational efficiency.

3. TECHNOLOGY SOLUTION

SARS seeks a modern, scalable procurement solution via an RFP process. The solution must integrate with the current ERP and specifically the Financial, HR, Real Estate, Inventory and Asset Management modules of such as well as any other enterprise systems and external stakeholders, support both cloud and on-premise deployment, and provide embedded dashboards, AI-driven insights, supplier collaboration, and source-to-pay lifecycle capabilities.

For a comprehensive understanding of the system requirements and their implementation, SARS RFP 33-2025 - 1- 2 Business Requirement Specifications (BRS) Document should be read together with SARS RFP 33-2025 -1-2-1 BRS Capability Model". This additional resource provides further details pertinent to the specifications and expectations outlined herein. Reviewing both documents in conjunction will ensure clarity and completeness regarding all aspects of the project.

4. HIGH LEVEL FUNCTIONAL REQUIREMENTS

4.1 Requisitioning

The solution shall support an integrated and compliant requisitioning process, including:

- A single-entry point for all requisitions
- Supporting for both tactical and strategic requests for goods and services
- Configurable workflows for multiple approvals and routing
- Real time budget check
- Document attachment capabilities during requisition creation
- A complete audit trail of all actions
- Dashboards and alerts for requisition status and performance
- Item selection both from catalogue (external /internal) and free text

4.2 Sourcing Plan (Demand) Management

The system must enable:

- Capture and management of sourcing demand plans within a controlled and guided framework
- Header and sub-header demand plan structures
- Automated numbering aligned to financial-years
- Configurable approval workflows for both business stakeholders and procurement governance controls
- Initiation of requisitions from approved demand plan line items
- Monitoring dashboards and audit logs

4.3 Supplier Management

Required capabilities include:

- Online supplier registration and verification with integration to external authoritative registries
- Secure upload of compliance documents
- B-BBEE status management
- Supplier portal with self-service functionality
- A supplier collaboration platform enabling communication, notifications, and information exchange
- Supplier categorisation, segmentation, and risk scoring
- Supplier performance dashboards
- Comprehensive audit trails

4.4 BBBEE Goal Management

Required capabilities include:

- Configurable BBBEE criteria, weighting of criteria
- Integration of goals into procurement processes
- Monitoring of supplier BBBEE data, automated alerts
- Dashboard Reporting and compliance oversight

4.5 Tender Management & Tactical Buying

Capabilities include:

- Creation and publishing of RFx documents i.e. RFQs, RFPs, open tenders, and Limited Bids
- Support for deviations, condonations, variations, and expansions
- Automated RFx numbering based on fiscal years
- Supplier notifications
- Secure bid-submission portal
- Bid-opening logs

- Category based suggestion of qualified suppliers
- Real time monitoring dashboards
- Comprehensive audit trail

4.6 Evaluation & Adjudication

The system must support a transparent, consistent, auditable evaluation and adjudication process, including:

- Configurable evaluator groups
- Scoring models and evaluation criteria
- Conflict of interest declarations
- Workflow based routing
- Role-based access controls
- Full audit trails
- Realtime dashboard

4.7 NBAC Reviews and Approvals

The solution must support the full NBAC (National Bid Adjudication Committee) review and approval process, including:

- Document routing to NBAC
- Capture of comments and approvals
- Real-time dashboard for status tracking

4.8 Contract Management

Capabilities include:

- Automated generation of contract and award letters
- Tracking of milestones and deliverables
- Manage contract approval process in relation to delegation of authority (DoA).
- Alerts for renewals and expiries
- Integration with PO and financial processes
- Supplier performance monitoring
- Contract collaboration platform
- Real-time dashboard
- Audit trails

4.9 Catalogue management

Capability includes

- Catalogue management for both Internal and external catalogues

- Guided and compliant buying
- Integration with procurement processes
- Catalogue assignment to users

4.10 Purchase Orders and Goods Receipting

Capabilities include

- Creation and management of Purchase Orders from purchase requisitions (contract based and non-contract)
- Creation and management of Goods Receipts
- Integration with contracts and financial management

4.11 Reverse Auctioning

- Creation and Management of Reverse Auction Events
- Real-Time Competitive Bidding Execution
- Real-Time capture and logging of all questions, clarifications, and responses exchanged between buyers and bidders during auction event
- Evaluation and Award Support
- Integration with Upstream and Downstream Procurement Processes
- Pre-qualification of suppliers to ensure capability and compliance
- Intuitive, secure supplier interfaces

4.12 Portal Publication

The solution must support:

- Publication of RFx documents
- CSD validation
- International supplier submission paths
- Automated response register
- Integration to External Portal for Automated Bid Publication and updates on SARS & NT eTenders Portal

4.13 Procurement MOBI-APP Platform

The mobile application must allow suppliers to:

- Authenticate securely
- Access procurement opportunities
- Submit bids and documents
- Receive notifications

4.14 Reporting & Analytics

The system must include:

- Real-time dashboards
- Customisable reporting
- Export to commonly used formats, including PDF and Excel.
- Advanced AI Analytics, Evaluations and Scenario Modelling across strategic and tactical procurement

4.15 AI Enabled Procurement Guidance & Intelligence Enabled Procurement Guidance & Intelligence-Enabled

Procurement Guidance & Intelligence

Capability includes:

- AI-Driven Analytical Intelligence to identify patterns, trends, anomalies, and risk indicators for all procurement processes
- AI-Guided Template and Process Assistance
- Embedded Legislative and Policy Compliance Guidance
- Continuous Learning and Improvement
- Perform financial health scoring on suppliers
- Commercial and contractual risk identification (SLA gaps, warranty omissions, pricing structure flaws)
- Compliance gate validation prior to publication of tenders against set criteria
- Compliance tracking against BBBEE targets

4.16 Document Management

Capabilities include

- Creation, upload, and ingestion of procurement-related documents
- Support of multiple document formats and meta data capture at point of creation
- Centralised Storage and Controlled Access
- Centralised Specification Library for SARS specific templates and documents
- Version Control and Auditability
- Document Ownership and Responsibility Management
- Integration with Procurement and Financial Processes

4.17 Support Functions

Capabilities include

- Governance, Risk, and Compliance reviews
- Transaction Monitoring
- Workflow routing and escalations
- Audit access to full history logs

4.18 External Party Reviews

- AGSA Reviews (annually or bi-annual)
- Workflow-driven assignment and response tracking

5. TECHNICAL REQUIREMENTS

5.1 Architecture

Modern, scalable, and interoperable procurement environment:

- Hybrid Cloud (SaaS + OnPrem Integration), and/or Private Cloud + On-Premise Integration
- Both Solutions must be Data Sovereign (South Africa) and POPIA Compliant
- Modular and scalable architecture
- API-based integration (Application Programming Interface)

5.2 Security

Capabilities include:

- Role-based access control
- Multi-factor authentication
- Encryption of data at rest and in transit
- POPIA Compliance
- Compliance with internal security policies and recognised cybersecurity frameworks

5.3 Performance

Deliver reliable and responsive performance to ensure uninterrupted procurement operations, including:

- 99.9% uptime
- Load balancing and fail-over
- Mobile responsive design

6. USER ROLES & ACCESS

Roles include:

- Procurement Officials
- Business Stakeholders
- Evaluation Committees
- NBAC
- Internal and External Audit
- Registered Suppliers
- Approvers

7. SUPPORT & MAINTENANCE

The service provider must offer:

- A 24/7 helpdesk
- Quarterly system enhancements / updates
- Knowledge Transfer and Support Enablement i.e. Training and user guides
- A Service Level Agreement (SLA) based performance commitments
- Regulatory and compliance Alignment Management
- Functional and capability evolution

8. INTEGRATION/INTERFACE REQUIREMENTS

The solution must support both

- Realtime (online) integration and
- Scheduled (batch) integration processes
- Integration via SFTP, MQFTE, Connect Direct, MQ Webservices, API

9. REGULATORY COMPLIANCE

Compliance includes but not limited to:

- The Public Finance Management Act (PFMA)
- The Preferential Procurement Policy Framework Act (PPPFA).
- Public Procurement Act, 2024 (Act No. 28 of 2024)
- National Treasury Regulations, Instructions, and Circulars.
- The Protection of Personal Information Act (POPIA) or international equivalent for example General Data Protection Regulation (GDPR) ensuring appropriate handling, processing, and safeguarding of personal information
- All applicable statutory and ICT-related requirements for technical, information-security, and regulatory obligations governing the protection of organisational systems, data, and infrastructure.