



ROAD FUND ADMINISTRATION

REQUEST FOR PROPOSALS

CONSULTANCY SERVICES: PILOT PROJECT FOR THE IMPLEMENTATION, MANAGEMENT AND OPERATION OF THE GPS- BASED MASS-DISTANCE CHARGES SYSTEM (MDCS)

TABLE OF CONTENTS – TERMS OF REFERENCE

1.	BACKGROUND	3
1.1	Introduction	3
1.2	Background.....	3
1.3	MDCS Implementation	4
1.3.1	FFA MDCS.....	4
1.3.2	GPS MDCS.....	5
2	TERMS OF REFERENCE	8
2.1	Project Description.....	8
2.2	Project Objectives	8
2.3	Scope of Services Required.....	8
2.4	Proposed System for the Pilot Project.....	9
2.4.1	GPS.....	10
2.4.2	In Vehicle Unit (IVU) with a GIS Component.....	11
2.4.3	Communication System.....	12
2.4.4	Software.....	14
2.4.5	Hardware.....	14
2.4.6	Fully Equiped Office(s).....	14
2.4.7	Human Resources.....	14
2.5	Deliverables of Consultancy Services.....	15
2.5.1	Programme.....	15
2.5.2	Capturing of Actual Kilometer Distances Traveled.....	15
2.5.3	User Participation and Concept/System Acceptance	16
2.5.4	Technical Constraints and System Feasibility	16
2.5.5	Reporting	17
3	ASSESSMENT OF PROPOSALS	19
3.1	Quality and Price Principles	19
3.2	Assessment and Contract Award Process	19
3.3	Scoring of Proposals	19
3.3.1	Stage 1 (a): Technical merit scoring	19
3.3.2	Stage 1 (b): Affirmative Action / Black Economic Empowerment scoring.....	20
3.3.3	Stage 2 (a): Financial merit scoring	20
3.3.4	Stage 2 (b): Combination of technical and financial scores	21
3.3.5	Proof of Concept Phase	21
4	CONDITIONS OF TENDER.....	22
4.1	Qualification to Tender	22
4.2	Terms of Payment.....	22
4.2.1	Annual Adjustments	22
4.2.2	Penalties.....	22
4.3	Preparation of Proposals.....	24
4.3.1	Technical Proposals.....	24
4.3.2	Financial proposals.....	24
4.4	Submission of Proposals	26
5	TERMS OF CONTRACT.....	27
5.1	Basis of Contract Award	27
5.2	Model Form of Contract.....	27

APPENDIX A: MODEL FORM OF CONTRACT

APPENDIX B: FORMS TO BE COMPLETED BY TENDERER

**TERMS OF REFERENCE AND SCOPE OF
SERVICES**

The following abbreviations are used in this document:

Abbreviations:

ATP	Acceptance Test Protocol
ENP	Electronic Number Plate
FFA	Flat Fee Approximation
Fspec	Functional Specification
GIS	Geographical Information System
GPS	Global Positioning Satellite
GSM	Global System for Mobile communication
GVM	Gross Vehicle Mass
GCM	Gross Combination Mass
IVU	In Vehicle Unit
MDCS	Mass-distance charges system
MIS	Management Information System
NaTIS	Namibian Traffic Information System
RFA	Road Fund Administration
RF	Radio Frequency
RUC	Road User Charges
URS	User Requirement Specification

The following terms are explained here to prevent any misunderstandings:

Explanation of Terms:

Term	Description
Flat fee approximation MDCS	This is a fixed fee MDCS. The fee is calculated based on the vehicle category and the assumed distance traveled per vehicle category
GPS-based MDCS	This is an alternative MDCS calculating the fee by using the vehicle category and actual distance traveled
Heavy vehicle	This includes all vehicles in the following NaTIS categories: <ul style="list-style-type: none"> ▪ Class M: Heavy load vehicle (GVM>3500Kg, equip to draw) ▪ Class L: Heavy load vehicle (GVM>3500Kg, not to draw) ▪ Class C: Heavy passenger vehicle (12 or more persons) <i>Please note that these categories include self-propelled vehicles, trailers and semi-trailers.</i>
MDCS Office	This refers to office space provided by the Consultant to be used for the implementation, management and operation of the GPS-based MDCS pilot project.
NaTIS	Namibian Traffic Information System. NaTIS operates the vehicle registry of vehicles in Namibia.
GVM	The Gross Vehicle Mass (or weight) is the weight of the payload plus the unladen weight or tare weight. These parameters vary per vehicle type and make and are specified by the vehicle manufacturer, and are often shown on a plate on the side of a vehicle.

GCM	The Gross Combination Mass is the sum of the GVM's of each single unit forming a combination vehicle. For example, the GCM of a combination vehicle consisting of a two axle truck tractor (with a GVM of 16 tonnes) and a 3 axle semi-trailer (with a GVM of 24 tonnes) is equal to 40 tonnes.
-----	---

1. BACKGROUND

1.1 Introduction

The Road Fund Administration (RFA), hereafter called the Client, was established in terms of the Road Fund Administration Act, 1999 (Act no 18 of 1999) on 25 October 1999, as a parastatal organization under the auspices of the Minister of Finance. The Client commenced its operations on 1 April 2000.

The establishment of the Road Fund Administration was followed by the subsequent establishment and implementation of a Road User Charging (RUC) System, which determines the amount and manner of funds to be raised from road users in accordance with the 'user pay' principle, and consequently also determines the road user charges to be imposed.

The Client's objective is to manage the RUC System in such a manner as to secure and allocate sufficient funding to achieve a safe and economically efficient road sector, and also to manage the road fund of Namibia. The major portion of the funding provided by the Road Fund Administration is disbursed to the Roads Authority for the management of the national road network. This includes the maintenance, development and rehabilitation of the national road network.

1.2 Background

Since the initial establishment of the RUC System, the need for a review of the current system has been identified and during the period of June 2003 and June 2004 a review study of the current RUC System was conducted.

Current RUC System

The previous RUC System consisted of fuel levies, license fees and cross border charges as RUC instruments. Under this system, all heavy vehicles paid for at least a portion of their road access cost (fixed road cost) by means of annual license fees, and for at least a portion of their road consumption cost by means of a road use levy on diesel.

However, the cost of road "consumption" by heavy vehicles was not fully covered by the diesel levy. As a result of this, **heavy vehicles above a certain mass should pay an additional fee related to their axle loads and the distance traveled, therefore, a Mass Distance Charge (MDC)**. Alternatively, the diesel levy can be set to more accurately recover the cost of full road consumption by the heaviest vehicles. This would however mean that lighter vehicles would be overcharged for their road "consumption", which is not in line with the equity principle of the RFA.

MDCs are necessary to improve the equity between light and heavy vehicles, and therefore the need has been identified to investigate the implementation of a Mass Distance Charging System (MDCS).

The basic principle is that all diesel vehicles which have been identified to be subject to MDC, must buy a license graduated according to axle configuration and gross vehicle mass (GVM) or Gross Combination Mass (GCM). The charges increase with GVM or GCM.

Revised RUC System

Section 19(1)(a) of the RFA Act refers to mass distance charges as follows:

“A charge on any motor vehicle, whether registered in Namibia or not, in respect of the traveling distance in the course of on-road use, and which may be based on the mass, length, width or height of the vehicle or its loading, or the number of axles of such vehicle, or any combination of such factors”.

Based on the review of RUC System, the investigation into the implementation of MDCs as an RUC instrument to ensure a more equitable cost recovery approach between light and heavy vehicles, and a more accurate cost recovery from heavy vehicles as a result of more costs being imposed on roads by heavy vehicles, the RFA decided to implement MDCs as an additional RUC instrument.

The revised RUC system will consist of the following RUC instruments:

- Fuel levies;
- Licence fees;
- Cross-border charges (CBCs) which will include a MDC component as appropriate for foreign vehicles;
- Mass-distance charges (MDCs).

1.3 MDCS Implementation

1.3.1 FFA MDCS

The implementation of MDCs as RUC instrument will commence with the implementation of a Flat Fee Approximation (FFA) MDCS as the first implementation stage.

The FFA MDCS is based on a fixed fee, and is implemented in close collaboration with NaTIS. The FFA MDCS is based on the vehicle category and the assumed distance traveled by a specific vehicle category in general, and applies to operators of the following domestic heavy vehicles.

- Class C: Heavy Passenger Motor Vehicles (12 or more persons);
- Class L: Heavy Load Vehicles (GVM > 3 500 kg, not to draw);
- Class M: Heavy Load Vehicles (GVM > 3 500 kg, equipped to draw).

The following are applicable to the FFA MDCS:

- The current number of participants for the FFA MDCS is approximately 17 000 vehicles, which represent all Namibian registered heavy vehicles residing within NaTIS classes C, L and M;
- Participation is compulsory for Classes C, L and M;

- The validity period for the FFA MDCS license is 12 months;
- Payment of the FFA MDCS license will take place annually;
- Initially, fees will be based on the tare category and assumed annual distances;
- In the second implementation stage, fees will be based on GVM or GCM and assumed annual distances;
- Data required with application for a FFA MDCS license are the following:
 - NaTIS Class (Tare);
 - Estimated distance category;
 - Capturing of GVM and GCM data for re-licensed vehicles.
- The method of billing and payment entail the completion of an application form for billing details. Payment will be in advance, as for license fees;
- In terms of enforcement, the following controls are applied:
 - Inspection of validity of permit;
 - Inspection of vehicle category.
- No proof of participation in the FFA MDCS is required, as participation is compulsory;
- NaTIS is responsible for the collection of FFA MDCS fees.

The FFA MDCS, however, has a constraint, as some vehicle owners are being disadvantaged/advantaged by the FFA MDCS. The reason for this is that the FFA MDCS is based on assumed or average distances, and in some instances the **assumed** distances might be higher/lower than the **actual** distances traveled, which implies that the fee charged is too high/low.

This constraint will be addressed through the implementation of a pilot project based on distance measurement by GPS or other means as acceptable to the Client, which enables the measuring of actual distances, and based on this heavy vehicle owners will be eligible for refunds (if the actual distance is lower than the assumed distance). During the pilot stage, no additional MDCs will be levied if the actual distance exceeds the assumed distance.

1.3.2 GPS MDCS

The implementation of a GPS-based MDCS will commence with a pilot project GPS MDCS. The pilot project is planned to run for a 2-year period.

The main purpose of the GPS MDCS pilot project is to measure the actual distances of heavy vehicles participating in the pilot project. Based on the actual distance, heavy vehicle owners will be eligible for refunds if the actual distance is lower than the assumed distance.

The GPS MDCS pilot project is based on the FFA MDCS, which will collect the revenue and the actual distance measured which will determine the refund, and applies to operators of the following domestic heavy vehicles as per NaTIS:

- Class C: Heavy Passenger Motor Vehicles (12 or more persons);
- Class L: Heavy Load Vehicles (GVM > 3 500 kg, not to draw);
- Class M: Heavy Load Vehicles (GVM > 3 500 kg, equipped to draw).

The above classes include trailers, semi-trailers and self-propelled vehicles.

The following are applicable to the GPS MDCS:

- Pilot project participants are also required to pay FFA MDCs.
- The validity period for the FFA MDCS license is 12 months.
- Payment of the FFA MDCS license will take place annually together with license fees.
- Fees will be based on the GVM or GCM and actual distances.
- The number of participants cannot be limited, and any vehicle owner that wishes to participate in the pilot project should be allowed to do so.
- Participation in the GPS MDCS is voluntary, with the incentive to fit GPS technology. The nature of the incentive will entail a reduced MDC fee if actual distances traveled are less than the distances traveled as assumed with the FFA MDCS.
- Refunds will be paid on an annual basis, and will be based on the assumed and actual distances traveled. Vehicle owners who wish to participate in the pilot project have to participate for at least one (1) year.
- Data required with application for participation in the GPS MDCS pilot project pertains to the following:
 - Personal details;
 - Vehicle class (C, L or M);
 - Is vehicle fitted with GPS installation;
 - Is IVU installed in vehicle;
 - GVM/GCM;
 - Fuel type;
 - Axle data.
- The method of billing and payment will be as per the FFA MDCS;
- Refunds will be paid on the prepaid amount for the difference between the actual and assumed distances traveled on an annual basis;
- In terms of enforcement, the following controls are applied:
 - Inspection of validity of permit;
 - Inspection of distance traveled;
 - Inspection of GVM/GCM;
 - Inspection of GPS and IVU installations.
- Proof of participation will be required, in terms of a GPS MDCS permit that will state participation in the pilot project, and that the vehicle is fitted with the required and relevant technology;

The table below gives a summary of the difference between FFA MDCS and the GPS MDCS.

FFA MDCS AND PILOT PROJECT GPS MDCS FEATURES

Aspect	BROAD MDC OPTIONS	
	Pilot Project GPS MDCS	FFA MDCS
Mass categories included	Class C: Heavy Passenger Motor Vehicles (12 or more persons); Class L: Heavy Load Vehicles (GVM > 3 500 kg, not to draw); Class M: Heavy Load Vehicles (GVM > 3 500 kg, equipped to draw).	Class C: Heavy Passenger Motor Vehicles (12 or more persons); Class L: Heavy Load Vehicles (GVM > 3 500 kg, not to draw); Class M: Heavy Load Vehicles (GVM > 3 500 kg, equipped to draw).
Nature of participation	Voluntarily with incentive of possible refunds	Compulsory for all vehicles in the above categories
Nature of incentive if participating in pilot project technology option	Refund if actual distance is less than the assumed distance as per the FFA	N/A
Validity period	1 year	1 year
Payment frequency	As for FFA MDCS with refund on FFA payment	Annually in advance
Frequency of Refund	Annually	N/A
Place of payment	As per FFA MDCS	NaTIS
Fee criteria	As per FFA MDCS; actual distance determines refund	Phase 1: Tare and assumed distance Phase 2: GVM/GCM and assumed distance
Information needed with application and captured	Personal Details Vehicle Class (C, L or M); Is Vehicle Fitted with GPS Installation; IVU installed in vehicle (checked and verified);	NaTIS Class (Tare); Assumed distance category; GVM/GCM data, Axle data and Fuel type
Method of billing and payment	As per FFA MDCS	Application form and payment in advance, as for licence fees
Provision for corrections in payment / refunds	Refunds on amount paid as per FFA MDCS for difference between actual and assumed distances traveled	No refund
Controls / Inspections / Enforcement	Inspect GVM/GCM, installations, functioning and validity of permit	Inspect validity of permit, vehicle category
Proof of participation	MDC permit stating participation in pilot project / fitted technology	N/A

Note: N/A refers to not applicable.

2 TERMS OF REFERENCE

The purpose of this *Request for Proposals (RFP)* is to request *Consultancy Services for the Pilot Project for the Implementation, Management and Operation of the GPS-Based Mass Distance Charges System (MDCS) for a 2-year period.*

2.1 Project Description

This project entails the measuring of actual distances of heavy domestic (i.e. Namibian registered) vehicles who have volunteered to participate in this project by means of employing reliable and accurate technology. The successful tenderer for this project will be required to provide NaTIS as well as the client with the following:

- Actual distances traveled by vehicles participating in the pilot project (total and per road class e.g. main road, district road and trunk road).
- Calculated pro rata refund or additional pro rata MDC payment payable to/by every vehicle owner participating in the pilot project.

The successful tenderer will also be required to report any problems experienced with regard to the above to the client on a regular basis.

2.2 Project Objectives

The full-scale GPS MDCS will be based on the pilot project. The pilot project GPS MDCS will therefore have the following objectives as aim:

1. Provision of services required for the implementation, management and operation of a GPS MDCS for a period of 2 years;
2. Preparation and scoping for a full-scale GPS MDCS, to follow on the pilot project;
3. Execution of periodic reviews over the 2-year period to establish and alleviate any problems experienced;
4. Establishment of, and reporting on, the reliability, integrity, accuracy and success rate of a GPS MDCS.

2.3 Scope of Services Required

The scope of service required is to implement, manage and operate the pilot project GPS-based MDCS. The Contractor/Consultant will be required to provide the following related services:

1. Assist the client with invitations to vehicle owners who want to participate in the pilot project.
2. Development and/or supply of all hardware and software to be utilized for the GPS MDCS (including 3rd party software);
3. Procurement and installment of all hardware to be utilised by the GPS MDCS;
4. Provision and installation of GPS;
5. Provision and installation of all tracking devices (IVUs) required;

6. Provision of an option to facilitate the collection of GPS MDCs from vehicles that travel primarily in remote areas for a year or more without ever coming within range of a GSM station;
7. Establishment of office(s) to be used in the daily operation of the pilot project;
8. Supply of human resources required for the operation and maintenance of the pilot project (including technicians for installation and maintenance of the units in vehicles and control room staff);
9. Ensuring reliability, integrity and accuracy of the implementation, management and operational system.

NaTIS will be responsible for the collection of FFA MDC fees, and the Client will be responsible for the payment of refunds, and therefore this aspect will not form part of the scope of services.

The following two conditions are required for participation by vehicle operators in the pilot project:

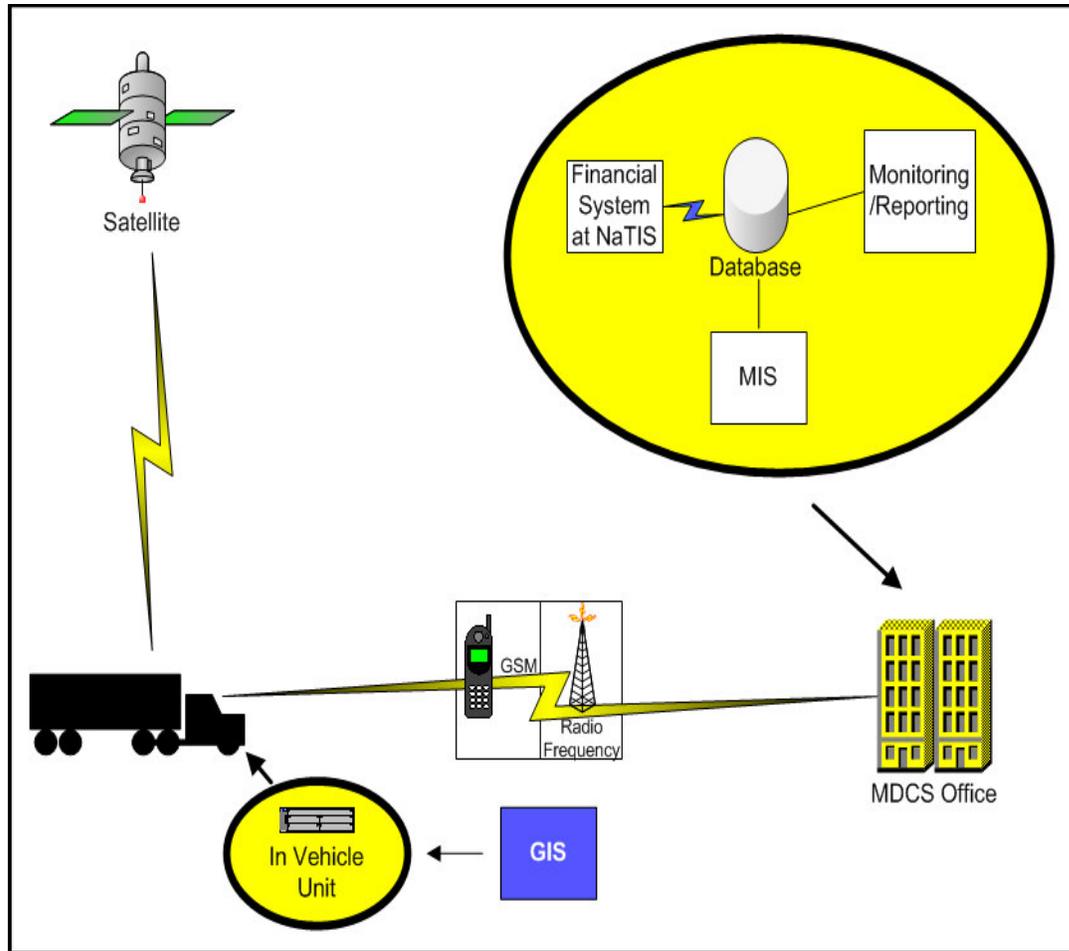
1. Participation in the pilot project should be for at least a minimum period of 1 year;
2. The frequency of transmission of GPS data has to take place at least quarterly.

2.4 Proposed System for the Pilot Project

The proposed system for measuring of actual distances is a GPS/GSM based system but it should be noted that the utilisation of GPS/GSM is **not a requirement** and **not compulsory**. The Contractor/Consultant may consider the utilisation and application of an alternative option to GPS/GSM to determine actual distances traveled, on the condition that the alternative option adheres to the following criteria:

- Practicality/Simplicity;
- Reliability;
- Accuracy;
- Enforceability; and
- Confidentiality of information.

The proposed GPS/GSM based monitoring system is illustrated in the following diagram.



The GPS/GSM based monitoring system will consist of the following components:

- GPS;
- An In Vehicle Unit (IVU) with a GIS component;
- Communication system;
- Software;
- Hardware;
- Fully equipped office(s);
- Human Resources.

2.4.1 GPS

The GPS are used to determine the exact location of the vehicle. A GPS receiver collects data from between five to eight satellites at any time from any point on earth. This data is used to calculate the exact position of the GPS receiver at any given date and time. The calculated positions are accurate to below 20 metres.

2.4.2 In Vehicle Unit (IVU) with a GIS Component

Tracking devices (also referred to as In Vehicle Units (IVUs)) are to be installed in the participating vehicles with the purpose of monitoring the actual distances traveled per vehicle within the country.

The IVU (in vehicle unit) has memory and computing power to store information. In most instances the IVU stores the GPS coordinates, along with a date-and-time stamp for each. The intervals for the recording of GPS coordinates can be set. More accurate trip distances can be calculated with short intervals. The default interval is 5 minutes.

Since only the actual traveled distance is required for the calculation of the MDC refund, the normal functionality within the IVU can be customised. The customisation will enable the IVU to act as a virtual odometer by utilising waypoints. The waypoints can be programmed into the IVU with a GIS related application.

The IVU will thus be able to calculate the distance traveled by each vehicle. The distance will be measured by counting the number of passes made through waypoints stored on the IVU. These waypoints will be placed at regular intervals (several kilometres apart) on the road network. This could mean a slight increase in cost per unit, but will result in much lower transmission costs and information privacy will be guaranteed.

Another customisation will be the issuing of each IVU with a secure RFID tag. This tag will be used to securely identify each vehicle during data uploads and during routine inspections. Each data transaction will be encoded by the IVU and decoded by the central server.

The IVUs should meet the following criteria:

1. The IVU should possess GPS capability to accurately pin-point the location of the IVU in relation to the road network;
2. The IVU should possess GSM communication capability for the transmission of road network usage data to the central processing site;
3. The capability to have sufficient memory capacity to store the recorded data locally for a period of up to four months, as Namibia has huge areas with no GSM or RF network coverage;
4. The IVU should possess a dedicated short range communications capability for "depot" based reading of data in outlying areas outside of GSM coverage;
5. The IVUs should be controllable across the GSM network allowing for configuration and system status data downloads and enquiries to be performed in real-time. This polling feature can also be used by inspectors for *ad hoc* auditing/inspection purposes;
6. The IVU must store the GPS coordinates, along with a date-and-time stamp for each;
7. The intervals for the recording of GPS coordinates must be customisable. The default interval will be 5 minutes.
8. Since only the actual travel distance is required for the calculation of the MDSCS refund, the normal functionality within the IVU must be customisable. The IVU should have the capability to act as a virtual odometer by counting waypoints along the road network. The waypoints will be chosen by the tenderers in consultation with the

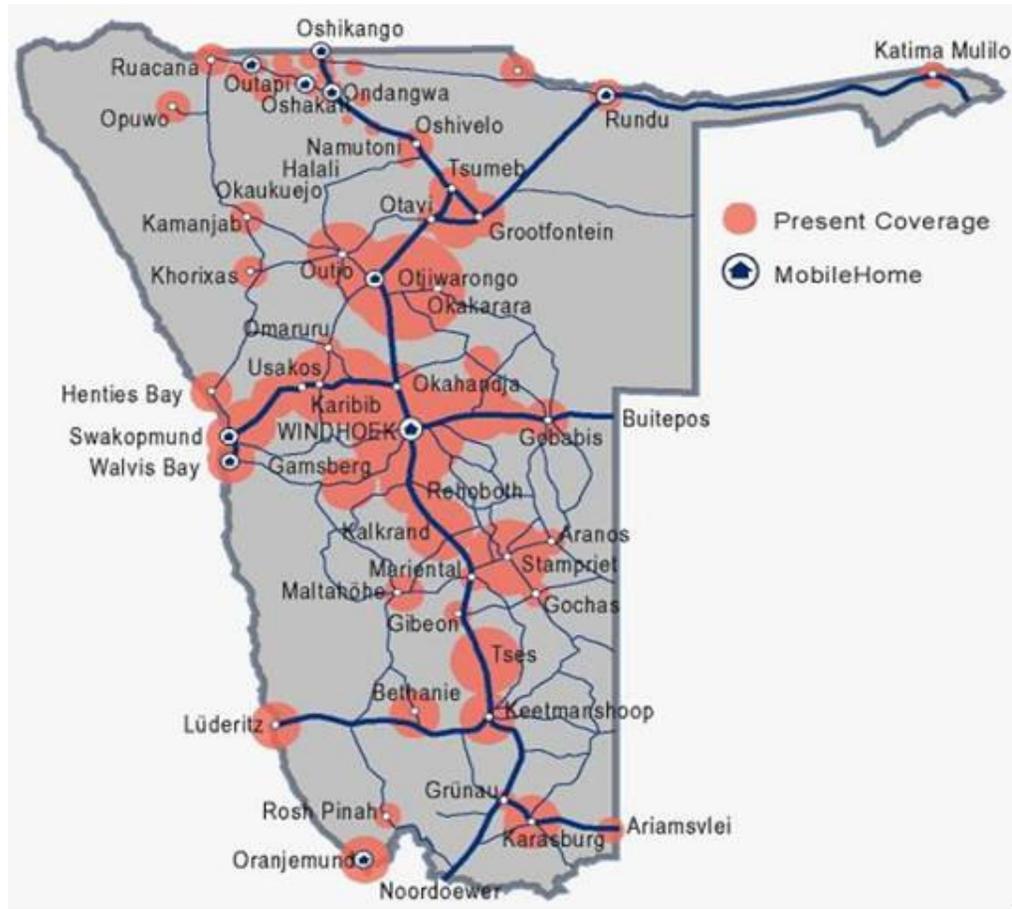
Client. It is recommended that the waypoints be remotely downloaded to the IVUs to allow for updates from time to time;

9. The IVU should therefore be able to calculate the distance traveled by each vehicle on each individual road sector. This will result in much lower communication costs and information privacy will be guaranteed. *Please note that this feature must be available, but not used as the default. The option to protect information privacy must only be activated upon a written request from the pilot project participant;*
10. The waypoints must be programmed into the IVU with a GIS related application;
11. Each IVU must be issued with a secure ENP. This ENP can uniquely identify each vehicle during data uploads and during routine inspections;
12. Each data transaction must also be encoded by the IVU and decoded by the central server;
13. The IVU and GPS antenna must be installed in such a way that it cannot be damaged.

2.4.3 Communication System

The data stored in the IVU can be communicated to the MDC Centre using either the GSM network (MTC) or radio frequency. GPS based tracking systems with GSM communication are actively used in Namibia.

The following map indicates GSM coverage in Namibia.



There are however, a significant number of areas that still have no GSM network coverage. This problem can be solved by in the following ways:

- By ensuring that the IVU has enough memory capacity to store data for up to one month or longer if necessary;
- By providing download sites within the areas not covered by the GSM network. This can be done via download handsets or other download facilities at the NaTIS offices.

The communication with NaTIS will be a customised solution. The NaTIS system utilises a Progress relational database management system. The communication can be via delimit files (exported and emailed to NaTIS) or a direct link. To communicate with NaTIS the Contractor/Consultant will be required to implement a relational database management system, as well as the required operating system packages.

The Contractor/Consultant will be responsible for providing and/or negotiating the necessary communication between the IVUs and the MDCS centre. The communication can be via the GSM network (MTC), the RF network or any other approved and current communication solution.

Download sites must be available in areas not covered by the default communication solution. This can be implemented by any of the following options:

- Providing download handsets or other download facilities at the NaTIS offices;
- Establishing satellite offices as / where required.

2.4.4 Software

The required software for operation, monitoring and management of the GPS MDCS should be implemented.

The software solution should consist of at least the following modules:

- Monitoring / Reporting module;
- Management Information system module;
- Communication with NaTIS;
- 3rd party software.

The *Monitoring / Reporting module* is to be used in the control room to monitor the participating vehicles on regular intervals. This module must also calculate the fees to be communicated to NaTIS.

It is important to keep in mind that only the distances traveled within the Republic of Namibia must be taken into consideration.

The 3rd party software should consist of the relational database management system to be implemented, as well as the required operating system packages. SQL is the ***preferred relational database management system*** to be utilised by the GPS-based MDCS.

The Contractor/Consultant will be responsible for the daily backups and secure off-site storage, as well as installation and maintaining of the required anti-virus packages.

2.4.5 Hardware

The hardware will be determined by the software implemented. Since the Contractor/Consultant will be responsible for the daily operation and management of the pilot project, the Client has no specifications with regards to the hardware.

2.4.6 Fully Equipped Office(s)

The head office and control room of the GPS-based MDCS need to be located in Windhoek. If necessary, regional offices also need to be provided. The Contractor/Consultant will be responsible for the provision of the office(s) to be used, as well as any equipment and furniture to be used in the performing of the daily management and operation tasks.

2.4.7 Human Resources

The Contractor/Consultant will be responsible for the human resources required to implement, manage and operate the GPS-based MDCS pilot project. This includes:

- An operational manager;

- Administrative staff;
- Control room officer(s);
- IVU technician(s).

2.5 Deliverables of Consultancy Services

The information collected (deliverables) by the Contractor/Consultant will be of significant importance as the MDC refunds will be based on this. Irrespective of the option chosen by the Contractor/Consultant to determine actual distances traveled for the purposes of determining MDC refunds, the deliverables to be provided by the Consultancy services are the following:

1. Programme;
2. Capturing of actual kilometer distances traveled;
3. User participation and concept/system acceptance;
4. Monitoring of technical constraints and feasibility;
5. Reporting.

2.5.1 Programme

On appointment, the Tenderer (Contractor/Consultant) shall develop his/her proposed programme. Proposed changes must be properly motivated. On appointment, the programme will be finalised and used as a basis for managing the contract.

The Client will just after appointment, require more frequent progress meetings to ensure proper project start-up.

The pilot project should be completely implemented and operational before

The first management report should be available within two weeks of contract implementation. It is a requirement that the entry data of all heavy vehicles registered for the pilot project should be captured within five days.

2.5.2 Capturing of Actual Kilometer Distances Traveled

The Contractor/Consultant will be required to address the following features with regard to the capturing of actual kilometer distances:

Operational Features

The operational features will relate to the information required for calculation of the MDC refund, in cases where refunds are required. For these purposes the Contractor/Consultant is required to capture the following:

- Actual distances traveled by vehicles participating in the pilot project (total and per road class: main road, district road, trunk road and urban road).
- Calculated pro rata refund payable to every vehicle owner participating in the pilot project.

With regard to the calculation of a pro rata refund payable to every vehicle owner participating in the pilot project, the following should be noted:

- NaTIS will supply the information on the **assumed** distances and the FFA MDC rates of all relevant vehicle classes to the Contractor/Consultant.
- The calculation of a pro rata refund will be based on the comparison of the **actual** distance traveled by each participating vehicle and the **assumed** distance for the relevant vehicle class. The assumed distances range from 30 000 km to 90 000 km per annum depending on the vehicle class (i.e. class C, L or M) and if a vehicle is self-propelled or a trailer/semi-trailer. If for instance the assumed distance of a specific vehicle is 90 000km per annum and the corresponding FFA MDC payable amounts to N\$ 30 000 per annum, and the actual distance for the year is only 15 000km the calculated refund would therefore amount to $N\$30\ 000 - (15\ 000/90\ 000 \times N\$30\ 000) = N\$25\ 000$ for the year.
- The calculated pro rata refunds need to be supplied to the Client on an annual basis.

2.5.3 User Participation and Concept/System Acceptance

User participation and concept/system acceptance refers to the general acceptance of the participants, of the alternative/option chosen to determine actual distances traveled, for purposes of determining MDC fees, and their subsequent willingness to participate in the system.

In this respect the Contractor/Consultant will be required to determine the feasibility and success of the system by obtaining feedback from participants. Feedback should be obtained from participants twice per year during the 2-year duration of the pilot project, through means of a data collection instrument such as surveys, or a similar instrument, that will enable the Contractor/Consultant to determine whether the system is in general acceptable and practical for participants.

Feedback should be monitored on a frequent basis by the Contractor/Consultant. It is foreseen that the feasibility monitoring process would entail the following steps:

1. Obtaining initial feedback from participants;
2. Processing of participant feedback;
3. Establishment of technical problem areas;
4. Addressing the technical problem areas and refining the operation of the system, should it be necessary;
5. Obtaining further feedback to determine whether perceived feasibility and success of the system has improved since initial participant feedback.

Contractors/Consultants should state clearly the methodology proposed for obtaining feedback from participants.

2.5.4 Technical Constraints and System Feasibility

The overall aim of this step would be for the Contractor/Consultant to determine any technical constraints experienced with the system and consequently, the impact of such constraints on the feasibility of the system. In this regard the following deliverables are required from the Contractor/Consultant:

1. The provision of weekly error reports, as based on the feedback obtained from participants regarding technical problems experienced;
2. The establishment of the feasibility of the system, in terms of the following:
 - Technical practicality;
 - Operational cost of the system
 - System administration and related responsibilities;
 - Legal/contractual obligations of the respective parties (e.g. client, vehicle operators, consultants, etc);
 - Auditing.

Determination of any technical constraints and the system feasibility will ensure that problem areas can be addressed, in order to refine the system for the preparation of a full-scale GPS MDCS.

2.5.5 Reporting

The Contractor/Consultant is required to submit the following reports to the Client on a weekly basis:

Participant Reports:

Reports must address and include the following specific fields:

- Participant details;
- Vehicle registration number;
- Vehicle class (C, L or M);
- Actual distance traveled, provided as a breakdown per road type;
- GVM and GCM;

Fault Reports:

Reports must address and include the following aspects:

- Nature and extent of errors experienced by participants;
- Frequency of errors experienced;
- Tampering with equipment.

Summary Reports:

Reports must address and include the following aspects:

- Number of participants;
- The total, minimum and maximum distance traveled;
- Road class;
- Vehicle category (class) (C, L or M);
- Revenue;
- Refunds;
- Results from start of project.

In supplying the above-mentioned deliverables, the Contractor/Consultant should adhere to the requirements in terms of database features, reliability and accuracy features as well as privacy and confidentiality features. Tenderers are required to provide details on how these features will be accommodated.

Database Features

The Contractor/Consultant is required to provide the following with regard to the information storage database:

1. A reliable, high integrity, SQL-type database;
2. Cost of database;
3. Data needs to be 'live'.

Reliability and Accuracy Features

Reliability, integrity and accuracy of the operational system will be a key requirement and determining factor for the success of the pilot project. In this regard the Contractor/Consultant is required to address the following:

1. Methodology for determining reliability, integrity and accuracy of the operating system;
2. Proof of reliability, integrity and accuracy of the operating system;
3. Percentage accuracy margins must be provided;
4. Previous similar experience, e.g. implementation, management and operation of similar type databases for projects of a similar nature and extent;
5. Fitting of vehicles with hub-odometers as back-up, to ensure capturing of data in the case of operating system failure (this is not a requirement but it is proposed);
6. How will the system address aspects such as error, tampering etc;
7. Inspection of the operating system will be required. In this regard the Contractor/Consultant must provide the following:
 - Method of inspection, e.g. the type of testing device required;
 - The cost of the testing device;
 - The frequency of testing;
 - An Inspection Report, stating conformation to inspection criteria.

Privacy and Confidentiality Features

Privacy and confidentiality of information pertaining to each of the respective participants must be ensured in order to prevent any unauthorized disclosure of such information to unwanted parties. In this respect the Contractor/Consultant must supply the following:

1. Proof of system integrity, safety and security to ensure that no information of the respective participants will be disclosed;
2. The Contractor/Consultant must prove how the integrity and privacy of the individual user can be protected and guaranteed;
3. Ensurance that the IVUs will protect the information privacy of the pilot project participants on request.

3 ASSESSMENT OF PROPOSALS

3.1 Quality and Price Principles

The quality of the consulting services is of paramount importance in the performance of the Services. The Client expects to pay fair and market-related prices for high quality consultancy services.

The greatest weight will be attached to conformance to technical requirements as well as experience in similar project. A “two envelope” tendering process will be used for receiving and assessing proposals. Tenderers should therefore present a separate technical and financial proposal. More detail is provided in Section 3.3.

3.2 Assessment and Contract Award Process

Proposals will firstly be assessed on the technical merit of the individual offered as the Contractor/Consultant, and a technical score will be awarded accordingly. Proposals scoring higher than the set minimum for the technical score will be classified as Category 1 proposals, and all others will be classified as Category 2 proposals. Category 1 proposals will be further subjected to an assessment of affirmative action / black economic empowerment merits. The technical score may be increased in accordance with such assessed merits, and the score obtained thus will be taken as the final technical score.

After completion of the technical assessment, the financial proposals of all Category 1 proposals will be assessed and a financial score will be awarded accordingly to each proposal. The technical and financial scores of each proposal are then added to determine the final score for that proposal.

The highest priority for the awarding of a consultancy contract will be afforded to the tenderer scoring the highest final score among the Category 1 proposals. Only if no Category 1 proposals have been received, the Client may by exception consider awarding a consultancy contract to a tenderer having submitted a Category 2 proposal, and only in this case will Category 2 proposals be subjected to the full assessment process. **The Client retains the right to not award a consultancy contract.**

The award of a consulting contract may be subject to the successful conclusion of contract negotiations. The latter shall only deal with matters relating to the terms of reference, and shall not deal with consulting fee rates. Unsuccessful contract negotiations with the highest scoring tenderer may lead to the next highest scoring tenderer being invited to negotiate a contract.

All proposals will become the Client's property. The Client will keep the technical information of proposals confidential, but information pertaining to financial proposals may be made public in the interest of transparency of the Client's financial transactions to the public.

3.3 Scoring of Proposals

3.3.1 Stage 1 (a): Technical merit scoring

Technical scores will be awarded as tabulated below:

<u>Technical Criteria</u>	<u>Max. Score</u>
1) Consultant's experience in similar projects	10 points
2) Team leader's qualification and experience	5 points
3) Team members' qualifications and experience	30 points
4) Team organization	5 points
5) Proposed work plan and methodology	20 points
<u>Maximum for Technical Score</u>	<u>70 points</u>

Each criterion will be evaluated as follows:

Evaluation Result	% Weight allocated
Non- Compliance	0
Poor	25
Average	50
Good	75
Excellent	100

All proposals scoring a minimum technical score of 45 points will be classified as Category 1 proposals, and all proposals scoring less than that minimum will be classified as Category 2 proposals.

3.3.2 Stage 1 (b): Affirmative Action / Black Economic Empowerment scoring

All Category 1 proposals will be assessed for merits with respect to Government's policies on affirmative action (AA) and advancement of black economic empowerment (BEE). A score will be awarded based on the degree of merit as assessed by the Client, which will be used as a multiplier for the technical score as assessed above.

Maximum multiplier for AA / BEE: 15%

The final technical score is calculated as the **minimum** of the following two results:

Final technical score = (Multiplier for AA / BEE) x (Technical Score determined in Stage 1 (a))

or:

Final technical score = 70

3.3.3 Stage 2 (a): Financial merit scoring

The financial proposals of all Category 1 proposals will be assessed based on the financial proposal information as required in terms of subsection 4.3.

To calculate the financial score of a proposal, the essential financial information of all offers will be listed in ascending order of price and the scores will be calculated as follows:

Financial score of lowest priced offer = 30

and:

Financial score of any other offer (O) = 30 x (Price of lowest priced offer) / (Price of offer O)

3.3.4 Stage 2 (b): Combination of technical and financial scores

The final total score of a proposal, which shall be used for the purpose of awarding consulting contracts to successful tenderers, is calculated as:

Total proposal score = technical score + financial score

The tenderer with the highest total proposal score will be the preferred tenderer. The preferred tenderer may be invited for a “proof of concept phase” with the aim to enable the preferred tenderer to prove the concept of measuring the actual distances. The “proof of concept phase” is discussed in more detail below.

3.3.5 Proof of Concept Phase

As it is impossible to limit the number of participants in the pilot project, the purpose of the “proof of concept phase” is to limit the Client’s risk by avoiding the appointment of a Contractor/Consultant for the pilot project who is unable to undertake the project.

The onus is therefore on the preferred tenderer to prove to the Client that his/her proposed system for undertaking the pilot project will provide the required deliverables.

The “proof of concept phase” will be undertaken for a number of five (5) vehicles (not necessarily heavy vehicles) on a specific section of road. The preferred bidder will be responsible to supply the vehicles. The preferred bidder will be reimbursed for the “proof of concept phase” by the Client based on the **variable costs** tendered rate (i.e. excluding the fixed cost component) for 1-100 participants in the pilot project as specified by the preferred tenderer in his financial proposal (refer to subsection 4.3.2).

4 CONDITIONS OF TENDER

4.1 *Qualification to Tender*

Proposals may be submitted by partnerships, joint ventures and firms with the required competence, capacity and experience to fulfill the contract.

4.2 *Terms of Payment*

The cost of the Tenderer's service will be agreed on a unit cost remuneration structure. The agreed figure will cover all service required as detailed in the Scope of Service and shall include all salaries and allowances to personnel, charges by authorities, fees, taxes, duties, overhead costs (including rent of office space and equipment), training and other administrative costs of stationery as well as direct expenses.

The tender is to be valid for a period of four months from the submission of tender, and all rates presented by the Tenderer in his financial offer shall be considered fixed unless amended as per provision in 4.2.1 of this tender.

Payment will be made based on the actual number of participants in the pilot project and the tendered rate. In this regard tenderers should provide different rates for different number of participants in the pilot project.

4.2.1 **Annual Adjustments**

The rate offered by the Tenderer will be reviewed 12 months after the first date of effective running of all operations and the date of completion of the Form of Agreement and every twelve months following.

The annual adjustment will be determined as a percentage change of the unit rates. The value will be calculated as the percentage value of the Consumer Price Index (CPI) increase over the previous twelve months.

The formula is as follows: $\text{Percentage Adjustment (\%)} = \text{CPI for services}$

This formula may be adjusted with mutual agreement in writing between the parties.

4.2.2 **Penalties**

The Contractor/Consultant shall during the course of the Contract, report on a monthly basis on the following performance indicators:

- Management
 - a. System availability
 - b. Speed of data transfer to the Client in terms of number of transactions older than a week.
- System Implementation

These performance indicators will be used for the determination of penalties and are shown in section 4.2.2.1. Other performance indicators which are not used to calculate penalties but serve the purpose of assisting the Client with decision to extend the validity of the contract are as follows:

- Complaints received from road users;
- Data integrity;
- System compliance;
- Efficiency achieved in terms of unit costs.

The performance indicators indicated above, focus on the management of the Pilot Project. The Client is interested in the smooth running and management of the Pilot Project.

4.2.2.1 Management

The penalties for not complying with the different performance indicators are set out in the Table below. These will be determined on a quarterly basis based on the available information for that quarter. The penalty amount will also be calculated from the value of the invoices of the same quarter.

Performance Indicator	Level	Range	Penalty
System Availability The percentage time that the system is operational	1	Higher than 98%p	Nil
	2	Higher than 95% up to 98%	2% of invoice
	3	Higher than 90% up to 95%	4% of invoice
	4	Below 90%	6% of invoice
Promptness in terms of data transfer The percentage of transactions older than a week included in a batch of transfers	1	Higher than 98%p	Nil
	2	Higher than 95% up to 98%	12% of invoice
	3	Higher than 90% up to 95%	25% of invoice
	4	Below 90%	37% of invoice

The Client may, should the Contractor/Consultant's performance be at a level 4 for two consecutive quarters for any two of the above performance indicators, terminate the contract for poor performance.

4.2.2.2 System Implementation

Where the Contractor/Consultant fails to fulfil the system implementation requirements within the agreed timeframe for reasons for which he/she is responsible, the Client shall be entitled to apply a penalty of 0.5% of the Contract Sum, for every week of delay up to a maximum of 5% of the Contract Sum.

The Client may, due to such delay of longer than 4 weeks, decide to terminate the contract.

4.3 Preparation of Proposals

4.3.1 Technical Proposals

Technical proposals shall contain the information, and be structured in the manner, set out below:

The tenderer's name, postal and residential address, telephone, fax and cellphone numbers and e-mail address shall be listed on the first page of the proposal.

A summary of the tenderer's key qualifications and experience relevant to the project shall serve to illustrate the tenderer's responsiveness to assessment criteria in subsection 3.3.

A description of the tenderer's proposed approach and methodology to performing the project. The proposed approach and methodology shall be illustrated for assessment as per sub-section 3.3.

A statement shall be included, if applicable, to illustrate the tenderer's affirmative action / black economic empowerment merits to be assessed in accordance with subsection 3.3 Stage 1 (b): Affirmative Action / Black Economic Empowerment scoring. Specifically, the statement shall illustrate any preference claimed in accordance with the provisions of the Affirmative Action (Employment) Act, 1998 (Act 29 of 1998), and any other merits pertaining to black economic empowerment initiatives of the tenderer.

The curriculum vitae of the tenderer's key personnel shall be appended to the proposal, to further detail the aforementioned summary of the tenderer's key qualifications and experience and to further illustrate the tenderer's responsiveness to assessment criteria.

Technical proposals shall be submitted in **one original** and **two copies**, all of which shall be sealed together in one envelope, clearly marked with the words "Technical Proposal", the tender number and description, and the name of the tenderer.

Tenderers' attention is drawn to the requirement that technical proposals and the sealed envelope containing **technical proposals may not contain any information on the tenderer's proposed pricing for his/her services**. The inclusion of such information will result in such a proposal **being summarily disqualified**, and the Client will not enter into any argument on such a matter.

Tenderers are also required to complete the forms as shown in APPENDIX B.

4.3.2 Financial proposals

The current settlement procedure is structured in such a way that the Contractor/Consultant is paid a fee for every transaction made on behalf of the Client. The proposed unit rate shall be submitted in a form similar to the tabular format in the Table below. These rates must exclude VAT.

Costs accruing in a currency other than Namibia Dollar (N\$) must be converted into N\$. The Tenderer will carry the risk of exchange rate fluctuations should the use of foreign services be proposed as part of the tender.

The Tenderer is requested to base his/her unit rate on estimated number of transactions per quarter. The cost calculated in the Table below will be deemed as representing the total payment to be made to the Contractor/Consultant per quarter. Cost relating to offices and equipment should be included.

Cost Description	Total Cost per Quarter (N\$)		
Fixed Cost Component*			
Cost Description	Number of transactions per quarter****	Tender Rate N\$	Total Cost per quarter N\$
	(1)	(2)	(1x2)
Variable Cost Component**			
Total Quarterly Cost***			

Note: * This cost component is to be valued regardless of the number of participants in the pilot project and should include costs relating to offices and equipment such as the waypoints but excluding the IVU's, as the costs of these are based on the number of participants.
 ** This cost component should be based on costs which are directly related to the number of participants e.g. staff costs, the costs of supplying the IVU's etc.
 *** The Total Quarterly Costs are the sum of the Variable Costs per quarter and the Fixed Costs per quarter.
 The number of transactions per quarter is deemed to be equal to the number of participants in the pilot project.

Payment will be made based on the actual number of participants in the pilot project and the tendered rate. In this regard tenderers should provide different rates for the variable cost component for different number of participants in the pilot project. In this regard tenderers should base their variable costs on the following bands of quarterly transactions:

- 1-100
- 101-500
- 501-1 000
- 1 001-5 000
- 5 001-10 000
- more than 10 001.

Tenderers should also note that the equipment supplied by the Contractor/Consultant for the execution of the pilot project will become the property of the Client after the end of the two year pilot project, and it is therefore in the own interest of tenderers to make provision for this in their respective tender rates. This pertains to office equipment, the waypoints as well as other equipment provided by the Contractor/Consultant for the execution of the pilot project. The IVU's (and hub-odometers if needed) will become the property of the respective vehicle operators/owners who participate in the pilot project.

Financial proposals shall be submitted in **one original** and **two copies**, all of which shall be sealed together in one envelope, clearly marked with the words "Financial Proposal", the tender number and description and the name of the tenderer.

The envelope containing copies of the technical proposal and the envelope containing copies of the financial proposal shall be sealed together in a larger envelope clearly marked with the tender number, description, closing date, and the name of the tenderer.

Proposals not prepared in compliance with the above requirements may be disqualified.

4.4 Submission of Proposals

Proposals shall be prepared in compliance with subsection 4.3, and tenderers should specifically ensure that the outer packaging in which a proposal is delivered at the offices of the Road Fund Administration, whether by hand, courier or mail, is clearly marked with the **tender number and description, the name of the tenderer and the tender closing date.**

Proposals may be hand-delivered and deposited into the tender box at the reception of:
Road Fund Administration, 3rd floor, Prosperity House, Maerua Mall, Centaurus Road, Windhoek;

or may be mailed to:

Manager: Support Services, Road Fund Administration, Private Bag 13372, Windhoek

to reach the Road Fund Administration no later than the closing date and time stated below:

CLOSING DATE AND TIME:

5 TERMS OF CONTRACT

5.1 Basis of Contract Award

Since the assessment of the key personnel of the Contractor/Consultant constitutes a determining factor in the contract award, substitution of personnel may be allowed only in exceptional cases, based on prior application and strong motivation by the Contractor/Consultant.

5.2 Model Form of Contract

A model form of contract is appended in Appendix A. This may be amended in contract negotiations between the Client and the successful tenderer.

Where any provision in the model form of contract conflicts, or is irreconcilable, with any provision stated in this *RFP*, the latter will prevail.

Where this *RFP* includes provisions not covered in the model form of contract, the latter shall be extended by the inclusion of such provisions as appropriate.

APPENDIX A
MODEL FORM OF CONTRACT

ARTICLES OF AGREEMENT

MADE BETWEEN:

The Road Fund Administration

Herein represented by _____

In his capacity of Chief Executive Officer of the Road Fund Administration

Hereinafter referred to as the "Client"

AND:

Hereinafter referred to as the "Contractor/Consultant"

Herein _____ represented _____ by

_____,

as the duly authorised representative of the Contractor/Consultant.

WHEREAS the Client is desirous that consulting services should be rendered to assist with:

Hereinafter referred to as the "Project"

AND WHEREAS the Contractor/Consultant has submitted a technical and financial proposal for the services to be rendered to the Client with respect to the Project, dated _____

Hereinafter referred to as the "Proposal"

IN WITNESS WHEREOF the parties hereto have set their hand in the presence of the subscribing witnesses:

At _____ on this _____
_____ day of _____

For and on behalf of the **CLIENT:**

AS WITNESS:

At _____ on this _____
_____ day of _____

For and on behalf of the **CONTRACTOR/CONSULTANT:**

AS WITNESS:

NOW IT IS HEREBY AGREED as follows:

The Client and Contractor/Consultant will abide by the Conditions of Agreement.

CONDITIONS OF AGREEMENT

1. GENERAL PROVISIONS

1.1 RULING LANGUAGE

1.1.1 This Agreement is made in English, which shall be considered the "Ruling Language". All correspondence between the parties, reports, studies, technical data, certificates and all documents pertaining to the Project shall be in English.

1.2 GOVERNING LAW

1.2.1 This Agreement is subject to the law of the Republic of Namibia.

1.3 ASSIGNMENT

1.3.1 The Contractor/Consultant shall not have the right to assign or transfer the benefits and the obligations of this Agreement or any parts thereof without the prior consent of the Client.

1.3.2 The consent of the Client is not required for the assignment of any monies due, or that will become due, under this Agreement.

1.4 ASSISTANCE

1.4.1 The Contractor/Consultant may call for the assistance of consultants or tenderers other than those included in the technical and financial proposal, with the provision that prior and written approval of the Client is obtained.

1.5 SUB-CONTRACTS

1.5.1 Any sub-contract to be made by the Contractor/Consultant, other than included in the technical and financial proposal, shall be made only to such an extent and with such duly qualified specialists and entities as shall be approved in writing in advance by the Client. In any case the Contractor/Consultant assumes the liability for the services rendered by the sub-contractor.

1.6 ALTERATIONS AND AMENDMENTS

1.6.1 Should circumstances arise which call for modifications or amendments of this Agreement, these shall be made by mutual consent given in writing.

1.7 ENTRY INTO FORCE

1.7.1 This Agreement enters into force upon the date of its signing by both parties.

1.8 COMMENCEMENT DATE

1.8.1 The Contractor/Consultant shall commence the services not later than
.....

1.9 PARTIAL INVALIDITY

1.9.1 The invalidity of one provision of this Agreement shall not affect the validity of the other provisions. Any discrepancy resulting consequently shall be filled by a provision consistent with the purpose of this Agreement.

2. PARTS OF AGREEMENT

2.1 The following documents shall be deemed to form and be read and construed as integral parts of this Agreement:

Annexe A: Terms of Reference

Annexe B: Technical Proposal

Annexe C: Financial Proposal

Annexe D: Work Programme

Annexe E: Correspondence between Client and Contractor/Consultant

3. DUTIES OF THE CONSULTANT

3.1 STANDARD OF SERVICES

3.1.1 The Contractor/Consultant shall in all professional matters act as a faithful adviser to the Client. The Contractor/Consultant shall exercise all reasonable skill, care and diligence in the discharge of his duties under this Agreement. He shall carry out the services in conformity with sound professional practices and standards.

3.2 SCOPE OF SERVICES

3.2.1 The project must be carried out according to the Terms of Reference in Annexe A and the other stipulations of this Agreement.

3.3 TIME SCHEDULE

3.3.1 The total contract period for the Contractor/Consultant's services will be..... consecutive weeks after the commencement date. Any modification of the above-mentioned time schedule due to a reasonable request by either party shall be mutually agreed upon in writing.

3.4 PENALTIES

3.4.1 The penalties for not complying with the different performance indicators are set out in the Table below. These will be determined on a quarterly basis based on the available information for that quarter. The penalty amount will also be calculated from the value of the invoices of the same quarter.

Performance Indicator	Level	Range	Penalty
System Availability The percentage time that the system is operational	1	Higher than 98%p	Nil
	2	Higher than 95% up to 98%	2% of invoice
	3	Higher than 90% up to 95%	4% of invoice
	4	Below 90%	6% of invoice
Promptness in terms of data transfer The percentage of transactions older than a week included in a batch of transfers	1	Higher than 98%p	Nil
	2	Higher than 95% up to 98%	12% of invoice
	3	Higher than 90% up to 95%	25% of invoice
	4	Below 90%	37% of invoice

The Client may, should the Contractor/Consultant's performance be at a level 4 for two consecutive quarters for any two of the above performance indicators, terminate the contract for poor performance.

3.5 REPORTS, DOCUMENTS AND INFORMATION

3.5.1 The Contractor/Consultant shall submit to the Client reports as are detailed in the Terms of Reference. Should the work fall behind schedule for any reason, the Contractor/Consultant shall indicate what steps will be taken to rectify the position. Should there be valid reasons for an extension of time these should be motivated timeously in order that agreement can be reached thereon.

3.5.2 The Contractor/Consultant will inform the Client immediately about extraordinary circumstances arising during the performance of the services and about all matters requiring the consent of the Client. Furthermore, the Contractor/Consultant shall furnish to the Client such information related to the services as the Client reasonably may from time to time request.

3.5.3 Unless otherwise stipulated in the Terms of Reference or agreed upon, all reports required from the Contractor/Consultant and described in this Agreement must be submitted in triplicate.

3.6 RECORDS

3.6.1 The Consultant shall keep accurate and systematic records in respect of the services in such form and detail as is customary in his profession and shall permit the Client to inspect the same and make copies thereof during the duration of the Agreement.

3.7 CONSULTANT'S STAFF

3.7.1 The Consultant shall appoint only competent, experienced and reliable staff for the execution of the services. The list of the staff members selected is to be approved by the Client.

3.7.2 The Client reserves the right to require the Consultant to recall or replace any of the latter's staff members whose services do not meet the Client's requirements. In case of illness and absence from work of any of the Consultant's staff members in excess of one month, the Consultant shall replace him/her with another staff member of at least an equivalent qualification. In any event, replacement of professional staff shall not be made without the prior approval of the Client.

3.7.3 When the Consultant has to withdraw or replace any of his staff during the contract period, the cost shall be borne by the Consultant.

3.7.4 Where special technical advice or assistance is required, which was not foreseen at the commencement of the project, the Consultant may with the prior written agreement of the Client arrange for the provision of such services at the cost of the Client.

4. OBLIGATIONS OF THE CLIENT

4.1 INFORMATION

4.1.1 The Client shall furnish all pertinent data, documentation and information available to him and shall give such assistance as shall reasonably be required by the Consultant for the carrying out of his duties under this Agreement.

4.2 TRANSPORT, OFFICES AND EQUIPMENT

4.2.1 The Client will not provide or place at the disposal of the Consultant any transport, vehicles, office accommodation or technical equipment. Everything required by the Consultant for the proper execution of his duties in terms of this Agreement must be arranged and provided by the Consultant.

4.3 ASSISTANCE

4.3.1 The Consultant must make his own arrangements for all customs clearance, work and residence permits, entry and exit visas, travel documents and all other authorisations required in terms of existing laws and regulations which govern the activities of expatriate workers and their belongings. Where the assistance of the Client is required to finalise such matters this will be provided as far as possible and in good faith. The Client, however, carries no responsibility in ensuring the satisfactory conclusion of any of the required arrangements.

4.3.2 The Client shall make all the necessary arrangements to ensure that the Consultant has ready entry and access to such places as may be necessary to enable the Consultant to perform his duties.

4.3.3 The Client shall designate in writing a person to act as his representative with respect to the Project. This person shall act as the contact person between the Client and Consultant and will receive information on behalf of the Client from the Consultant.

4.4 APPROVAL

4.4.1 The Client, shall - if so required - give his decision on all reports, studies, substitution of Consultant's staff, etc., as soon as possible, but not later than two weeks after the date of submission so as not to delay the work of the Consultant.

4.4.2 The Client shall approve final payment, as provided for in Article 5, Clause 5.2, after termination of the Consultant's services duly rendered in accordance with the Agreement, but not later than four weeks after such termination.

5. REMUNERATION AND PAYMENTS

5.1 REMUNERATION

5.1.1 For the Services to be rendered by the Consultant under this Agreement the Client shall pay the Consultant/Contractor as per the Consultant's/Contractor's financial proposal as agreed upon during contract negotiations and included in Annexure C hereof.

5.1.2 The amount(s) payable shall include Value Added Tax (VAT) if the Consultant is registered for VAT purposes in Namibia.

5.2 TERMS OF PAYMENT

5.2.1 The Consultant's remuneration shall be paid in Namibia Dollars according to the payment schedule in Annexe C.

5.3 METHOD OF PAYMENT

5.3.1 Payments will be made within thirty days after date of receipt of invoice.

5.3.2 Depending on arrangements with the Consultant, payments can be made either by cheque or bank transfer.

6. LIABILITY OF THE CONSULTANT

6.1 The Consultant is liable for the consequences of all errors and omissions on his part or on the part of his employees to the extent and with the limitations referred to hereunder.

6.2 If the Consultant comprises several parties working together on the Project under a joint agreement among the parties, the parties shall carry the liability of the Consultant jointly and severally, unless the agreement among the parties states otherwise and has been accepted by the Client in writing (Annexe E).

6.3 The liability of the Consultant for negligence shall be limited to

6.4 The liability of the Consultant shall terminate _____.

6.5 Liability for consequential damages is excluded.

7. INSURANCE

7.1 INSURANCE PROVIDED BY THE CONSULTANT

7.1.1 During the performance of the services, the Consultant will take out, carry and maintain the following insurance:

(a) Professional liability insurance to cover the risk in terms of Article 6 of this Agreement, insuring himself with the limit shown for the respective item; and

(b) Any other insurance that the Consultant is required to maintain in terms of legislation.

7.1.2 The Client may require satisfactory evidence that the foregoing insurance is in effect and such evidence shall provide that the Client will be given written notice thirty days prior to cancellation of such insurance. The cost of such insurance shall be borne by the Consultant.

8. SETTLEMENT OF DISPUTES

8.1 Any disputes arising out of or in connection with the Agreement should be settled amicably between both parties.

8.2 In default of amicable agreement, the dispute shall be referred to mediation by a single mediator to be mutually agreed upon or, failing agreement, to be nominated by a mutually respected neutral person.

9. FORCE MAJEURE

9.1 In the event of Force Majeure - unforeseeable events beyond the control of the parties - preventing either party to meet its obligations under this Agreement, it is agreed that if notice of such situation is given to the other party within two weeks after the occurrence of Force Majeure, the Agreement obligations as far as affected by such event shall be suspended for as long as the inability continues owing to such situation. In the event of Force Majeure, the Contractor/Consultant shall be entitled to an extension adequate to the delay caused by such Force Majeure.

9.2 The Contractor/Consultant shall be compensated for losses and damage resulting from Force Majeure. The extent of compensation shall be negotiated between the parties. Failure to agree on compensation shall be treated as a dispute.

9.3 If Force Majeure continues longer than sixty days, either party may terminate this agreement by a written notice given to the other party within thirty days of the delivery of such notice to the other party.

10. TERMINATION OF THE AGREEMENT

10.1 TERMINATION BY CLIENT

10.1.1 The Client may terminate this Agreement at any time upon written notice of not less than thirty days wherever for any reason the Client shall determine that such termination is in the best interest of the Client. Upon receipt of such notice, the Contractor/Consultant shall take immediate steps to end the services in a prompt and orderly manner and shall deliver to the Client all reports and other documents elaborated up to that date.

10.2 TERMINATION BY CONTRACTOR/CONSULTANT

10.2.1 If any amounts due and payable to the Contractor/Consultant under this Agreement have not been paid within sixty days after receipt of the invoice, the Contractor/Consultant may at his option terminate this Agreement upon thirty days' notice in writing to the Client.

10.3 CONSEQUENCE OF TERMINATION

10.3.1 If termination is not due to default of the Contractor/Consultant, the Contractor/Consultant shall be entitled to receive the remuneration due up to the date of termination and reimbursement for any loss and damage incidental to the termination.

10.3.2 If termination is due to default of the Contractor/Consultant, the Client is entitled to receive payment for damage resulting from such default.

11. SPECIAL PROVISIONS

11.1 BEHAVIOUR

11.1.1 During the validity of this Agreement, expatriate staff and employees of the Contractor/Consultant shall not interfere in affairs of a political or religious nature within or concerning Namibia.

11.2 CONFIDENTIAL TREATMENT

11.2.1 The Contractor/Consultant shall treat all documents, reports, estimates, technical data and information as confidential and these shall not be made available to any third party without the written approval of the Client.

11.3 OWNERSHIP AND COPYRIGHT

11.3.1 All studies, reports and relevant data, such as diagrams, statistics and supporting material submitted by the Contractor/Consultant to the Client shall become the property of the Client.

11.3.2 Equipment purchased in connection with the services by the Contractor/Consultant and fully paid by the Client shall be handed over to the Client on termination of the services.

11.3.3 The ownership and copyright of all reports as prepared by the Contractor/Consultant for the execution of his duties under this Agreement will resort solely with the Client. The Client will be entitled, either directly or indirectly, to make use of such reports, as he deems fit. The Contractor/Consultant, however, will be released from all responsibility if such information is used in ensuing work undertaken by the Client. The Contractor/Consultant will have the right to make use of such information with the prior consent of the Client.

11.4 COMMUNICATIONS

11.4.1 The Client's and the Contractor/Consultant's addresses shall be as follows and all communications shall be directed to these addresses:

Client:

Name: Chief Executive Officer
Road Fund Administration
Address: Private Bag 13372
Windhoek, Namibia
Fax: +264 (61) 250657
Telephone: +264 (61) 250897

Contractor/Consultant:

Name: _____
Address: _____
Fax: _____
Telephone: _____

APPENDIX B
FORMS TO BE COMPLETED BY TENDERER

FORMS TO BE COMPLETED BY TENDERER

FORM A: AUTHORITY FOR SIGNATORY

Signatories for close corporations and companies shall confirm their authority by attaching to this form a duly signed and dated copy of the relevant resolution of their members or the board of directors, as the case may be.

An example for a company is shown below:

"By resolution of the board of directors taken on
.....

Mr/Ms
.....
..

has been duly authorized to sign all documents in connection with the tender for Contract No.
..... and any contract, which may arise there from on behalf of (block
capitals)
.....
.....

SIGNED ON BEHALF OF THE COMPANY :
IN HIS CAPACITY AS :
DATE :

SIGNATURE OF SIGNATORY :"

FORM B: PRO-FORMA FORM OF TENDER

The Chief Executive Officer
Road Fund Administration
Private Bag 13372
Windhoek

Sir

TENDER FOR THE CONSULTANCY SERVICES: PILOT PROJECT FOR THE IMPLEMENTATION, MANAGEMENT AND OPERATION OF THE GPS-BASED MASS-DISTANCE CHARGES SYSTEM (MDCS)

I/We, the undersigned, conducting business under the name

.....
of (address)

.....

hereby declare that:

1. This tender is submitted without any collusion with any other Tenderer.
2. I/We have carefully examined the conditions of tender, general provisions of agreement, specific provisions of agreement, scope of services and other relevant documents and the meaning, intention and requirements are clear to me/us.
3. I/We am/are conversant with the nature of the work required.
4. I/We hereby offer to supply and deliver to the Client, the labour, goods, objects and services, which are required to complete the services as described in the relevant documents, subject to the provisions of my/our proposal submitted in accordance with the conditions of tender, at the prices and rates and subject to the provisions regarding the period of delivery and execution contained therein.
5. I/We hereby undertake to execute the services as specified in the contract

from the date I/we was/were given

instruction to proceed in writing, for the amount of

.....

(N\$) in Namibian currency, or such other amount as may be determined in consequence of the provisions of my/our proposal submitted in accordance with the conditions of tender.

*Must be filled in by the Tenderer.

- 6. I/We accept the contract price adjustment factor.
- 7. My/Our tender shall be valid for a period of hundred and twenty (120) days from the closing date of the tender.
- 8. Unless and until a formal agreement is prepared and executed, this tender, together with the Client's written acceptance thereof, shall constitute a binding contract between us.
- 9. If my/our tender is accepted, this acceptance can be conveyed to me/us through the post, or telegraphically, and as such the post office shall be considered my/our agent and delivery to the post office will be considered delivery to me/us.
- 10. I/We agree that the Law of the Republic of Namibia shall be in force on the contract which shall come into being through the acceptance of my/our tender and I/we elect **domicilium citandi et executandi** at
.....
- 11. I/We understand that you are not bound to accept any tender you may receive.

Yours faithfully

Signature of Tenderer or authorised representative

Name of representative

For and on behalf of (firm)

.....

As witnesses:

- 1.
- 2.

Address:

Address:

.....

.....



ROAD FUND ADMINISTRATION

Tender No. _____

REQUEST FOR PROPOSALS

CONSULTANCY SERVICES FOR THE IMPLEMENTATION, MANAGEMENT AND OPERATION OF A PILOT PROJECT GPS-BASED MASS-DISTANCE CHARGES SYSTEM (MDCS)

The Road Fund Administration wishes to procure professional contractor services for the implementation, management and operation of a pilot project for a GPS-based Mass Distance Charging System (MDCS), for a 2-year period, commencing.....

The Road Fund Administration (RFA), hereafter called the Client, was established in terms of the Road Fund Administration Act, 1999 (Act no 18 of 1999) on 25 October 1999, as a parastatal organization under the auspices of the Minister of Finance. The Client commenced its operations on 1 April 2000. The establishment of the Road Fund Administration was followed by the subsequent establishment and implementation of a Road User Charging (RUC) System, which determines the amount and manner of funds to be raised from road users in accordance with the 'user pay' principle, and consequently also determines the road user charges to be imposed. The Client's objective is to manage the RUC System in such a manner as to secure and allocate sufficient funding to achieve a safe and economically efficient road sector, and also to manage the road fund of Namibia. The major portion of the funding provided by the Road Fund Administration is disbursed to the Roads Authority for the management of the national road network. This includes the maintenance, development and rehabilitation of the national road network.

The current RUC System consists of fuel levies, license fees and cross border charges as RUC instruments. Under this system, all heavy vehicles paid for at least a portion of their road access cost (fixed road cost) by means of annual license fees, and for at least a portion of their road consumption cost by means of a road use levy on diesel. However, the cost of road consumption by heavy vehicles was not fully covered by the diesel levy. As a result of this, **heavy vehicles above a certain mass should pay an additional fee related to their axle loads and the distance traveled.** Based on a review of the RUC System, the investigation into the implementation of MDCs as a RUC instrument to ensure a more equitable cost recovery approach between light and heavy vehicles, and a more accurate cost recovery from heavy vehicles as a result of more costs being imposed on roads by heavy vehicles, the RFA decided to implement MDCs as an additional RUC instrument.

The revised RUC system now consists of the following RUC instruments:

- Fuel levies;
- Licence fees;

- Cross-border charges (CBCs);
- Mass-distance charges (MDCs).

The implementation of MDCs as RUC instrument will commence with the implementation of a Flat Fee Approximation (FFA) MDCS on The FFA MDCS is based on the vehicle category and the assumed distance traveled by a specific vehicle category, and applies to operators of the following domestic heavy vehicles.

- Class C: Heavy Passenger Motor Vehicles (12 or more persons);
- Class L: Heavy Load Vehicles (GVM > 3 500 kg, not to draw);
- Class M: Heavy Load Vehicles (GVM > 3 500 kg, equipped to draw).

The FFA MDCS is based on assumed distances, and in some instances the assumed distances might be higher than the actual distances traveled, which implies that the fee charged is too high. This can be addressed through the expansion of the current FFA MDCS to a GPS MDCS, by providing vehicle owners that are currently being disadvantaged by the FFA MDCS with the opportunity to claim a refund or rebate, to compensate for having had to pay a too high fee as a result of assumed distances. The implementation of a GPS-based MDCS will commence with a pilot project GPS MDCS. The date for implementation of a pilot project GPS MDCS is The pilot project will run for a 2-year period.

This *Request for Proposals* wishes to invite tenderers who are qualified and have similar experience to submit proposals for the *Implementation, Management and Operation of the Pilot project GPS-Based Mass Distance Charges System (MDCS) for the Period 1 November 2005 – 31 October 2007*.

Proposals may be submitted by tenderers that comply with the technical requirements and related experience as set out in the *Request for Proposals*.

A copy of the detailed Request for Proposals, which must be carefully studied to facilitate the preparation of responsive proposals, may be collected at the offices of the Road Fund Administration, or may be sent to interested parties by e-mail. Enquiries should be directed to the contact person of the Road Fund Administration as indicated below. Anyone intending to submit a proposal should, when obtaining a copy of the detailed Request for Proposals, register his/her interest and request a tender reference number from the Road Fund Administration. Failing this, such person might be prejudiced in the tender submission at his/her own risk, by not being sent tender notices regarding amendments made or relevant information becoming available after the first publication date of this request for proposals.

Proposals must reach the Road Fund Administration by the date and time below:

CLOSING DATE:

CLOSING TIME: 12h00, at which time offers will be publicly opened at the offices of the Road Fund Administration. Tenderers are invited to attend the opening of offers.

Manager: Programme Management, Policy and Advice, Road Fund Administration
3rd Floor, Prosperity House, Maerua Mall, Centaurus Road
Private Bag 13372, Windhoek, Namibia
Tel: +264 (61) 250897; Cell: +264 (81) 1276180; Fax: +264 (61) 250657
E-mail: gseydack@rfanam.com.na