



# REQUEST FOR RESEARCH PROPOSAL

(RFP Reference Number- FSTCRESEARCH002/22

**REQUEST FOR PROPOSAL FOR CONDUCTING RESEARCH ON THE SOCIO-  
ECONOMIC DEVELOPMENT AND CONSUMER EDUCATION (FS500) ELEMENT-  
ARE WE MAKING A DIFFERENCE?**

**CLOSING DATE: 11 August 2022**

**TIME: 16:00**

## LETTER OF INVITATION

To the Service Provider/ Applicant:

### **REQUEST FOR PROPOSAL FOR CONDUCTING RESEARCH ON THE SOCIO-ECONOMIC DEVELOPMENT AND CONSUMER EDUCATION (FS500) ELEMENT- ARE WE MAKING A DIFFERENCE?**

The Financial Sector Transformation Council (FSTC) is inviting prospective service providers/applicants to submit their proposal for conducting research on “The Socio-Economic Development and Consumer Education (FS500) Element- Are We Making a Difference?”. The Request for Proposal (RFP) provides the service provider/applicant with the relevant operational, performance and requirements of the expected outcome.

The service provider/ applicant will be selected under the procedures described in this Request for Proposal (RFP) document. Your proposal could form the basis of a contract between the successful service provider/ applicant and the FSTC.

To enable you to submit a proposal, please find enclosed:

- Letter of Invitation
- Disclaimer
- Terms of References (TOR)
  - Background
  - Objectives
  - Content of Proposal
  - Profile of Service Provider
  - Deliverables of Service
  - Timelines
  - Evaluation Criteria
  - Submission of Applications

This tender fully complies with the prescribed B-BBEE Requirements and procurement policy of the organisation. The tender will remain open for acceptance of Fourteen (14) working calendar days.

*\*Note:* In submitting any information or documentation requested above or any other information that may be requested pursuant to this RFP, you are consenting to the processing by the FSTC, or its stakeholders of your personal information and all other personal information contained therein, as contemplated in the Protection of Personal Information Act, No.4 of 2013 and Regulations promulgated thereunder (“POPI Act”). Further, you declare that you have obtained all consents required by the POPI Act or any other law applicable. Thus, you hereby indemnify the FSTC against any civil or criminal action, administrative fine, or other penalty or loss that may arise as a result of the processing of any personal information that you submit.

## DISCLAIMER

The information contained in this Request for Proposal document (the “RFP”) or subsequently provided to the service provider/applicant, whether verbally or in documentary or any other form by or on behalf of the FSTC or any of its employees or stakeholders, is provided to the service provider or applicant in terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This request for RFP is not an offer by the Financial Sector Transformation Council (FSTC) but an invitation to receive responses from the eligible service provider(s) or applicant (s) for partnering with FSTC, in submitting their proposal to conduct research pertaining to “ The Socio-Economic Development And Consumer Education (Fs500) Element- Are We Making A Difference?”.

Interested service provider or applicant shall bear all costs incurred in connection with the preparation and submission of their RFP and for finalisation of the contract and the attachments thereof. The FSTC will in no case be responsible for payment to the service provider for these costs.

No contractual obligation whatsoever shall arise from the RFP process unless and until a formal contract is signed and executed between the FSTC and the successful service provider or applicant concerned. This RFP is being issued with no financial commitment and the FSTC reserves the right to withdraw the RFP and change or vary any part thereof or foreclose the same at any stage.

Failure to adhere to the RFP submission instructions shall result in the proposal being automatically disqualified and eliminated from further evaluation.

# TERMS OF REFERENCE (TOR)

## 1. BACKGROUND

### 1.1. Financial Sector Transformation Council

The FSTC, mandated in accordance with the Financial Sector Code, gazetted under Section 9 (1) of the Broad-Based Black Empowerment Act 46 of 2013, is a non-profit organisation carrying out a significant role as a transformational body to drive and measure the holistic transformation imperatives of the financial sector. The FSTC has a shared responsibility with Government and pro-transformation bodies to assess and acknowledge the sector's contribution towards achieving economic inclusion by addressing inequality amongst ethnic groups and contributing to the aggerated transition of the financial sector and the South African economy.

In attaining its transformational responsibility and ensuring the financial sector yields worthwhile outcomes that deliberate on its B-BBEE initiatives, one of FSTC's core objectives is conducting research. The research topics are aimed at assisting the FSTC in identifying and understanding the socio-economic progress of South Africa by carrying out a thorough study on the available literature related to the Amended FS Code. In doing so, the elements of the Amended FS Code will be critically examined, providing a comprehensive analysis of the status quo on transformation and ensuring industry initiatives do not go unnoticed.

Within this context, the topic undertaken will focus on acquiring a comprehensive understanding of the Socio-economic Development and Consumer Education element in identifying how the financial sector ensures that at least 75% of Black beneficiaries have access to the economy through its initiatives. It will further provide the financial sector and its key stakeholders a basis for reflecting on how it can commit itself in making a social difference in the economy moving forward.

### 1.2. Socio-economic Development and Consumer Education

Socio-economic Development (SED) and Consumer Education (CE) plays a vital role in the Financial Sector Code by promoting B-BBEE participation in the economy through empowering previously disadvantaged ethnic groups. SED is focused on generating income for Black beneficiaries through the facilitation of sustainable socio-economic development initiatives, whereas CE is focused on the financial education process of developing individual and small business consumers' knowledge to ensure the financial sector's responsibilities, its products and services are understood.

For this reason, SED and CE contributions are measured on an annual basis against measured entities' net profit after tax and are considered in the form of either monetary (i.e., grants, donations, and other similar initiatives) or non-monetary (i.e., human resource capacity in relation to professional service rendered at no cost, at discount and the productivity time of employees time) initiatives. The quantifiable monetary values of SED and CE contributions are measured through the application of the Standard Valuation Method (i.e., Annex 500 (B) ) and for measured entities to be accredited, at least 75% of the total value of beneficiaries must be classified as Black people. If, however, the SED and CE contributions is less than 75%, the value of considered contributions multiplied by the percentage that benefits Black people, is recognisable. In addition, if the measured entities were unable to make a profit, the average of the last three (3) years SED and CE contributions will earn them full points based on the total criteria and bonus points.

With this background, measured entities filed their B-BBEE reports in line with FS000, clause 8.3, 8.4 as well as 8.5 of the Financial Sector Code for the measurement periods 2018/19 and 2019/20. In the published report, the aggregated data revealed that most sub-sectors displayed a positive shift towards meeting their determined targets, however, as a collective, the financial sector did not meet its prescribed target. In evaluating the sector's performance, challenges occurred when measuring the contribution for SED and CE under one weighting, which resulted in difficulties to ascertain the real outcome and impact of the initiatives invested in accelerating access to the economy for Black beneficiaries.

Taking this into account, the service provider/applicant should investigate and identify the socio-economic progress of the financial sector, assessing whether these initiatives invested benefit at least 75% of Black beneficiaries. The service provider/applicant should further elaborate on the challenges measured entities experience as well as provide recommendations that will assist the financial services sector in achieving and stabilising transformation in relation to this element.

## **2. OBJECTIVES**

The primary objective of the research is to critically investigate how the financial sector is responding to the realities of society through the SED and CE element. In doing so, the comprehensive research will assist in determining if the initiatives invested for at least 75% of the total value of Black beneficiaries undeniably empowers Black participation in the economy as well as provide insightful socio-economic progress on how the financial sector has performed thus far, while identifying other socio-economic imperatives the financial sector can initiate in making a meaningful contribution towards transformation.

### **3. CONTENT OF PROPOSAL**

**The proposals should contain the following information:**

- a) A cover letter, briefly describing the purpose of the proposed project, duration, place of performance, budget and budget justification, names, and contact details of the primary contact person who would be able to respond to inquiries regarding the request.
- b) The body of the proposal should at least contain the following sections/elements:
  - I. Executive Summary – (1 page or less) including a statement of introduction, aims, and objectives, a summary of suggested methodologies, and work programme.
  - II. Background, Understanding, and Interpretation of the Project.
  - III. Implementation Methods – Proposed project design, data collection methods, analysis, and references of where research work/ study has been undertaken.
  - IV. The composition of the team you propose to provide- A description of the roles and responsibilities of individuals who will work on the project, . Interested service providers need to indicate who their project leader will be and the project leader should be the same throughout the project life cycle. In the case of consortia, the organisations concerned should clearly specify their roles
  - V. B-BBEE Scorecard and Certificate or Sworn Affidavit.
  - VI. A list of references of previous and current projects concluded relevant to the research topic at hand.
  - VII. Declaration of interest statement confirming that the service provider has examined and accepted without reservation or restriction the entire contents of the Request for Proposals, that they agree to abide by the highest ethical standards and, in particular, declare that they do not have any potential conflict of interest in connection with the proposal and/or the organisation. Furthermore, should a conflict of interest arise in particular as a result of economic interests, political or national affinities, family, internal affiliates to the organisation, or any other relevant connection or shared interest, the FSTC should be informed without delay.

### **4. REQUIRED PROFILE OF THE SERVICE PROVIDER**

- A service provider with appropriate B-BBEE credentials, with proven experience in research, or
- A Masters Graduate or PhD. Candidate with extensive demonstrated research

- experience in the economic sector of our economy.
- In-depth understanding of the Financial Sector Code and the applicable empowering provisions of the B-BBEE policy;
- Have publications related to economic empowerment research to demonstrate their advanced report writing, research and analytical skills
- Demonstrate an in-depth understanding of the Amended Financial Services Code and B-BBEE Policies.
- An understanding of employment equity and skills development legislation.
- An understanding of labour force diversity and employment equity dynamics.
- Proven knowledge, experience and access to the requisite statistical analysis software, BI tools or standalone predictive analytic tools;
- Have proven ability and experience in creating research reports including drafting the findings report and presentation.
- Have strong analytical, oral, and written communication skills.
- Be able to travel to meetings as and when necessary or have access to requisite technology that will allow for virtual meetings.

## **5. SERVICES TO BE DELIVERED**

The successful service provider or applicant will be required to table the research study in accordance with the determined scope and timeframe which will be entailed in the Service Level Agreement (SLA).

## **6. TIMELINES**

This research topic will be accorded 4 months.

## **7. EVALUATION CRITERIA**

The following points will be considered for the evaluation of the proposal/s:

- Technical expertise and extensive understanding of assignment:
  - Are the details of the methodology sufficiently well-defined to allow meaningful judgement?
  - Does the proposal offer noteworthy contributions to the project?
- Assessment of the presented framework towards undertaking this project:
  - Does the proposal clearly outline the aims of the project?
  - Can the service provider/applicant adequately contextualise the framework of the proposed project?
  - Has the service provider/applicant adequately presented evidence on knowledge and application of the requisite tools?
- Demonstrated expertise of service provider/applicant and capacity to deliver;
- BEE Status – Contributor level and/ or Management Control;
- Pricing.

## 8. APPLICATIONS

Interested service provider (s) / applicant (s) should submit their CV(s) technical and financial proposal including methodologies, report template, a work plan, B-BBEE credentials (Scorecard, Certificate or/ Sworn affidavit), declaration of interest, and an estimated budget with expected gross consultancy fee and logistical expenses, CV(s) of the consultant(s) to carry out the tasks.

- The Declaration of interest must confirm that the service provider/ applicant has examined and accepts without reserve or restriction all the contents of the Request for Proposals. The interested service provider/ applicant must agree to abide by the highest ethical standards and, should the successful service provider or applicant have a direct or indirect interest in any business dealings with the FSTC, employees and, directors of the FSTC or any direct or indirect interest in any company or entity which is affiliated with the FSTC, the service provider/ applicant must declare such interest as soon as they become aware of it.
- Furthermore, should a conflict of interest arise in particular as a result of economic interests, political or national affinities, internal affiliates to the organisation, and/ or any affiliation towards any of the external constituencies that form part of the FSTC, the successful service provider/ applicant must declare such.
- To give effect to section 45 of POPIA and in compliance with principles of sound, transparent and accountable governance, the appointed service provider/ applicant shall be required to declare their interest in writing and direct it to the COO of the FSTC at [metjam@fstc.org.za](mailto:metjam@fstc.org.za)

### 9.1. How to contact us

**All enquiries** must be directed by e-mail to the following focal person/s **Focal person:**

Name: Avhasei Khomunala

Email address: [avhaseik@fstc.org.za](mailto:avhaseik@fstc.org.za)

Contact details: (011) 838 6966

**All proposals** should be electronically submitted through the Dropbox link <https://www.dropbox.com/request/CyP5jkMDoOaLcb649heB>

With the folder name: FSTC-RESEARCH002-22 (name of Service provider/Applicant).

Deadline for submission of application: **11 August 2022, at 16:00**

**Only the successful candidates will be contacted.**