



Aerospace Industry Support Initiative

an initiative of **the dtic**

## Expression of Interest (Eoi)

### Aerospace Industry Support Initiative (AISI)

**Identifying Manufacturing Marine Integrators or Sub-Systems Suppliers and SMMEs to participate in the AISI Marine Manufacturing, Maintenance & Repairs, and Associated Services Development Programme: Technology Enhancement Intervention**

### TERMS OF REFERENCE (ToR)

Eoi No: 002/02/11/2021

<b>Date of Issue</b>	<b>02 November 2021</b>
<b>Closing Date</b>	16 November 2021, 16:30
<b>Optional Information/Briefing Session</b>	09 November 15:00 – 16:00: <a href="https://zoom.us/j/92090878087">https://zoom.us/j/92090878087</a>
<b>Submissions</b>	Submissions to be emailed to: <a href="mailto:nroux@csir.co.za">nroux@csir.co.za</a>
<b>Queries</b>	AISI Technical Leader Tel.: (012) 841-4331 Email: <a href="mailto:nroux@csir.co.za">nroux@csir.co.za</a>
<b>CSIR Business Hours</b>	08:00 – 16:30
<b>Category</b>	Marine Industry

## INVITATION FOR CALL FOR PROPOSALS (Eols)

This Eol is specifically for the Marine Manufacturing Industry. Qualifying companies are encouraged to apply for support towards Marine Technology Enhancement. This call seeks to identify project(s) that requires support, not more than R 750 000, aimed at specifically increasing localisation of component manufacture within the marine manufacturing industry in South Africa.

- This call is open to Manufacturing Integrators, Sub-Systems Suppliers as well as SMME's.
- Only projects with a [Technology Readiness Level \(TRL\)](#) of 4 and upwards will be considered
- A total of R750 000 (Seven Hundred Fifty Thousand South African Rand) (excl. VAT) is available for this call.
  - The 750 000 can be split between smaller projects i.e., two smaller projects of R 375 000 each or one large project.
  - This will be decided during the evaluation based on the suitability of the received applications.
- Co-Funding of all Technology Enhancement projects is a requirement. The required co-funding contribution differs for SMMEs and non-SMMEs:
  - SMMEs: A minimum of 10% co-funding is required
  - Non-SMMEs: A minimum of 25% co-funding is required.
- Funding can be used for internal or external project running costs, project manpower, training, development, engineering support and/or similar costs. **However, funding may not be used for capital expenditure purchases such as equipment and software.**
- The AISI ONLY supports Advanced Manufacturing Projects. The AISI does not support construction, renovation, or upgrade of buildings.
  
- **An optional information/briefing session will be held on Tuesday 9 November 2021 from 15:00 till 16:00.**
  - This session will address any questions or queries related to the Eol process.
  - Meeting link: <https://zoom.us/j/92090878087>

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## 1 INTRODUCTION

This Expression of Interest (Eol) is published for the **Marine Manufacturing, Maintenance & Repairs, and Associated Services Development Programme**, hereafter referred to as “the Marine Programme”. The Marine Programme is an initiative of the Department of Trade, Industry and Competition (**the dtic**) aimed at assisting marine manufacturers to address issues that might hinder or prevent their participation in the marine (and other) supply chain locally and internationally. The Eol is specifically directed to organisations that require support with Technology Enhancement. This call seeks to identify project(s) that requires support, not more than R750 000, to increase localisation of component manufacture within the marine manufacturing industry in South Africa.

**NB: This Eol is only directed at Marine Manufacturing and NOT any other industries supported by the AISI.**

The purpose of this ToR document is to outline the framework for the Eol and submission procedures with regards to the provision of services for the Aerospace Industry Support Initiative (AISi): Marine Manufacturing, Maintenance & Repairs, and Associated Services Development Programme. It serves as a guideline to potential beneficiaries interested in submitting proposals for consideration by the AISi technical review committee. It should be noted that organisations involved in or aiming to get access to the marine industry will be considered.

## 2 BACKGROUND

The Council for Scientific and Industrial Research (CSIR) is one of the leading scientific research and technology development organisations in Africa. In partnership with national and international research and technology institutions, the CSIR undertakes directed and multidisciplinary research and technology innovation that contributes to the improvement of the quality of lives of all South Africans. The CSIR’s main site is in Pretoria while it is represented in other provinces of South Africa through regional offices.

The Programme is managed by the AISi that falls under Industry Connect within the Manufacturing Cluster of the CSIR. The AISi is an initiative of **the dtic**. The AISi is hosted and managed by the CSIR and has a specific aim of industrial development. The AISi is a fully government-funded mechanism to support the local South African aeronautics, defence, space and marine manufacturing industries. Based on successful interventions in the

aerospace sector, the AISI was tasked to perform a similar supplier development role for the Programme. This programme was launched in 2019.

The goal of the AISI as an industry support mechanism is to:

- Increase the contribution of SMMEs in the economy;
- Significantly enhance Broad Based Black Economic Empowerment (B-BBEE);
- Raise the levels of direct investment overall, as well as in defined priority sectors;
- Increase market access opportunities for the export of South African goods and services;
- Contribute towards building skills and technology platforms;
- Improvement of the local industry competitiveness;
- Ensuring that new technologies are taken up by industry through an active process of industrialisation; and
- Enable new suppliers to enter the supply chain and develop new technologies, industries and SMMEs, in order to enable market entry and global competitiveness through access to national expertise and infrastructure.

The AISI's Technology Enhancement intervention of the Marine Programme assists industry to optimise its operations and procedures in order to ensure South African industry integration into global supply chains. The strategic focus remains on SMMEs with the objective of ensuring industry transformation, and the broadening of the economic base participating in the industry.

Economic benefits derived through supplier development projects include competitiveness improvement, productivity improvement, improved lead times, improved quality, cost savings, improved delivery performance, increased customer satisfaction and job creation and retention.

### **3 THE MARINE PROGRAMME**

The aim of the Programme is to make targeted interventions in partnership with, marine system or component manufacturers to improve industry competitiveness, and increase localisation. The Programme will be coordinated by **the dtic's** Industrial Competition and Growth and hosted, managed and implemented by the CSIR, through the AISI. The Programme aims to assist marine manufacturers to address issues that might hinder or prevent their participation in the marine (or other) supply chain locally or internationally. The programme aims to provide assistance in addressing issues related to:

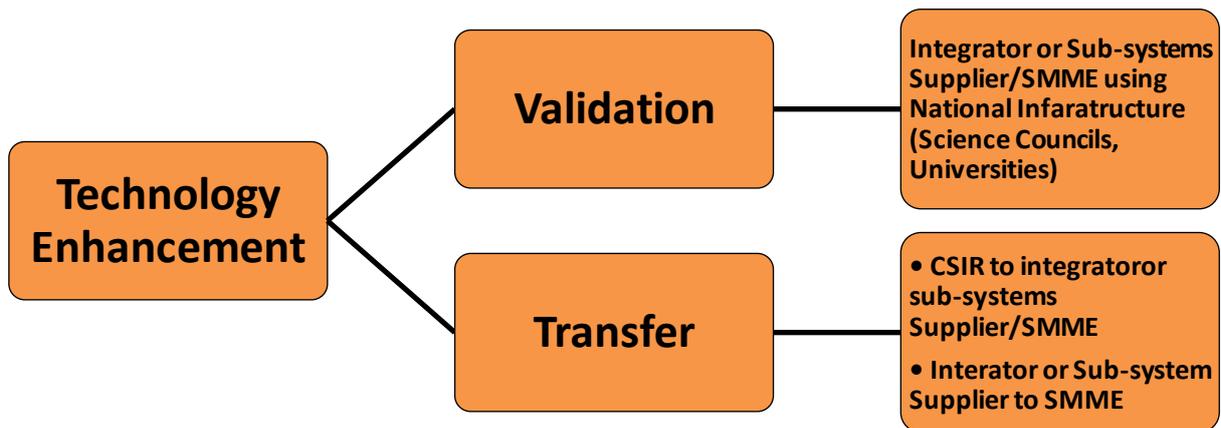
- Technology Enhancement (see Section 3.1)
- Standards and Accreditation (**not included in this Eol**)

**This Eol focusses specifically on Technology Enhancement:**

Support will be provided to manufacturers requiring technology enhancements (which could include testing or validation of new technology; or technology transfer to a beneficiary) to assist suppliers, enter new markets or enhance existing market positions in the marine and other industries. It should be noted that this Eol does not include support towards Standards and Accreditation.

**3.1 TECHNOLOGY ENHANCEMENT**

Technology enhancement is a critical aspect for organisational growth within the manufacturing industry. The development and enhancement of new technologies, processes, and manufacturing methods is fundamental to remain competitive on a global stage. The technology enhancement intervention is divided into two categories as shown in Figure 1 below:



**Figure 1: Technology Enhancement Interventions**

**3.2 TECHNOLOGY VALIDATION**

Technology validation focuses on technologies that require manufacturers to utilise national infrastructure to develop and/or enhance the specified technologies. The national infrastructure could be in the form of testing or validation services that are required by manufacturers or any form of assistance that national infrastructure could provide to manufacturers with preference given, but not restricted, to specified thematic areas as

indicated below. Technology validation may also include assisting organisations in meeting industry certification requirements both locally and internationally.

### 3.3 TECHNOLOGY TRANSFER

Technology transfer focuses on the transfer of a relevant technology from, for example: the CSIR to established shipyard or manufacturing companies in the marine industry or similar to a marine manufacturer. This would entail actual technology development and the transfer of skills and knowledge. Preference will be given to technology transfer projects associated with components on the designated component list, but support is not limited to this list.

### 3.4 TARGETED COMPONENTS

Only projects with a Technology Readiness Level (TRL) value  $\geq 4$  (greater than or equal to four) at the start of the project, will be considered for support. Evidence of this will need to be provided with the application. Refer to TRL definitions in Section 23.

The Programme is not prescriptive of the types of components to be supported. Preference will, however, be given to interventions involving the list of designated components given in Table 1.

**Table 1. Designated component list**

List of designated components*			
1	Marine grade cables	15	Fixed pitch propellers
2	Marine grade steel and aluminium materials	16	Incinerators
3	Pumps	17	Storage tanks
4	Marine Valves	18	Desalination plant
5	Refrigeration and HVAC systems	19	Windows and watertight doors
6	Fire Fighting Systems: <ul style="list-style-type: none"> <li>• Fire monitors</li> <li>• Fire and Smoke Dampers</li> </ul>	20	Lights used in the marine industry
7	Cranes and davits	21	Anchors and chains
8	Ventilators and fans, and cabin units	22	Electrical components and fittings
9	Application processes for paints and coatings	23	Manoeuvring Systems
10	Insulation materials	24	Dredging Equipment
11	Hydraulic equipment	25	Mooring Systems
12	Radio and radar equipment	26	Air Whistles
13	Seals and gaskets (especially stern seals)	27	Power Converters
14	Replenishment at sea systems	28	

*\*The list of designated components is not exhaustive but can be used as a guide.*

**NOTE: The AISI ONLY supports Advanced Manufacturing Projects. The AISI does not support construction, renovation, or upgrade of buildings.**

#### **4 QUALIFYING ORGANISATION**

The EoI is open to both local **INTEGRATORS AND SUB-SYSTEMS SUPPLIERS** and **SMMEs**.

##### **Definitions:**

*An **Integrator and Sub-Systems Supplier** is a company whose products are used as components in the products of another company. The integrators and sub-systems suppliers generally works closely with the company that sells the finished product and customises designs based on that company's needs. Only integrators and sub-systems suppliers who are involved in marine manufacturing, maintenance & repairs and associated services will be considered.*

*A **manufacturing SMME** is defined in accordance with the Revised Schedule 1 of the National Definition of Small Enterprise in South Africa published on 15 March 2019 by the Department of Small Business Development. According to this schedule a manufacturing SMME is defined as having less than:*

- 250 full time employees; and
- R170 million annual turnover

Any organisation that is currently (or could be after benefitting from the proposed intervention) a system, sub-system or component manufacturer in marine manufacturing is eligible to submit an EoI. Both large organisations (integrators and sub-systems suppliers) as well as SMMEs are eligible, although preference will be given to SMMEs.

All applicants are required to include their B-BBEE certificate in their response to the EoI. The B-BBEE level is required to be maintained or improved throughout the duration of the project.

Organisations currently receiving support or historically received support from mechanism within the AISI will be considered for support based on project progress against deliverables. The exception is projects that received support from the Technology Enhancement Intervention, only organisations that completed projects three years back will be considered for this application.

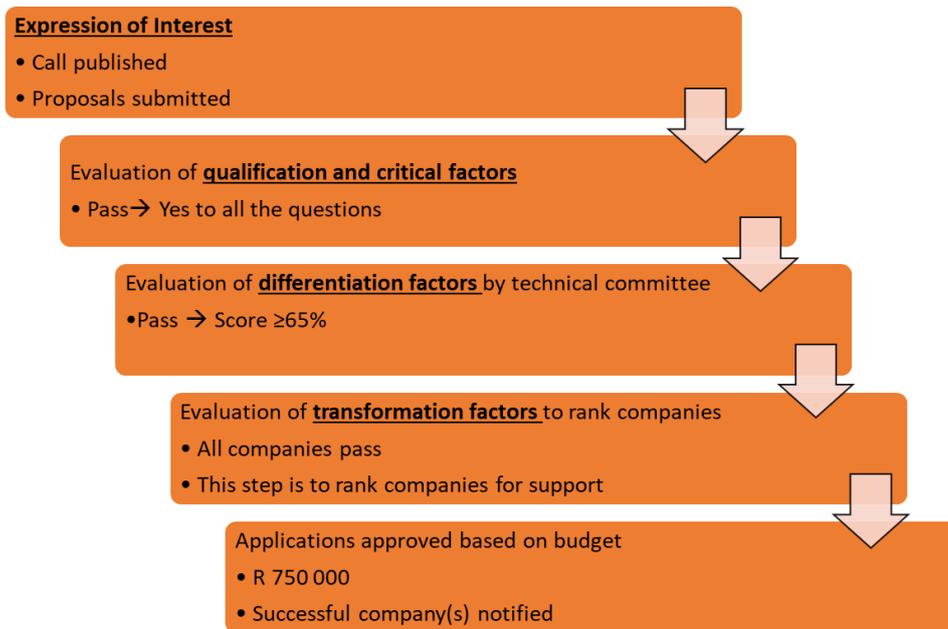
## 5 INVITATION FOR EXPRESSION OF INTEREST

This call is aimed at identifying marine integrators or sub-systems suppliers as well as SMMEs that require technology-based supplier development interventions which will enable them to be globally competitive.

## 6 THE EXPRESSION OF INTEREST PROCESS

The EoI process (depicted in Figure 2) is as follows:

- Qualifying organisations are invited to complete the proposal template and submit to the AISI as described in Sections 8 and 12.
- Only the proposals submitted on time will be considered
  - Proposal document
  - ToR document
  - Supporting documents
- Proposals must pass the Qualification and Critical Evaluation Factors (see Table 2).
- All submitted proposals will be evaluated by the technical committee as per the differentiation factors (see Table 3 and Table 4).
  - Differentiation factors differ for SMMEs and non SMMEs
  - Score of 65% or higher required to pass this round of evaluation.
- All proposals that pass the first round of evaluation will be evaluated on transformation related factors (see Table 5).
  - All companies will be considered.
  - The transformation related factors will be used to rank companies.
- Successful company(s) will be notified and contacted to engage further.
- Successful applications will be determined based on the available budget.
  - R 750 000 maximum available for this call.



**Figure 2: Expression of Interest Assessment Process.**

**NOTE:** An Optional Information/Briefing Session will be held by the AISI to explain further the evaluation process highlighted above. The Information/Briefing Session has been scheduled for 9 November 2021 from 15:00-16:00 hrs. However, this Information Session is NOT compulsory.

## **7 THE EVALUATION PROCESS**

All proposals will go through the evaluation process visualised in Figure 2. This will include qualification, critical, differential and transformation related factors. Each of the evaluation factors will now be elaborated on.

### **7.1 Evaluation of Qualification, Critical and Differentiation Factors (Functionality)**

- All proposals will initially be reviewed to ensure that they fulfil the qualification and critical evaluation factors. If not, the project proposal will be disqualified, and the service provider will be informed thereof;
- All projects that fulfil the qualification and critical evaluation factors will be distributed to the members of a pre-determined technical review committee;
- Each member of the technical review committee will review and score the projects using pre-approved differentiation evaluation factors;
- A technical review will take place to obtain a score.

- All projects that have a weighted score greater than or equal to 65% on the differentiation factors will qualify for the next round of evaluation on transformation related factors.
- All organisations whose applications are eliminated at this stage will be notified.

### 7.1.1 Qualification And Critical Evaluation Factors

The assessment criteria for the evaluation of all project proposals are firstly divided into qualification evaluation factors (based on the service provider) and critical evaluation factors (based on the proposal). These are shown in Table 2. For the qualification and critical factors, any “NO” answer immediately disqualifies the proposal. This evaluation will be done by the review committee.

***The proposal template, which is published with this EoI (see Annexure A), must be completed and submitted. The evaluation of the EoI will be based on the information provided in the proposal template and any additional documentation requested.***

**Table 2: Qualification and Critical evaluation factors for assessing project proposals**

Qualification Evaluation Factors		Yes	No
1	South African registered company		
2	Valid tax clearance certificate		
Critical Evaluation Factors		Yes	No
3	Designing, supplying and/or manufacturing of marine related components		
4	Marine Manufacturing industry company (or potential to move into this industry)		
5	Does the project fall within the predetermined budget category		
6	Technology Readiness Level (TRL) value $\geq 4$ at start of project		
7	Completed proposal template		
8	Submission of EoI Terms of Reference (this document) initialed on each page		
9	Projects previously supported by the AISI (Both Aerospace & Defence and Marine) are completed and deliverables have been achieved (If applicable) <b>*Applicants that have received support for the AISI <i>Marine Programme Technology Enhancement intervention</i> within <u>the last three years</u> will not be considered.</b>		

### 7.1.2 Differentiation Evaluation Factors

The differentiation factors for the evaluation of all project proposals are shown in Table 3 and Table 4. Integrators and Sub-Systems Suppliers (non-SMMEs) applications will be evaluated using Table 3, whereas SMME applications will be evaluated using Table 4.

**Please indicate if you are applying as an Integrator and Sub-Systems Supplier or SMME on the proposal template. (Applicants are requested to pay attention to their applicable Table because even though the factors considered are the same, the requirements are different between the SMMEs and Integrator and Sub-Systems Suppliers)**

- Each differentiation factor is assigned a score (maximum 10), which is then weighted according to the importance of the factor. Please note the following:

Proposals with functionality / technical points of less than the pre-determined minimum overall percentage of 65% and less than 50% on any of the individual criteria will be eliminated from further evaluation.

All proposals will be evaluated by a technical review committee based on the following five differentiation factors:

1. Experience in Marine Advanced manufacturing as an integrator/sub-systems manufacturer or SMME
2. Strategic nature and relevance of project/technology to South African marine manufacturing supplier development
3. Localisation: Technology being developed addresses the local Marine market need
4. Favourable ratio of self-investment (Co-funding)

**Table 3: Differentiation Evaluation for Integrators and Sub-Systems Suppliers**

Differentiation Factors Integrators and Sub-Systems Suppliers		Score	Weight	Weighted Score
Factor	Scoring	( /10)	(%)	
<b>Experience in Marine Manufacturing as an integrator and sub-system supplier</b>	The company has the following experience (in years) within the Marine Manufacturing Industry if <b>NOT</b> SMME: <ul style="list-style-type: none"> <li>• More than 10 years (assigned score 10)</li> <li>• 5 – 10 years (assigned score 8)</li> <li>• Less than 5 years or new to the Marine industry (assigned score 5)</li> <li>• No indication that company is or will be involved in Marine Manufacturing</li> </ul>		25	
<b>Strategic nature and relevance of project/technology to support the role of the AISI as an industry support mechanism (see Section 2)</b>	Project/technology contributes to the role of the AISI such as: increase contribution of SMMEs, enhance BBBEE support, increase market access opportunities and export of goods, contribute to building of skills and employment, improve local industry competitiveness, ensure technologies are taken up by industry, enable new suppliers to enter the supply chain and develop new technologies. <ul style="list-style-type: none"> <li>• Contributes to three or more aspects listed above (assigned score: 10)</li> <li>• Contributes to 2 or 3 aspects listed above (assigned score: 8)</li> <li>• Contribute to 1 aspect listed above (assigned score: 5)</li> <li>• Does not contribute to the role of the AISI (assigned score: 0)</li> </ul>		25	
<b>Favorable ratio of self-investment if not a SMME (Co-Funding)</b>	The applicant commits the following co-funding as a percentage of the total project funds if <b>NOT</b> SMME:: <ul style="list-style-type: none"> <li>• More than 80% of the total project funding (assigned score: 10)</li> <li>• Between 50% and 80% of total project funding (assigned score: 8)</li> <li>• Co-funds 25 – 49% of requested funds (assigned score: 5)</li> <li>• Co-funds less than 25% of total project cost (assigned score: 0)</li> </ul>		25	
<b>Localisation: Technology being developed has the potential to increase local market content</b>	The proposed Technology Enhancement Project: <ul style="list-style-type: none"> <li>• Specifically addresses localisation for Marine designated components (assigned score: 10)</li> <li>• <b>Has significant potential</b> to increase local market content as it addresses a need in the local Marine market (assigned score: 8)</li> <li>• <b>Has limited potential</b> to increase local market content as it addresses a need in the local Marine market (assigned score: 5)</li> <li>• Will not increase the local marine market as it does not address the local Marine need (assigned score: 0)</li> </ul>		25	
<b>Total</b>			<b>100</b>	<b>100</b>

**Table 4. Differentiation Evaluation for SMMEs**

Differentiation Factors (SMMEs)		Score	Weight	Weighted Score
Factor	Scoring	( /10)	(%)	
<p><b>Experience in Marine Manufacturing as an integrator and sub-system supplier</b></p>	<p>The company has the following experience (in years) within the Marine Manufacturing Industry if SMME:</p> <ul style="list-style-type: none"> <li>• More than 8 years (assigned score 10)</li> <li>• 3 – 8 years (assigned score 8)</li> <li>• Less than 3 years or new to the Marine industry (assigned score 5)</li> <li>• No indication that company is or will be involved in Marine Manufacturing</li> </ul>		25	
<p><b>Strategic nature and relevance of project/technology to support the role of the AISI as an industry support mechanism</b></p> <p>(see Section 2)</p>	<p>Project/technology contributes to the role of the AISI such as: increase contribution of SMMEs, enhance BBBEE support, increase market access opportunities and export of goods, contribute to building of skills and employment, improve local industry competitiveness, ensure technologies are taken up by industry, enable new suppliers to enter the supply chain and develop new technologies.</p> <ul style="list-style-type: none"> <li>• Contributes to three or more aspects listed above (assigned score: 10)</li> <li>• Contributes to 2 or 3 aspects listed above (assigned score: 8)</li> <li>• Contribute to 1 aspect listed above (assigned score: 5)</li> <li>• Does not contribute to the role of the AISI (assigned score: 0)</li> </ul>		25	
<p><b>Favorable ratio of self-investment if SMME</b></p> <p>(Co-Funding)</p>	<p>The applicant commits the following co-funding as a percentage of the total project funds:</p> <ul style="list-style-type: none"> <li>• More than 80% of the total project funding (assigned score 10)</li> <li>• Between 40% and 80% of total project funding (assigned score 8)</li> <li>• Co-funds 10 – 39% of requested funds (assigned score: 5)</li> <li>• Co-funds less than 10% of total project cost (assigned score 0)</li> </ul>		25	
<p><b>Localisation:</b></p> <p><b>Technology being developed has the potential to increase local market content</b></p>	<p>The proposed Technology Enhancement Project:</p> <ul style="list-style-type: none"> <li>• Specifically addresses localisation for Marine designated components (assigned score 10)</li> <li>• <b>Has significant potential</b> to increase local market content as it addresses a need in the local Marine market (assigned score 8)</li> <li>• <b>Has limited potential</b> to increase local market content as it addresses a need in the local Marine market (assigned score 5)</li> </ul> <p>Will not increase the local marine market as it does not address the local Marine need (assigned score: 0)</p>		25	
<b>Total</b>			<b>100</b>	<b>100</b>

Proposals that score equal or greater to 65% in the differentiation factor evaluation will be evaluated based on transformation factors. There is no minimum for transformation factors. This evaluation step will be used to rank the successful applicants. Companies with a higher score in the transformation factor evaluation will be prioritised. Transformation factors will be evaluated based on:

1. Percentage black ownership
2. Percentage black omen ownership
3. Percentage youth ownership
4. BBBEE level

## **7.2 Evaluation of Transformation Related Factors**

All proposals with a weighted differentiation score greater than or equal to 65% will be evaluated for transformation factors. The principle at this stage of evaluation is that all such projects have proven to be suitable for AISI support and this stage will rank them based on the transformation related characteristics of the applying organisations without taking into account the functionality scores again.

- Qualifying projects will be scored and the total weighted scores will be ranked from the top performing in terms of the transformation factors as shown in Table 5.
- Successful companies (or company) will be identified based on the ranking and the available budget for the call.
- Both successful and unsuccessful applicants from this stage will be informed of the outcome.
- The successful applicant(s) will then be notified. If additional information is required this will be communicated at this point.

This evaluation stage will only apply to those applications that managed to get a weighted score of greater than or equal to 65% during the differentiation evaluation. The transformation related factors for the evaluation of all project proposals are shown in Table 5 and they apply to both SMMEs as well as Integrators and sub-systems suppliers.

Each transformation related factor is assigned a score (maximum 10), which is then weighted according to the importance of the factor.

**NOTE:** Obtaining a score that is less than 50% on any of the individual criteria at this stage **WILL NOT** result in elimination of the applicant from further evaluation. The outcome of the transformation related evaluation is just to rank projects.

**Table 5. Transformation Related Evaluation Factors**

	<b>Transformation Factors</b>	<b>Score</b>	<b>Weight</b>	<b>Weighted Score</b>
<b>Factor</b>	<b>Factor Description</b>	<b>( /10)</b>	<b>(%)</b>	
Black Ownership	Percentage of black ownership in the business <i>(Please provide proof e.g B-BBEE certificate. If using an affidavit, ensure this information is included)</i> <ul style="list-style-type: none"> <li>• ≥ 50% Black Ownership (assigned score: 10)</li> <li>• 1 – 49% Black Ownership (assigned score: 7)</li> <li>• No Black Ownership (assigned score: 5)</li> </ul>		<b>35</b>	
Black Women Ownership	Percentage of Black Women Ownership <i>(Please provide proof e.g B-BBEE certificate. If using an affidavit, ensure this information is included)</i> <ul style="list-style-type: none"> <li>• ≥ 30% Black Women Ownership (assigned score: 10)</li> <li>• 1 – 29% Black Women Ownership (assigned score: 7)</li> <li>• No Black Women Ownership (assigned score: 5)</li> </ul>		<b>25</b>	
Youth Ownership	Percentage of Youth Ownership <i>(Please provide proof e.g CIPC documents)</i> <i>In South Africa, the youth is defined as the population between 15 and 35 years.</i> <ul style="list-style-type: none"> <li>• Youth Ownership (assigned score: 10)</li> <li>• No Youth Ownership (assigned score: 5)</li> </ul>		<b>10</b>	
Black Economic Empowerment Level	The B-BBEE level of the company <ul style="list-style-type: none"> <li>• B-BBEE Level 1-2 (assigned score: 10)</li> <li>• B-BBEE Level 3-4 (assigned score: 8)</li> <li>• B-BBEE Level 5-8 (assigned score: 5)</li> <li>• B-BBEE Level Non-Compliant- Disqualified</li> </ul>		<b>30</b>	
	<b>Total</b>	<b>/50</b>	<b>100</b>	<b>/100</b>

### 7.3 PROJECT BUDGET & CO-FUNDING

Co-Funding of all Technology Enhancement projects is a requirement. The co-funding contribution is calculated based on the project budget. Co-funding required from SMMEs and non-SMMEs differ:

- SMMEs: A minimum of 10% co-funding is required.
- Non-SMMEs: A minimum of 25% co-funding is required.

A total of R750 000 (Seven Hundred Fifty Thousand South African Rand) (excl. VAT) is available for this call. This could be for one large one technology enhancement project or several smaller one technology enhancement projects that add up to R750 000. The total project amount, including co-funding, from the beneficiary can exceed the R750 000 only when co-funding is added. Funding received per project will therefore not exceed R750 000 (excl. VAT). Projects will require a detailed motivation demonstrating significant benefits to the Marine manufacturing industry. Any project proposals received with **requested** budget amounts over the above value without the added co-funding will be disqualified.

Funding can be used for internal or external organisational running cost, human resource, training, development, engineering support and similar costs. However, **funding may not be used for capital expenditure purchases (such as equipment and software).**

### 7.4 Project Timelines

All proposed projects must have a maximum duration of one year (12 months). All project deliverables must be completed within the specified timeframes; no extensions will be permitted.

## 8 GUIDELINES AND KEY POINTS

Any South African Integrators and Sub-Systems Suppliers and SMMEs are invited to submit proposals in support of this call. Applicants are encouraged to propose projects with the support of a consortium of partners. Such partners should ideally co-fund/contribute to the project. Please note the following:

- **Submit your applications via email:** [nroux@csir.co.za](mailto:nroux@csir.co.za)
- All enquiries must be directed to the AISI via email: [nroux@csir.co.za](mailto:nroux@csir.co.za).
- An organisation may submit more than one proposal.

- The AISI will only support marine manufacturing, maintenance and repairs and associated services related projects under this call for proposal.
- The AISI does not support feasibility studies.
- Only **R750 000** is available for this call.
- Companies receiving support will be based on merit.
  - The AISI will nominate the applicants' whose Eols are determined to be the most advantageous to the AISI, taking into consideration the technical suitability of the shortlisted participant.
- Complete the project proposal template and submit by the date and time specified.
- All project proposals, relevant documentation, data and information will be treated as confidential.
- The process of evaluating all proposals will be conducted in a fair and confidential manner.
- All technical experts in the review committee are also bound by an obligation of confidentiality.
- Only applications received before or on the due date will be considered for this call.
- Beneficiaries who completed Marine Programme Technology Enhancement Project(s) within the last three years, or that have active projects through this intervention, will not be considered for funding.
- Contracts will be entered into between the CSIR (on behalf of the AISI) and the successful institution(s) for each successful project proposal.
- Subject to the nature and scope of a project, a Project Manager from the AISI will be the primary technical contact between the AISI and the recipient.
- A payment schedule will be negotiated on a project-by-project basis.
- All applicants are required to co-fund the proposed project with the AISI.
- Local Integrators and Sub-Systems Suppliers are required to utilise local SMMEs in the proposed project.
- Provide evidence for transformation factors: black ownership, black woman ownership and youth ownership where applicable. BBBEE documents and CIPC documents can be used.

## **9 MEDIUM OF COMMUNICATION**

All documentation submitted in response to this Eol must be in English.

## 10 ELIMINATION CRITERIA

Proposals will be eliminated under the following conditions:

- Submission after the deadline date and time;
- Incomplete submissions;
- Proposal template not completed, signed and submitted (Annexure A);
- EoI compliance checklist not signed and submitted (Section 19);
- Declaration of Conflict of Interest not signed and submitted (Section 20);
- Declaration of Conflict of Financial Interest not signed and submitted (Section 21);
- Final Declaration not signed and submitted (Section 22);
- No B-BBEE certificate;
- Companies that have a B-BBEE level of non-compliant;
- No Valid Tax Clearance Certificate;
- No signed EoI Terms of Reference (this document), each page should be initialled and submitted with the proposal; and
- No minimum of 10% co-funding from SMME commitment
- No minimum of 25% co-funding from non-SMME commitment

## 11 PROGRAMME DURARION

The Programme, as currently envisaged, incorporates the following key dates:

- |  |                        |
|--|------------------------|
| • Issue of EoI documents:                              | 2 November 2021        |
| • Information Session via Zoom <b>(NOT Compulsory)</b> | 9 November 2021, 11h00 |
| • Last date for submission of queries                  | 11 November 2021 COB   |
| • Closing / submission date:                           | 16 November 2021       |
| • Estimated appointment date of successful tenderer    | 13 December 2021       |
| • Estimated contract duration (in months/years)        | 12 Months              |

## 12 SUBMISSION OF EOI

11.1. As a result of the COVID-19 pandemic, all EoI documents shall be submitted electronically via email:

- marked for attention Nicolene Roux [<nroux@csir.co.za>](mailto:nroux@csir.co.za) ,
- with “**AISI Marine Programme\_ Technology Enhancement**” as the subject line.

- 11.2. All EoI documents must be received no later than the stipulated closing date and time. Any EoI submitted after the stipulated time and date will be automatically disqualified.
- 11.3. All queries pertaining to the EoI must be forwarded via email,
- marked for attention Nicolene Roux [<nroux@csir.co.za>](mailto:nroux@csir.co.za),
  - with “**AISI Marine Programme\_ Technology Enhancement**” as the subject line.
- 11.4. Proposals submitted by companies must be signed by a person or persons duly authorised.
- 11.5. The AISI will award the contract to a qualified tenderer whose proposal is determined to be the most advantageous to the AISI, taking into consideration the technical evaluation and transformation factors.

### **13 DEADLINE FOR SUBMISSION**

Proposals must be submitted electronically (to the address mentioned above) by no later than the closing date of **Tuesday, 16 November before 16h30.**

Where a proposal is not received by the AISI by the due date and at the stipulated time, it will be regarded as a late submission. Late submissions will not be considered.

### **14 COST of EoI**

Applicants are expected to fully acquaint themselves with the conditions, requirements and specifications of this EoI before submitting their EoI. Each applicant assumes all risks for resource commitment and expenses, direct or indirect, of proposal preparation and participation throughout the EoI process. The AISI is not responsible – directly or indirectly for any costs incurred by applicants in the preparation and submission of the EoI.

### **15 VALIDITY AND CORRECTNESS OF RESPONSES**

The applicant confirms satisfaction regarding the correctness and validity of its proposal.

### **16 RESPONSIBILITY TO EXECUTE, AND FAILURE TO COMPLY**

The successful applicant hereby accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under this EoI.

The Respondent hereby offers to render all the services described in the attached document (if any) to the AISI on the terms and conditions and in accordance with the specifications stipulated in this Eol documents.

## **17 VERIFICATION OF DOCUMENTS**

- a. Applicants should check the numbers of the pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by the AISI in regard to anything arising from the fact that pages are missing or duplicated.
- b. Telegraphic and telefax submissions will not be accepted.
- c. Only submissions via email will be accepted.

### **17.1 The AISI reserves the right to:**

- a. Amend any Eol conditions, validity period, specifications, or extend the closing date and/or time of Eol before the closing date. All applicants, to whom the Eol documents have been issued, will be advised in writing of such amendments on time;
- b. Verify any information contained in an Eol;
- c. Request documentary proof regarding any Eol issue;
- d. Not appoint any applicant;
- e. Vary, alter, and/or amend the terms of this Eol, at any time prior to the finalisation of its adjudication hereof;
- f. Cancel or withdraw this Eol at any time, without attracting any liability;
- g. Cancel or withdraw from this Eol as a whole or in part without furnishing reasons and without attracting any liability; and
- h. Request an applicant to do a presentation to the technical review committee.

## **18 DISCLAMERS**

- The AISI has produced this Eol in good faith. However, the AISI, its agents and its servants do not warrant its accuracy or completeness. To the extent that the AISI is permitted by law, the AISI will not be liable for any claim whatsoever and howsoever arising (including, without limitation, any claim in contract, negligence or otherwise) for any incorrect or misleading information contained in this Eol due to any misinterpretation of this Eol.

- This EoI is a request for EoI only and not an offer document; answers to it must not be construed as acceptance of an offer or imply the existence of a contract between the parties.
- The AISI makes no representation, warranty, assurance, guarantee or endorsements to any applicant concerning the EoI, whether with regard to its accuracy, completeness or otherwise and the AISI shall have no liability towards the respondent or any other party in connection therewith.

**19 EoI COMPLIANCE CHECK LIST**

To be completed by the applicant:

- I/We hereby undertake to render services described in the attached EoI documents as and when requested to the AISI in accordance with the requirements stipulated in EoI Number: **002/02/11/2021**.
  - The following documents will be deemed to form and be read and construed as part of this EoI. The documents are:
    - EoI Terms of Reference (this document)
    - The Proposal Template to the EoI
    - Declaration of Interest
  - I/We confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our EoI proposal and that the proposal cover all the services specified in the documents.
  - I/We declare that I/we have no participation in any collusive practices with any other applicant or third party regarding this or any other EoI.
  - I/we confirm that I/we am duly authorised to sign this document.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	.....
2	.....

**20 DECLARATION OF CONFLICT OF INTEREST FORM (APPLICANT)**

This declaration of interest must be completed and submitted with the EoI. Failure to do so may result in the elimination of the Applicant's EoI.

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**Declaration of Interest - AISI EoI 002/02/11/2021.**

Are any staff members, from your company involved in this EoI process, connected or have any relationship with anyone employed by the AISI/CSIR?

Yes		No	
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If yes, please state particulars:

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**21 DECLARATION OF CONFLICT OF FINANCIAL INTEREST - AISI EoI 002/02/11/2021.**

Is the integrator or sub-systems supplier/SMME receiving support for similar interventions from any other South African government department or international organisation?

Yes		No	
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If yes, please state particulars:

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**22 DECLARATION**

I, \_\_\_\_\_ (THE UNDERSIGNED), DULY AUTHORISED, CERTIFY THAT THE INFORMATION FURNISHED IN THIS EOI IS CORRECT. I ACCEPT THAT THE CSIR MAY TAKE APPROPRIATE ACTIONS, DEEMED NECESSARY, SHOULD THIS DECLARATION PROVE TO BE FALSE.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Position

\_\_\_\_\_  
Name of applicant

## 23 TECHNOLOGY READINESS LEVELS (TRLs)

**TRL 1 Basic principles observed and reported:** Transition from scientific research to applied research. Essential characteristics and behaviours of systems and architectures. Descriptive tools are mathematical formulations or algorithms.

**TRL 2 Technology concept and/or application formulated:** Applied research. Theory and scientific principles are focused on specific application area to define the concept. Characteristics of the application are described. Analytical tools are developed for simulation or analysis of the application.

**TRL 3 Analytical and experimental critical function and/or characteristic proof-of concept:** Proof of concept validation. Active Research and Development (R&D) is initiated with analytical and laboratory studies. Demonstration of technical feasibility using breadboard or brass board implementations that are exercised with representative data.

**TRL 4 Component/subsystem validation in laboratory environment:** Standalone prototyping implementation and test. Integration of technology elements. Experiments with full-scale problems or data sets.

**TRL 5 System/subsystem/component validation in relevant environment:** Thorough testing of prototyping in representative environment. Basic technology elements integrated with reasonably realistic supporting elements. Prototyping implementations conform to target environment and interfaces.

**TRL 6 System/subsystem model or prototyping demonstration in a relevant end-to-end environment (ground or space):** Prototyping implementations on full-scale realistic problems. Partially integrated with existing systems. Limited documentation available. Engineering feasibility fully demonstrated in actual system application.

**TRL 7 System prototyping demonstration in an operational environment (ground or space):** System prototyping demonstration in operational environment. System is at or near scale of the operational system, with most functions available for demonstration and test. Well integrated with collateral and ancillary systems. Limited documentation available.

**TRL 8 Actual system completed and "mission qualified" through test and demonstration in an operational environment (ground or space):** End of system development. Fully integrated with operational hardware and software systems. Most user documentation, training documentation, and maintenance documentation completed. All functionality tested in simulated and operational scenarios. Verification and Validation (V&V) completed.

**TRL 9 Actual system "mission proven" through successful mission operations (ground or space):** Fully integrated with operational hardware/software systems. Actual system has been thoroughly demonstrated and tested in its operational environment. All documentation completed. Successful operational experience. Sustaining engineering support in place.

24 [ANNEXURE A: PROPOSAL TEMPLATE](#) (provided)

- Proposal Template