

## Start-ups

*By Werner van Rooyen, Director of HowToTender (Pty) Ltd which specializes in tender consulting and tender training.*

In the tender process it is essential that an enterprise has experience of the supply of the products and/or services that it wants to tender for. In fact, the more proficient and experienced the enterprise is with its supply the better its chances of being awarded a tender.

Where do start-up enterprises fit in? Can a start-up enterprise win a tender? The answers to these questions are for the Organ of State that issued the tender, to decide, but there are definitely some things that a start-up can do to ensure that it subscribes to the minimum requirements of a tender.

The minimum requirements that any enterprise must have are:

- A tax clearance certificate.
- A B-BBEE certificate.
- Company registration documents.
- Bank account detail.

The reason for this is that the Organ of State must verify that an enterprise is legal. The Preferential Procurement Policy Framework Act necessitates Organs of State to adhere to these minimum requirements. It is also crucial for an enterprise to have some B-BBEE credentials because the enterprise's B-BBEE score is used in the Standard Bidding Document 6.1 to calculate the enterprise's Preferential Points. Without these points it will be difficult for an enterprise to get past the evaluation stadium of any tender process, not even to mention the adjudication stadium. No points will result in losing the tender.

If, by some chance, the technical criteria of a tender are not that important, a start-up enterprise might just be able to make it through the first round of evaluation. Usually the enterprise must score between 70 to 75 points on the technical criteria to advance to the next phase of evaluation. This is exactly where start-up enterprises fail. The entrepreneur does not realize that **if you want to tender you must have some expertise of the supply you want to deliver**. This little point in the tender process is much enterprise's downfall.

So how does an enterprise, especially a start-up enterprise, overcome this problem? The logical answer would be to join forces with an enterprise that has the necessary expertise and that comply with the technical criteria of a specific tender. Finding enterprises that will go into a joint venture can be difficult but if the start-up enterprise can bring some specific skills to the joint venture it will be easier to find a partner.

The Government is set on developing SMME's. This is good news for start-up enterprises! It means that when an Organ of State has a large tender that it must award, it might award some or part of the tender to SMME's or start-up enterprises. This means that your start-up enterprise might just be the lucky one to score that big tender.

To learn more about this and many other tender conditions attend our "Become a Tender Expert" 2-Day workshops presented in Johannesburg, Pretoria, Durban, Port Elizabeth, and Cape Town. Book and pay online at <https://howtotender.co.za/tender-expert-form/>

Contact us at [estelle@howtotender.co.za](mailto:estelle@howtotender.co.za) should you need more information.