

Can a start-up business win a tender?

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The answer to this question is for the Organ of State that has issued the tender, to decide. The bad news is that few tenders are awarded to new businesses. Yes, tenders are awarded to start-ups, but the bulk of tenders are awarded to running concerns – businesses with a track record.

However, the Government is set on developing SMME's. This is good news for start-up enterprises! Organs of State have identified certain industry sectors such as cleaning, grass cutting, security and a few others where they will try and award tenders to start-up enterprises. Furthermore, the new *Preferential Procurement Regulations 2017*, have three specific Regulations that Organs of State can apply, to the advantage of designated groups, through sub-contracting 30% of a tender to Small, Medium and Micro Enterprises (SMME's).

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.

There are some things that a start-up can do to ensure that it subscribe to the minimum requirements of a tender.

Starting a business is an extremely arduous process – starting a business specifically for the purpose to respond to tenders is even more difficult. Start a small business, get it up and running, get some experience under the belt, earn a bit of income, and then start responding to tenders.

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 should you require more information.

You can also purchase a Tender Manual (Handbook) on our website <https://howtotender.co.za/> which is a step by step guide how to respond to a South African Tender. It includes examples of completed SBD forms.