

SOUTH AFRICAN RUGBY UNION – REQUEST FOR PROPOSALS (“RFP”)

1. INTRODUCTION

- 1.1. The South African Rugby Union (“**SARU**”) wishes to appoint an Independent Financial Advisor (“**IFA**”) to consider and thereafter formulate a proposal to SARU for a fit for purpose structure to enable South African rugby to compete in the global commercial and business arena.
- 1.2. This RFP serves as an invitation to suitably qualified IFA’s to apply to be appointed as SARU’s IFA for the foregoing purpose.

2. INFORMATION CONCERNING SARU

- 2.1. Information relating to SARU is contained in SARU’s Governance Documents and Annual Report which is available on www.sarugby.co.za
- 2.2. Any further information which applicants may require may be obtained by means of a written request to Chantal.dupisani@sarugby.co.za

3. ELIGIBILITY

- 3.1. The IFA must have a proven track record in all aspects that will enable it to provide to SARU the appropriate structure including skills in economic, financial and commercial aspects in the sports industry, both locally and internationally.
- 3.2. The IFA will not be eligible if it has any relationships with any Union comprising SARU or a commercial partner of such Union. In its response to this RFP any applicant IFA must certify that it does not have any conflict of interest.
- 3.3. The criteria on which the selection will be based will include the following –
 - 3.3.1. proven experience in financial advisory and transactional services;
 - 3.3.2. independent from any and all SARU / related parties’ transactions, financial advisory services, and financial institutions;
 - 3.3.3. proven track record with confirmed and verifiable expertise in sports, finance and sustainability, internationally;
 - 3.3.4. strong analytical and strategic planning skills;
 - 3.3.5. strong legislative, governance and financial background;

- 3.3.6. excellent stakeholder engagement and communication abilities;
 - 3.3.7. corporate entity with a verifiable background and in excess of 10 years IFA experience in sport or other commercial transactions;
 - 3.3.8. proven track record of mergers and acquisitions insofar as this may be an outcome of the review; and
 - 3.3.9. knowledge of the foreign sporting industry and in particular, the arena in which SARU will compete.
- 3.4. It is pointed out that the scope of the work may also include assistance to SARU, if so required by SARU to assist SARU in the execution of any transaction arising from, or related to, this RFP.
- 3.5. An important criterion will be the fees that the IFA proposes to charge. The fees, or the basis of the fees, must be fully set out in the fee proposal. There should be included –
- 3.5.1. the fee for the basic assignment; and
 - 3.5.2. if the selected IFA is requested to assist SARU in the execution of any transaction, the fee that will be payable for such work.
- 3.6. All fees will be payable in South African Rand, even if the selected IFA is non-South African.
- 3.7. Applicant IFA's may submit proposals as part of a joint venture so as to enable the applicant IFA to obtain skills which the applicant IFA may not have. If an IFA applicant wishes to avail itself of this facility it is noted that –
- 3.7.1. the applicant IFA will remain responsible for all obligations of the joint venture; and
 - 3.7.2. each member of the joint venture must satisfy the Eligibility requirements.

4. **SCOPE OF ASSIGNMENT**

- 4.1. This framework outlines the scope of work, deliverable and expectations of the IFA.
- 4.2. The IFA shall –
 - 4.2.1. assess the current financial status of SA Rugby (SARU, the member Unions and their commercial structures);

- 4.2.2. identify key financial challenges and opportunities (in current financial operations of sport) on a global basis;
 - 4.2.3. propose actionable financial and commercial solutions to ensure long-term sustainability of rugby in South Africa and its member environment;
 - 4.2.4. provide strategic advice, input on potential investments structuring and other funding mechanisms;
 - 4.2.5. the role of equity in sport, is it a viable pathway to deliver a world class, future fit sporting code; and
 - 4.2.6. fair value assessment of the SARU Business (current and based on future projections and business potential).
- 4.3. The IFA will be responsible for the following tasks:
- 4.3.1. Financial Assessment
 - 4.3.1.1. conduct a thorough review of SA Rugby's financial statements, budgets, and forecasts;
 - 4.3.1.2. analyse revenue streams, expenditure patterns, and financial commitments;
 - 4.3.1.3. evaluate the financial impact of existing and potential commercial agreements;
 - 4.3.1.4. evaluate the commercial landscape of sport of rugby in South Africa; and
 - 4.3.1.5. produce a fair value assessment of SARU (2025) and long term.
 - 4.3.2. Stakeholder Engagement
 - 4.3.2.1. engage with key stakeholders, including franchise unions, non-franchise unions, sponsors, and partners in partnership with SARU management; and
 - 4.3.2.2. gather insights and feedback on financial challenges and opportunities for SARU.
 - 4.3.3. Financial Solutions

- 4.3.3.1. develop a range of financial solutions to address financial and commercial sustainability issues, including:-
- 4.3.3.2. perform cost optimization strategies;
- 4.3.3.3. perform optimal Resources Structure;
- 4.3.3.4. produce revenue enhancement initiatives;
- 4.3.3.5. suggest investment opportunities;
- 4.3.3.6. conduct risk management approaches; and
- 4.3.3.7. suggest investment and other funding mechanisms in sport.

4.3.4. Strategic Advice

- 4.3.4.1. provide strategic advice on investments and other funding mechanisms;
- 4.3.4.2. assess the feasibility and impact of proposed financial solutions; and

4.4. Deliverables

- 4.4.1. within the objectives as set aside in this RFP; and where appropriate and in conjunction with the SARU CEO.
- 4.4.2. the IFA will deliver a Comprehensive Financial Report with the following:-
- 4.4.3. an overview of the financial rugby eco-system of SA Rugby and its Union members and their commercial partners to determine value of SARU;
- 4.4.4. a detailed analysis of SA Rugby's financial status;
- 4.4.5. an identification of key financial challenges and opportunities;
- 4.4.6. a proposed financial solutions and strategic recommendations; and
- 4.4.7. a fair Value Assessment of SA Rugby current and potential value.

4.5. Report on the viability of private equity in sport and rugby specifically.

4.6. Stakeholder Engagement Report

4.6.1. provide a summary of stakeholder feedback and insights within the scope of the RFP; and

4.6.2. provide a summary of stakeholder input.

4.7. Implementation Plan

The IFA shall present to SARU (President and CEO) initially for consideration; the options available to the EXCO to consider and (where applicable) pursue and be able to present such options and timelines to the EXCO.

5. **PROCEDURE**

5.1. Bid Components

All bids must be accompanied by –

5.1.1. valid Business registration documents;

5.1.2. valid BBBEE Certificate (minimum level 3 BBBEE Certificate);

5.1.3. signed Technical proposal and financial submission forms;

5.1.4. joint venture Agreement in the case of firms submitted as joint ventures;
and

5.1.5. consent to verification of independence of bidders and credentials.

5.2. Bid Validity

Proposals should be valid for 120 calendar days from the bid closing date.

5.3. Bid Opening

5.3.1. no bids will be opened in public.

5.3.2. late bids will be rejected.

5.3.3. No physical delivery of bids will be accepted.

5.4. Bid Submission

5.4.1. all bids shall be submitted electronically to procurement@sarugby.co.za.

- 5.4.2. proposal submission deadline is 16 May 2025.
- 5.4.3. the bid will be adjudicated by a Committee established by SARU, the composition of which will ensure that no members have any conflict of interest.
- 5.4.4. the decision of the Board Committee will be final, no objections will be entertained.

6. **REQUIREMENT OF STANDARD CONTRACT**

The selected IFA will be required to sign a contract of appointment with SARU.

7. **MISCELLANEOUS**

- 7.1. The IFA shall at all times, report, on a monthly basis to the SARU CEO on progress. Update and deliverables of the Project.
- 7.2. All and any information provided by either SARU or the IFA under this RFP is provided in good faith and without any warranty or representation, express, implied or otherwise, regarding its accuracy or performance. Neither party nor any of its representatives shall have any liability to the other party, its representatives, or any other person of any nature or kind whatsoever, directly or indirectly, resulting from or arising out of the use of information provided. All and any information provided by SARU to the IFA shall be subject to the strictest Confidentiality notice that shall form part of the Agreement once the IFA is successful.
- 7.3. Clarification requests should be addressed to : Chantal.dupisani@sarugby.co.za

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