



SPECIAL CONDITIONS OF THE CONTRACT

RT40-2024

**SUPPLY AND DELIVERY OF CRUTCHES AND WALKING AIDS TO THE
STATE FOR THE PERIOD OF
36 MONTHS**

**NON-COMPULSORY BRIEFING SESSION TO BE HELD ON THE
19 OF OCTOBER 2023 ON MICROSOFT TEAMS**

CLOSING DATE AND TIME OF BID

8 NOVEMBER 2023 AT 11H00

BID VALIDITY PERIOD: 180 DAYS



Transversal Contracting

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LIST OF ABBREVIATIONS

Abb	Full Name
BAC	Bid Adjudication Committee
B-BBEE	Broad-Based Black Economic Empowerment
BEC	Bid Evaluation Committee
CPA	Contract Price Adjustment
CSD	Central Supplier Database
GCC	General Conditions of Contract
OCPO	Office of the Chief Procurement Officer
SBD	Standard Bidding Document
SARS	South African Revenue Services
SCC	Special Conditions of Contract
SCM	Supply Chain Management
TC	Transversal Contract
TCD	Transversal Contract Document
TIC	Tender Information Centre
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Frame Act
QC	Quality Control
RoE	Rate of Exchange
VAT	Value- Added Tax



LIST OF ATTACHMENTS AND ANNEXURES

- i. Standard Bidding Documents (SBD's)
- ii. Transversal Contracting Documents (TCD's)
- iii. General Conditions of Contract (GCC)
- iv. Annexure A -Technical Specification
- v. Annexure B - Pricing Schedule

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**Table 2: Bid Document Checklist and Returnable**

#	Document Name ¹	Included in the published bid document?	To be returned by bidder?	Bidder to tick Yes if document is submitted
PHASE 1: ADMINISTRATIVE REQUIREMENTS EVALUATION				
1.	SBD 1 Invitation to Bid	Yes	Yes	
2.	Proof of authority must be submitted as per SBD 1	No	Yes	
3.	SBD 4 Bidder's Disclosure	Yes	Yes	
4.	SBD 5 National Industrial Participation Program	Yes	Yes	
5.	SBD 6.1 Preference Points Claim Form	Yes	Yes	
6.	Full CSD report	No	Yes	
7.	Written confirmation for disclosing tax status by SARS	No	Yes	
PHASE 2: MANDATORY REQUIREMENTS EVALUATION				
8.	Pricing Schedule (Annexure 3)	Yes	Yes	
PHASE 3: TECHNICAL COMPLIANCE EVALUATION				
9.	Annexure A - Technical Specifications	Yes	Yes	
10.	Quality Assurance Certificate	No	Yes	
11.	TCD 13 Authorization Declaration	Yes	Yes	
12.	TCD 13.1 List of goods or services offered	Yes	Yes	
13.	TCD 13.2 Letter of undertaking	Yes	Yes	
PHASE 4: PRICE & SPECIFIC GOALS EVALUATION				
14.	Pricing Schedule (Annexure 3)	No	Yes	
15.	Proof of HDI Ownership Goals and Local content	Yes	Yes	
OTHER BID DOCUMENTS REQUIREMENTS				
16.	Company Profile	No	Yes	

¹ Table 1 is provided as guidance to assist bidders with documents that must be returned with the bid. The list is not exhaustive, and it is the responsibility of the bidder to provide all required documents as per the provision of each clause in this bid



#	Document Name ¹	Included in the published bid document?	To be returned by bidder?	Bidder to tick Yes if document is submitted
17.	CIPC Company Registration Documents	No	Yes	
18.	Company Profile	No	Yes	
19.	Special Conditions of Contract	Yes	Yes	
20.	General Condition of Contract	Yes	Yes	



SECTION A: INTRODUCTION AND TERMS OF REFERENCE

1. DESCRIPTION AND FORMAT OF THE BID

- 1.1 This bid is for the supply and delivery of crutches and walking aids to the State for a period of 36 months.
- 1.2 This bid document is structured as follows:
 - 1.2.1 Section A : Introduction and Terms of Reference
 - 1.2.2 Section B : Conditions of Bid
 - 1.2.2.1 Part 1 : Evaluation Criteria
 - 1.2.2.2 Part 2 : Additional Bid Requirements
 - 1.2.2.3 Part 3 : Recommendation and Appointment of Bidders
 - 1.2.3 Section C : Conditions of Contract

2. LEGISLATIVE AND REGULATORY FRAMEWORK

- 2.1 This bid and all contracts emanating there from will be subject to General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) as well as the Preferential Procurement Policy Framework Act 2000 (PPPFA) with its latest 2022 regulations.
- 2.2 The Special Conditions of Contract (SCC) are supplementary to that of General Conditions of Contract (GCC). However, where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.
- 2.3 This bid is subject to all applicable industry related legislation, particularly the legislation stated below:
 - 2.3.1 Medicines and Related Substances Amendment Act, No. 72 of 2008 (Amendment Act) read together with a further Amendment Act, Medicines, and Related Substances Act No. 14 of 2015.
 - 2.3.2 National Health Act No: 61 of 2003
 - 2.3.3 Electronic Communications Act, No. 35 of 2005.

3. DURATION OF TRANSVERSAL CONTRACT

- 3.1 The transversal contract shall be for a period of 36 months.

4. BRIEFING SESSION

- 4.1 A non-compulsory virtual briefing session will be held as follows:



Venue : Microsoft Teams. The link to register and attend the briefing session is attached as: [Click here to join the meeting](#)

Date : 19 October 2023

Time : 10h00 am

4.2 The bid information session is not compulsory but will provide bidders with an opportunity to obtain clarity on certain aspects of the procurement process as set out in this bid document.

4.3 The National Treasury reserves the right to answer questions at the briefing session and/or to respond formally after the briefing session.

5. TERMS OF REFERENCE

5.1 TECHNICAL SPECIFICATIONS

5.1.1 The bid for the supply and delivery of crutches and walking aids. It has 8 categories with a total number of line items of 37. The detailed technical specifications are as per the attached Annexure 2.

5.1.2 The items are categorised as follows:

Table 1: Summary of Technical Specifications Categories

Category Description	Number of Items
Elbow Crutches	4
Tips/Ferrulse with washer	6
Armpads	2
Crutches Auxilla	4
Crutches Gutter	2
Walking Sticks	5
Pulpit Walkers	11
Heel Walking	3
Total Number of Items	37



SECTION B: CONDITIONS OF BID

6. PART 1: EVALUATION CRITERIA

6.1 The details of the evaluation phases are outlined below:

Table 2: Evaluation Criteria

Phase 1	Phase 2	Phase 3	Phase 4
Administrative and Legislation Evaluation	Mandatory Evaluation	Technical Compliance	Price and Specific goals
Compliance legislative and another bid requirement	Compliance with mandatory and other bid requirements	Compliance to the item technical specifications	Bids evaluated in terms of the 90/10 preference system

6.1.1 The State may conduct due diligence during any of the evaluation phases to confirm the information submitted by the bidder and any misrepresentation by the bidder may disqualify the bid thereof.

6.2 PHASE 1: ADMINISTRATION AND LEGISLATION REQUIREMENTS EVALUATION

6.2.1 Bidders are required to submit the below documents to comply to the policy to guide uniformity in procurement reform processes in Government as per section 2 of Practice Note No Supply Chain Management (SCM)1 of 2003 regarding bid documentation for supply chain management.

6.2.1.1 **SBD 1** – Invitation form to bid.

6.2.1.2 **Proof of Authority** – This is a company resolution for the capacity under which this bid is signed as per SBD 1

6.2.1.3 **SBD 4** – Bidders Disclosure

6.2.1.4 **SBD 5** – The National Industrial Participation Programme

6.2.1.5 **SBD 6.1** – Preference points claim form.

6.2.1.6 **Central Supplier Database (CSD)** – Bidders must submit a CSD Report.

6.2.1.7 **Written Confirmation to disclose tax status** – It is a requirement that bidders grant a written confirmation when submitting this bid response that SARS may on an on-going basis during the tenure of the transversal contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.



6.3 **PHASE 2: MANDATORY REQUIREMENTS**

6.3.1 Bidders' must submit all required documents indicated hereunder with the bid documents at the closing date and time of the bid. During this phase bidders' responses will be evaluated against the mandatory requirements for compliance. This phase is not scored and bidders who fail to comply with all the mandatory criteria will be disqualified.

6.3.2 **Pricing Schedule**

6.3.2.1 The pricing schedule (see Annexure 3) provided in this bid forms an integral part of the bid document and bidders must ensure that it is completed without changing the structure thereof. All pricing offered must be on a national level.

6.3.2.2 Bidders are required to complete and submit a mandatory Pricing Schedule Annexure 3 as a response on how much the items offered will be charged. Non-submission of the Pricing Schedule will invalidate the bid response.

6.3.2.3 Prices submitted for in this bid must be filled in on the field provided on the pricing schedule provided with the bid. Price structures that do not comply with this requirement may invalidate the bid.

6.4 **PHASE 3: TECHNICAL SPECIFICATION COMPLIANCE AND VISUAL SCREENING**

6.4.1 During this phase bidders' response will be evaluated based on technical requirements for each item offered. Non-compliance to all the evaluation requirements below will result in disqualification of the relevant line-item being evaluated.

6.4.2 **Standards/Specifications**

6.4.2.1 Items must comply with technical specification (**Annexure A**) as stated in the bid document of each item. The technical specification as per the pricing schedule is a summary description and the attached **Annexure A** is the detailed technical Specification of all the items. Non-compliance to the technical specification requirement will invalidate the items which the compliance is not adhered to.

6.4.2.2 Where specific specifications and/ or standards are applicable for each item, the quality of products shall not be less than the requirements of the latest edition of such specifications and/or standards throughout the contract period.

6.4.2.3 The State may consider products which have a reasonable deviation of at least 10% in terms of sizes for items indicated on the technical specification This is subject to the deviation not causing any clinically and functional harm to the target population and users that the product is aimed at and that the functional output of the item technical specification is achieved. This will therefore be decided upon based on the clinical judgement and expertise of the Bid Evaluation Committee.



6.4.3 **Warranty / Guarantee Periods and Repair of Equipment**

6.4.3.1 A minimum warranty / guarantee of one year six months (18) months is required on all crutches and walking aids from the date of delivery.

6.4.4 **Quality Assurance Requirements**

6.4.4.1 Bidders must submit at the closing date and time of bid, valid quality assurance certificates ISO 9001 or ISO 13485 to confirm compliance. The holder of the certificates must be the original manufacturer of the product. Failure to submit the valid certificate at the closing date and time of bid will invalidate your bid.

6.4.5 **Authorization Declaration**

6.4.5.1 All bidders must complete the "Authorisation Declaration" (TCD 13 and TCD 13.1) for all relevant goods or services in full, sign it and submit it together with the bid response at the closing date and time of the bid invitation.

6.4.5.2 Any bidder who is not an original manufacturer of the equipment must submit a valid Third-Party Undertaking letter (template provided as TCBD 13.2) in full for all relevant goods or services. The letter of undertaking from the manufacturer must include but not limited to the following:

- a) Item(s) number, item description and brand/model name.
- b) Letter must be on the original manufacturer's letter head, dated and signed.
- c) Letter must be not older than 30 days at the closing date and time of bid
- d) Letter must have the contact's name, physical and postal address, telephone, and email details and the capacity which a person is signing the letter.
- e) All the information on the letter must be in English.

6.4.5.3 Letter of undertaking must be from an Original Product Manufacturers (OPM) or an authorized importer/distributor of the product. In case where the letter is from an authorized importer/distributor, such proof from the OPM authorizing the importer or distributor (whose letter of undertaking is submitted), the letter from OPM must also be submitted with the bid at the closing date and time of bid.

6.4.5.4 The State reserves the right to verify any information supplied by the bidder in the Authorisation Declaration and should the information be found to be false or incorrect, the State will exercise any of the remedies available to it in this bid document.

6.4.5.5 The bidder must ensure that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party (manufacturer or authorized importer/distributor). No agreement between the bidder and the third (3rd) party will be binding on the State.



6.4.5.6 Failure to submit a duly completed and signed Authorisation Declaration, with the required annexure(s), in accordance with the above provisions may invalidate the bid for such goods or services offered.

6.4.6 **Test Reports from SANAS Accredited Institutions**

6.4.6.1 Where the item technical specification indicates a standard, bidders are required to submit a test report issued by a SANAS accredited (relevant accreditation for the product) institutions to proof compliance with the relevant standard indicated on the item technical specification. The test reports must not be older than eighteen (18) months at the closing date of the bid. Failure to submit a compliant test report will result in disqualification for the relevant item.

6.4.6.2 The procedures for sampling frame guidelines and testing for product compliance may differ and should be obtained from the relevant testing institution prior to submission of samples. The cost of compliance testing will be for the account of the prospective bidder.

6.4.6.3 In the event that a test report cannot be obtained from the testing institution prior to the closing date and time of the bid, the bidder must submit proof issued by the SANAS accredited institution that the sample had been submitted for testing on or before the closing date and time of the bid.

6.4.6.4 Where a bidder has submitted a letter from a SANAS accredited institution, bidders are required to submit the test report as soon as it is issued by the relevant institution. It is the responsibility of the bidder to ensure that the test reports are submitted to National Treasury within immediately as the test report is issued.

6.4.6.5 In an event where a bidder has submitted a letter from a SANAS accredited institution confirming that samples have submitted for testing, by submitting this bid, bidders are giving a consent to National Treasury to engage with a SANAS accredited institution to verify that bidders have submitted the samples for testing and National Treasury may request such test reports directly from a SANAS accredited institution.

6.4.6.6 Bids not supported by test reports will be disregarded in respect of the item (s) for which test reports are not submitted during evaluation including bidders who failed to submit the test report immediately after it has been issued by the testing institution.

6.4.6.7 Items which need to comply with a CKS 112, bidders must submit at the closing date of bid, a declaration/confirmation of compliance report issued by the original manufacturer/ OR issued by any testing institution (local/ international) to confirm compliance the requirements indicated on the on the attached CKS 112.

6.4.6.8 For more information to obtain the relevant standards, bidders must enquire at South African Bureau of Standards (SABS) office's countrywide for the relevant standards specifications for SANS, SABS, ISO AND CKS. Obtaining any standards/specifications will be the responsibility and for the account of the



prospective bidder. To purchase standards, obtain quotes or enquire about the availability of eStandards, please contact SABS Standards Sales as follows:

Physical Address: 1 Dr Lategan Road, Groenkloof, Pretoria, **Contact person:** Ms Wilheminah Moshobane, Tel: 012 428 6057/6694, **E-mail:** wilheminah.moshobane@sabs.co.za, **Website:** www.sabs.co.za and follow the "Search/Buy Standards" link

6.4.7 **Samples submission for Visual Screening Evaluation**

6.4.7.1 All items must comply with technical specification (Annexure A) as provided in this bid as stated in the technical specification detail of each item. Failure to comply will invalidate the items concerned.

6.4.7.2 Bidders are required to submit samples for visual screening evaluation for all items offered to verify compliance with technical specifications. Failure to submit the samples as required will invalidate the bid for the items which samples are not submitted.

6.4.7.3 **Sample Submission –**

- a) National Treasury will send a schedule indicating a date, time, place, and venue to short listed bidders to submit samples for the evaluation. Bidders' attention is drawn to the fact that a schedule for sample submission may be forwarded to bidders at a short notice of at least two weeks prior to the date of sample submission. The request to submit samples may be immediately after the closing date and therefore bidders are required to be ready to submit the samples from the closing date of the bid.
- b) It is a responsibility of the bidder to ensure that correct contact details are provided in the bid document and to ensure that samples are submitted on time, at the correct venue.
- c) Where different sizes of the same item are called for against different item numbers, samples of each size must be submitted (no representative samples will be accepted).
- d) All samples submitted must be a true representation of the product which will be supplied during the contract period. Must be in the original pack and comply to labelling requirements. The trade name or trademark of the manufacturer should be the same as indicated on the bid documents.

6.4.7.4 **Marking of samples to be submitted for Visual Screen Evaluation**

- a) Samples must be clearly marked on the outside with the bid number, bid item number, and the bidder's name. This detail must appear on a label attached to each individual box.
- b) Failure to comply with this condition may invalidate the bid against the relevant item.

6.4.7.5 **Collection of all samples –**



- a) If practical for samples to be collected, bidders will be informed of the date, time, and place where samples may be collected. If samples have not been collected by the bidder after National Treasury have issued a request to bidders to collect the samples, the samples will be disposed of at the discretion of National Treasury.

6.5 PHASE 4: PRICE AND SPECIFIC GOALS

6.5.1 Pricing Schedule and structure requirements

- 6.5.1.1 Prices quoted must be furnished on the basis of “delivered to State facility” country-wide inclusive of VAT.
- 6.5.1.2 The pricing schedule provided in this bid forms an integral part of the bid document and bidders must ensure that it is completed without changing the structure thereof. Bidders are required to complete a mandatory Pricing Schedule as a response on how much the items offered will be charged.
- 6.5.1.3 Due diligence on market related pricing reasonability may be conducted. The State reserve the right to disqualify bid offers in which are under quoted and or are above market value. In this case, the bidder may be required to submit supporting documentations to the State to proof that the pricing is not under quoted or above market value.
- 6.5.1.4 Conditional discounts offered will not be taken into consideration during evaluation.
- 6.5.1.5 Prices submitted for in this bid must be filled in on the field provided on the pricing schedule supplied with the bid. Price structures that do not comply with this requirement may invalidate the bid.
- 6.5.1.6 The Pricing Schedule (**see Annexure B attached**) must be submitted in two forms, as hardcopy which must be included in the bid document and in an excel spreadsheet saved in a USB/memory stick at the closing date and time of bid. Both the hard copy and the excel version must be the same (replica).

6.5.2 Preferential Point System

- 6.5.2.1 The pricing evaluation will be in terms of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 90/10 preference point system based on:

- a) The bid price (Maximum of 90 points)
- b) Historically disadvantaged individuals as well as specific goals (maximum 10 points)

- 6.5.2.2 The following formula will be used to calculate the points for price:

$$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where,



Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

6.5.2.3 The following points have been allocated for Historically disadvantaged individuals as well as specific goals.

GOALS	POINTS
Preference points for equity ownership by historically disadvantaged Individuals who, due to the apartheid policy that had been in place had no franchise in national elections prior to the introduction of the Constitution of the RSA, 1983 (Act 110 of 1983) or the Constitution of the RSA, 1993 (Act 200 of 1993), ("the Interim Constitution") and or	4
Historically Disadvantaged Individual who is a female	1
Other specific goals (goals of the RDP- plus local manufacture)	
- Local Manufacturing (locally produced product)	5

6.5.2.4 The points scored by a bidder in respect of the goals indicated above will be added to the points scored for price.

6.5.2.5 Bidders are required to complete the SBD 6.1 forms in order to claim preference points. Only a bidder who has completed and signed the declaration part of the SBD 6.1 and preference points claim forms will be considered for preference points.

6.5.2.6 The bidders must submit Identity Documents (ID), Central Supplier Database (CSD) and CIPC registration documents. These documents will serve as proof of ownership and directorship of the company.

6.5.2.7 Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender will not be allocated with the points claimed.

6.5.2.8 The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made about preference.

6.5.2.9 Points scored will be rounded off to the nearest 2 decimals.

6.5.2.10 If two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for the specified goals. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

6.5.2.11 A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest



number of points. in terms of section 2(1) (f) of the PPPFA Act, the State may consider bids offering goods with more local content and/or local value added.

6.5.2.12 Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.

6.5.2.13 The following formula must be applied to calculate the number of points out of the points allocated to ownership for specific goals:

$$\text{PSSG} = \text{MPA} \times \frac{\text{POE}}{100}$$

Where:

PSSG= Points scored for a specific goal

MPA = Maximum points allocated for a specific goal

PEO = Percentage of equity ownership by an HDI

6.5.2.14 Specific goals with Proof of equity ownership requirements and related matters

- a) The specific goals contemplated in the paragraph above and are related to equity ownership must be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company's shares that are owned by individuals, who are actively involved in the management of the enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.
- b) If the percentage of ownership contemplated in the paragraph above changes after the closing date of the tender, the tenderer must notify the Office and such tenderer will not be eligible for any preference points.
- c) Equity in private companies must be based on the percentage of equity ownership
- d) Preference points may not be awarded to public companies and tertiary institutions.
- e) Equity claims for a Trust may only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust.
- f) Documentation to substantiate the validity of the credentials of the trustees contemplated in the paragraph above must be submitted to the Office.
- g) A consortium or Joint Venture may claim points for specific goals, based on the percentage of the contract value managed or executed by individuals who are actively involved in the management or exercise control of the respective parties of the consortium or Joint Venture.



- h) A tenderer must submit proof of its ownership. A tenderer who does not submit proof of ownership may not be disqualified from the bidding process, but they score points out of ninety (90) for price and zero (0) points out of ten (4) for HDI goals and one (1) points for female.



6.5.2.15 Specific goals in relation to procuring locally produced products.

- a) Preference points may only be claimed for products, which will be manufactured (fabricated, processed or assembled), in the Republic of South Africa. In cases where production has not yet commenced at time of bid closure, evidence shall be produced that at the time of bid closure, the bidder was irrevocably committed to local production of the product.
- b) Local content means that portion of the bid price, which is not included in imported content, provided that local manufacture does take place.
- c) Imported content means that portion of the bid price represented by the costs of components, parts or materials which have been or are still to be imported (whether by the bidder or his suppliers or sub-contractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duties, sales duties, or other similar taxes or duties at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies for which a bid has been submitted are manufactured.
- d) Bidders must indicate in the pricing schedule (Annexure B) which product(s) [item number(s)] is/are manufactured locally and indicate the local content % of each product / item in relation to the bid price. The points will be calculated automatically in the pricing schedule. Points claimed will be indicated in the "points claimed" column.
- e) The following formula must be applied to calculate the number of points out of the points allocated to ownership for specific goals:

$$\text{PSLC} = \text{MLC} \times \frac{\text{PLC}}{100}$$

Where:

PSLC= Points scored for a local content

MLC = Maximum points allocated for Local Content

PLC = Percentage of Local Content for product offered

- f) To qualify for the points of local manufacturing, the definition of a locally produced product will be limited to at least the conversion process (substantiated value adds) being in the Republic of South Africa. Substantial supporting documents may be required at any point in time before and post-award of the contract. Due diligence, which includes site visits, may be conducted in this regard. The following aspects must be complied with:
 - i) The site/s of manufacturing and/or assembling of the product offered is in South Africa.



- ii) Demonstrated capacity to service the required volumes is confirmed.
 - iii) Compliance to all other aspects contained in these Special Requirements and Conditions of Contract
 - iv) The product offered meets the minimum requirement as per technical specification requirements.
- g) In the event of a contract being awarded as a result of points claimed, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct. If the claims are found to be incorrect, the State, in addition to any other remedy it may have –
- i) Recover all costs, losses, or damages it has incurred or suffered as a result of the bidder's conduct.
 - ii) Cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation.
 - iii) Impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the bid.
- h) Bidders are therefore required to submit SBD 6.2 and its annexure for this purpose for items applicable to this clause. Items which are claimed to be manufactured locally and the SBD 6.2 and its annexures is not submitted will not be considered as locally being manufactured. Exemption letter from the DTIC for the material which are being imported is therefore not required for items falling in this clause.

6.5.3 **Items Grouped as a Series**

- 6.5.3.1 Where applicable, items which are grouped in a series as per item technical specifications will be evaluated and awarded accordingly. Allocation of points will be as per the total value of the series group.
- 6.5.3.2 Bidders are required to offer prices for all units of measure specified in the series, and for all items within a group series.
- 6.5.3.3 Non-compliance with the above-mentioned conditions will invalidate the bid for the item(s) concerned.

6.5.4 **Items Grouped as a Series**

- 6.5.4.1 Where applicable, items which are grouped in a series as per item technical specifications will be evaluated and awarded accordingly. Allocation of points will be as per the total value of the series group.
- 6.5.4.2 Bidders are required to offer prices for all units of measure specified in the series, and for all items within a group series.



6.5.5 Applicable Taxes

- a) All bid prices must be inclusive of all applicable taxes.
- b) All bid prices must be inclusive of fifteen percent (15%) Value Added Tax.
- c) Failure to comply with this condition may invalidate the bid.

6.5.6 Cost Breakdown

6.5.6.1 Bidders are requested to submit the cost breakdown of their pricing for each item offered on the response fields allocated on the pricing schedule for each item offered. The cost breakdown submitted will be utilized during the price adjustment considerations.

6.5.6.2 Bidders should itemise the cost of each item into various components which are cost-drivers. The cost needs to be broken down into direct and indirect costs. Each cost driver should be assigned a percentage of the total cost.

6.5.6.3 Example:

Table 3: Example of Cost Breakdown

Cost-driver	% Total Cost
Imported raw material	30%
Local raw material	20%
Labour	15%
Transport	30%
Other (Indicate)	5%
Total price of item	100%

6.5.7 TCD 14 Historical Exchange Rates

6.5.7.1 In terms of cost price adjustment, bidders should make use of any relevant currency for the items offered by calculating the average for the period 1 April 2023 to 30 September 2023 using the Reserve Bank published rates for the specific currency. Bidders are to visit <https://www.resbank.co.za/> to obtain the relevant rates. Reference to **TCD 14** on the procedure to download historical exchange rates from the Reserve Bank website for instructions.

6.5.8 Responsive Bids

6.5.8.1 Bidders are required to submit responsive bids by completing all pricing and item information on the provided pricing schedule (Annexure 3) for the individual items and all required forms. Non-submission of the pricing schedule (Annexure 3) will invalidate the bid response.



7. PART 2: ADDITIONAL BID REQUIREMENTS

7.1 COMPANY REGISTRATION AND ORGANOGRAM

7.1.1 Shareholding portfolio by proof of registration of the company with Companies Intellectual Property Commission (or use abbreviation if already abbreviated above – delete statement). An additional document detailing the shareholding of the bidder in an organogram format in support of the proof of company registration must be submitted.

7.1.2 If by law registration with CIPC is not required, proof of ownership/shareholding must be provided.

7.2 COMPANY PROFILE

7.2.1 Bidders are requested to submit company profile which includes, but is not limited, to the following: -

7.2.1.1 Business structure and strategies; and

7.2.1.2 Details of the bidder's directors/owners (Full name and surname and ID or passport number)

7.2.1.3 Years of company existence and experience relevant to this bid.

7.3 TERMS AND CONDITIONS OF BID

7.3.1 Counter Conditions

7.3.1.1 Bidders' attention is drawn to the fact that amendments to any of the bid conditions or setting of counter conditions by bidders may result in the invalidation of such bids.

7.3.1.2 The National Treasury reserves the right to change or supplement any information or to issue any addendum to this bid before the closing date and time. The National Treasury and its officers, employees and advisors will not be liable in connection with either the exercise of, or failure to exercise this right.

7.3.1.3 If the National Treasury exercises its right to change or supplement information in terms of the above clause, it may seek amended bid documents from all bidders.

7.3.2 Fronting

7.3.2.1 The National Treasury supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent, and legally compliant manner. Against this background the National Treasury does not support any form of fronting.

7.3.2.2 The National Treasury, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct, or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in this bid document. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the



Department of Trade, Industry and Competition, be established during such enquiry / investigation, the onus will be on the bidder to prove that fronting does not exist.

- 7.3.2.3 Failure to do so by the bidder within a period of fourteen (14) days from date of notification by National Treasury may invalidate the bid / contract and may also result in the restriction of the bidder to conduct business with the public sector for a period not exceeding ten (10) years, in addition to any other remedies the National Treasury may have against the bidder concerned.

7.4 SUBMISSION OF BIDS

7.4.1 PHYSICAL AND HARDCOPY BID SUBMISSION

- 7.4.1.1 Bidders are required to submit hard copies at the National Treasury, 240 Madiba Street, TIC, Deposit the bid in the tender box.
- 7.4.1.2 The hard copy of the bid response will serve as the legal bid document.
- 7.4.1.3 Bidders' attention is drawn to the sequential submission format as per the checklist on Table 1.
- 7.4.1.4 Bidders must submit the bid at TIC situated at corner 240 Thabo Sehume and Madiba Streets, Pretoria in the following format:
- a. One (1) original hard copy
 - b. One (1) memory stick or USB with all the documents on the original hard copy and an excel version of the pricing schedule. Bidders must ensure that the USB is marked with the bidder's name.
- 7.4.1.5 All documents on the USB submitted must be an exact copy of the hard copy documents. Any discrepancies between the USB document and the original hard copy, the hard copy will take precedence.
- 7.4.1.6 A bid should be submitted in a sealed envelope or sealed suitable cover on which the name and address of the bidder, the bid number and the closing date must be clearly visible.
- 7.4.1.7 Submit all bid queries via email to Demand.Aquisition2@treasury.gov.za.

7.5 LATE BIDS

- 7.5.1 Bids received after the closing date and time at the TIC will NOT be accepted for consideration and where practical, be returned unopened to the bidder.

7.6 COMMUNICATION AND CONFIDENTIALITY

- 7.6.1 The Chief Directorate: Transversal Contracting (TC) within the Office of the Chief Procurement Officer (OCPO) may communicate with bidders where clarity is sought after the closing date and time of the bid and prior to the award of the transversal contract, or to extend the validity period of the bid, if necessary.



- 7.6.2 Any communication to any State official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.
- 7.6.3 Whilst all due care has been taken in connection with the preparation of this bid, the National Treasury makes no representations or warranties that the content in this bid or any information communicated to or provided to bidders during the bidding process is, or will be, accurate, current, or complete. The National Treasury, and its officers, employees and advisors will not be liable with respect to any information communicated which is not accurate, current, or complete.
- 7.6.4 If a bidder finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the National Treasury (other than minor clerical matters), the bidder must promptly notify the National Treasury in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the National Treasury an opportunity to consider what corrective action is necessary (if any).
- 7.6.5 Any actual discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the National Treasury will, if possible, be corrected and provided to all bidders without attribution to the bidder who provided the written notice.
- 7.6.6 All communication between the bidder and the National Treasury TC office must be done in writing as per the Contact Details below.
- 7.6.7 No representations made by or on behalf of the National Treasury in relation to this bid will be binding on the National Treasury unless that representation is expressly incorporated into the contract ultimately entered between the National Treasury and the successful bidder(s).
- 7.6.8 All persons (including all bidders) obtaining or receiving this bid and any other information in connection with this bid, or the tendering process must keep the contents of the bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a response to this bid.
- 7.7 **CONTACT DETAILS**
- 7.7.1 **General:** - National Treasury, Office of the Chief Procurement Officer, Chief Directorate: Transversal Contracting, Private Bag x115, Pretoria, 0001. Physical address: 240 Madiba Street, corner Thabo Sehume and Madiba Streets, Pretoria
- 7.7.2 **Bid Enquiries:** - All enquiries should be in writing to Demand.Aquisition2@treasury.gov.za. The closing date for receipt of all enquiries is **20 October 2023**. All enquiries beyond the closing date will not be considered.



8. PART 3: RECOMMENDATION AND APPOINTMENT OF BIDDERS

8.1 Once the evaluation process is complete there will be a recommendation report by the BEC to the Bid Adjudication Committee (BAC) who has the authority to either support (approve) or not support (not approve) the recommendation/s and appointment/s.

8.2 On approval of the recommendation/s and appointment/s, the successful bidder(s) will sign an acceptance letter for the supply and delivery of crutches and walking aids of this bid and unsuccessful bidder(s) will be informed accordingly. The following paragraphs will be applicable when making a recommendation:

8.3 Tax Compliance Requirements

8.3.1 It is a condition of this bid that the tax matters of the successful bidder(s) are in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

8.3.2 The Tax Compliance status requirements are also applicable to potential foreign bidders / individuals who wish to submit a bid.

8.3.3 Bidders are required to be registered on the Central Supplier Database (CSD) and National Treasury shall verify the bidder's tax compliance status through the CSD or through SARS.

8.3.4 Where Consortia / Joint Ventures / Sub-Contractors are involved, each party must be registered on the CSD, and their tax compliance status will be verified through the CSD or through SARS.

8.4 Multiple Award

7.3.1 The State reserves the right to award the same item to more than one (1) bidder to address item availability and compatibility. Benchmarking will be applied to ensure that pricing is affordable, market related and aligned to end-user requirements. The maximum number of bidders per item to be awarded will be at the discretion of BEC.

8.5 Negotiations

8.5.1 The State reserves the right to negotiate with the shortlisted bidders prior or post award. The terms and conditions for negotiations will be communicated to the shortlisted bidders prior to invitation to negotiations. This phase is meant to ensure value for money is achieved through the measure of quality that will assess the monetary cost of the items or services against the quality and or benefits of that item or services.

8.6 Due Diligence

8.6.1 The State reserves the right to conduct due diligence prior to final award or at any time during the transversal contract period and this may include pre-announced/ non-announced site visits. During the due diligence process the information submitted by the bidder will be verified and any misrepresentation



thereof may disqualify the bid in whole or parts thereof.

- 8.6.2 The State also reserves the right to conduct any evaluation verifications prior to final award or at any time during the transversal term contract period.
- 8.6.3 Where applicable, the BEC reserves the right to subject item samples to applicable clinical evaluations, applications, or test at any State facility to verify compliance with the technical specifications. This will be arranged with the bidder.
- 8.7 **Right of Award**
- 8.7.1 The State reserves its following rights -
- 8.7.1.1 To award the bid in part or in full,
- 8.7.1.2 Not to make any award in this bid or accept any bids submitted,
- 8.7.1.3 Request further technical information from any bidder after the closing date,
- 8.7.1.4 Verify information and documentation of the bidder(s),
- 8.7.1.5 Not to accept any of the bids submitted,
- 8.7.1.6 To withdraw or amend any of the bid conditions by notice in writing to all bidders prior to closing of the bid and post award, and
- 8.7.1.7 If an incorrect award has been made to remedy the matter in any lawful manner it may deem fit.

SECTION C: CONDITIONS OF CONTRACT

9. CONCLUSION OF CONTRACT

- 9.1 The Contract between National Treasury and the preferred bidder/s (Service Provider) collectively referred to as the Parties shall come into effect after the service provider has been issued with an unconditional letter of acceptance to their bid.
- 9.2 The Service Provider (s) shall be appointed in terms of this bid. The following will form part of the contract documents between the Parties in as far this RT40-2024 is concerned:
- 9.2.1 Bid Documents
- 9.2.2 Letter of Appointment
- 9.2.3 Award Documents
- 9.2.4 Acknowledgement letter
- 9.3 If there is any contradiction between the abovementioned documents, the special conditions of contract shall take precedent. For purpose of Section B, the term "service provider "shall refer to the preferred bidder appointed in terms of RT40-2024 transversal contract.



10. PARTICIPATING STATE INSTITUTIONS

- 10.1 The following institution will be participating on the contract for RT40-2024:
- 10.1.1 National Departments: Department of Health, Department of Defence, and Correctional Services
- 10.1.2 Provincial Departments of Health: Gauteng, Eastern Cape, Mpumalanga, Limpopo, and Free State.

11. POST AWARD PARTICIPATION

- 11.1 PFMA public institutions listed in Schedules 1, 2, 3A, 3B, 3C, 3D and Local Government may send an application to National Treasury post award to request participate on the transversal contract.
- 11.2 In terms of Treasury Regulation 16A6.5 Accounting Officer/Accounting Authority of National and Provincial departments, constitutional institutions and public entities listed in schedule 1, 3A and 3C to the PFMA may opt to participate in a transversal contract facilitated by the relevant treasury.
- 11.3 Regulation 32 of the Municipal SCM Regulations provides that a Supply Chain Management policy may allow the accounting officer to procure goods or services for a municipality or municipal entity under a contract secured by another organ of the state.

12. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

12.1 Contract Administration

- 12.1.1 The administration and facilitation of the transversal contract is the responsibility of the National Treasury and all correspondence in this regard must be directed to the Transversal Contracting Department via email on Demand.Aquisition2@treasury.gov.za.
- 12.1.2 Suppliers must advise the Chief Directorate: Transversal Contracting, National Treasury immediately when unforeseeable circumstances will adversely affect the execution of the transversal contract. Full particulars of such circumstances as well as the period of delay must be furnished.

12.2 Supplier Performance Management

- 12.2.1 Supplier performance management will be the responsibility of the purchasing institution and where supplier performance disputes cannot be resolved between the supplier and the relevant purchasing institution, National Treasury: Transversal Contracting must be contacted for corrective actions.
- 12.2.2 Supplier performance rating Form (to be provided for by National Treasury after the bid award) will be instituted, and every supplier must complete it to ensure good performance.
- 12.2.3 End-user State institutions are required to report to National Treasury on where supplier's performance is not satisfactory.
- 12.2.4 Successful suppliers will have their performance scored. National Treasury will provide a template which



will be used to measure overall performance in terms of the transversal contract. Suppliers who score the unacceptable performance rating may not be awarded future contract of the same bid and may have the transversal contract terminated prior to the end of transversal contract period.

13. CONTRACT PRICE ADJUSTMENT

13.1 Formula

13.1.1 Prices submitted for this bid will be regarded as non-firm and may be subject to adjustment(s) in terms of the following formula, defined areas of cost and defined periods of time.

13.1.2 Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.

13.1.3 The following price adjustment formula will be applicable for calculating contract price adjustments (CPA).

Table 4: Contract Price Adjustment Formula

$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + \dots + Dn \frac{Rnt}{Rno} \right) + VPt$		
Pa	=	The new adjusted price to be calculated
V	=	Fixed portion of the bid price (15% or 0.15)
Pt	=	Original bid price. Note that Pt must always be the original bid price and not an adjusted price
(1-V)Pt	=	Adjustable portion of the bid price (85% or 0.85)
D1 – Dn	=	Each factor (or percentage) of the bid price, e.g., material, labour, transport, overheads, etc. The total of the various factors (or percentages) D1 – Dn must add up to 1 (or 100%)
R1t – Rnt	=	End Index. Index figure obtained from the index at the end of each adjustment period.
R1o–Rno	=	Base Index. Index figure at the time of bidding.
VPt	=	15% (or 0.15) of the original bid price. This portion of the bid price remains fixed, i.e. it is not subject to price adjustment

13.2 Formula component definitions

13.2.1 Adjustable amount

13.2.1.1 The adjustable amount is the portion of the bid price which is subject to adjustment. In this bid the adjustable amount is 85% of the original bid price. For example, if the bid price is R1000, then only R850



will be subject to adjustment.

13.2.2 Fixed portion

13.2.2.1 The fixed portion represents those costs which will not change over the adjustment period and DOES NOT represent the profit margin. In this bid the fixed portion is 15% of the original bid price. Using the same example as above, it would amount to R150 which will remain fixed over the contract periods.

13.2.3 Cost components and proportions

13.2.3.1 The cost components of the contract price usually constitute the cost of materials (raw material or finished product), cost of direct labour, cost of transport and those other costs which are inclined to change. The proportions are the contribution to the contract price of each of these cost components. In this bid the following cost components will be used to calculate contract price adjustments.

13.2.3.2 Bidders are requested to submit the cost breakdown of the bid price for each item with their bid. Should the cost breakdown be the same for all items on the bid, please indicate it clearly in the bid document. Bidders will not be allowed to change the cost breakdown of bid prices during the tenure of the contract.

13.2.3.3 Successful bidders that are direct importers of raw material / finished product can apply for RoE adjustment under cost element D1. If the successful bidder is not a direct importer of raw material / finished product, cost component D1 would not be applicable and only local cost components (D2 - Dn) would be applicable.

Table 5 - Contract Price Adjustment Cost Components

Cost Component	% Contribution
D1 – Imported Raw Material / Finished product	
D2 - Local Raw Material / Finished product (if applicable)	
D3 – Labour	
D4 – Transport	
D5 – Overheads	
D6 – Other	
TOTAL (Cost components must add up to 100%)	100

13.2.4 Applicable indices/references

13.2.4.1 The applicable index refers to the relevant market index, which is a true reflection of price movement(s) in the cost over time. In this bid the following indices or reference will be applicable:

**Table 6: Applicable Indices/References**

Cost component	Index Publication	Index Reference
D1 – Imported Finished product (if applicable);	Reserve bank ROE publication/ Supplier / Manufacturer invoice(s) and remittance advice. ²	Documentary evidence to accompany claim and ROE
D2 - Local Finished product (if applicable):	Specify (STATS SA Index)	STATS SA Table (Specify)
D3 – Labour	STATS SA P0141 (CPI), Table E; OR Labour agreement ³	Table E - All Items (CPI Headline) OR Labour agreement to be provided/ Regulated Pricing Adjustment
D4 – Transport	Stats SA P0141 (CPI) Table E	Transport – Other Running Cost
D5 – Overheads	Specify (STATS SA Index)	STATS SA Table (Specify)
D6 – Other	Specify (STATS SA Index)	STATS SA Table (Specify)

13.2.5 Base index date

13.2.5.1 The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date is **October 2023**

13.2.6 End index date

13.2.6.1 The end index dates are the dates at predetermined points in time during the contract period. In this bid the end indices are defined in the next paragraph (Price Adjustment Periods).

13.2.7 Price adjustment periods

13.2.7.1 Price adjustment shall be applied on an annual basis at the anniversary of the transversal contract from closing date of bid.

² In cases where invoices are supplied as documentary evidence, it is advised that invoices closest to the Base Index date and the End Index date be submitted. It should ideally reflect the adjustment period.

³ In the absence of a labour agreement, the labour cost component will be adjusted with CPI Headline inflation.

**Table 7: Price Adjustment Period**

Adjustment Period	CPA application to reach the office by the following dates	End Index	Dates from which adjusted prices will become effective
1st Adjustment	6 December 2024	November 2024	1 January 2025
2nd Adjustment	5 December 2025	November 2025	1 January 2026

13.2.8 Rates of exchange (RoE) – Base and average rates

13.2.8.1 In the event where material and/or finished products are imported the following will apply:

13.2.8.2 The formula described above will be used and the imported cost component of the bid price (D1) will be adjusted taking into account the base RoE rate refer paragraph in below paragraph and the average RoE rate over the period under review indicated in the below paragraph.

13.2.8.3 In the event that the RoE adjustment goes hand in hand with a material/product price increase, the material/product price (in foreign currency) will be converted to South African currency using the base rate for the earlier invoice, and the average RoE rate for the period under review as indicated in the paragraph below for the later invoice.

13.2.8.4 The imported cost component (D1) will be adjusted together with all the other cost components indicated in the paragraph above and at the predetermined dates indicated in the paragraph above.

13.2.8.5 The Rate(s) of exchange to be used in this bid in the conversion of the bid price of the item (s) to South African currency is indicated in the table below.

Table 8: CPA Rate of Exchange

Currency Name	Rates of exchange:1 April 2023 to 30 September 2023
US Dollar	18,67
Euro	23,51
Pound	20,31

13.2.8.6 Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period **1 April 2023 to 30 September 2023** the Reserve Bank published rates for the specific currency. Visit www.reservebank.co.za to obtain the relevant rates. Please refer to TCBD 14 (Procedure to download historical exchange rates from the Reserve Bank website) for instructions.



13.2.8.7 Contract price adjustments due to rate of exchange variations are based on average exchange rates as published by the Reserve Bank for the periods indicated hereunder:

Table 9: Rate of Exchange Average Periods

Adjustment	Average exchange rates for the period:
1st Adjustment	1 June 2024 to 30 November 2024
2nd Adjustment	1 June 2025 to 30 November 2025

13.2.9 **General**

13.2.9.1 Unless prior approval has been obtained from National Treasury, Transversal Contracting, no adjustment in contract prices will be made.

13.2.9.2 Application for price adjustment must be accompanied by documentary evidence in support of any adjustment.

13.2.9.3 CPA application will be applied strictly according to the specified formula and parameters above as well as the cost breakdown supplied by bidders in their bid documents.

13.2.9.4 In the event where the supplier's CPA application, based on the above formula and parameters, differs from Transversal Contracting verification, Transversal Contracting will consult with the supplier to resolve the differences.

13.2.9.5 Bidders are referred to the paragraph regarding counter conditions.

13.2.9.6 An electronic price adjustment calculator will be available on request from Transversal Contracting.

13.2.9.7 The State reserves the right to negotiate a price adjustment or not to grant any price adjustment.

14. DELIVERY AND QUANTITIES

14.1 Delivery Basis

14.1.1 Lead times for delivery of Equipment on transversal contract shall not exceed eight (8) weeks. Delivery period exceeding the prescribed maximum of eight (8) weeks may be canceled without notice.

14.2 Quantities

14.2.1 No quantities are reflected in this bid as orders will be placed based on an 'as and when required' and no guarantee is given or implied as to the actual quantity/quantities that will be procured during the transversal contract period.

14.2.2 Orders will be placed by participating institutions, and they will also be responsible for the payment to Suppliers for the products delivered and/or services rendered.



15. DELIVERY ADHERENCE, ORDERS AND PAYMENTS

15.1 Orders

- 15.1.1 Suppliers should note that each individual purchasing State institution is responsible for generating the order(s) as well as the payment(s) thereof.
- 15.1.2 Suppliers should note that the order(s) will be placed as and when required during the transversal contract period and delivery points will be specified by the relevant purchasing State institution(s).
- 15.1.3 The instructions appearing on the official order form regarding the supply, dispatch and submission of invoices must be strictly adhered to, and under no circumstances should the Supplier deviate from the orders issued by the purchasing State institutions.
- 15.1.4 The State is under no obligation to accept any quantity(ies) which is more than the ordered quantity(ies).

15.2 Delivery Adherence

- 15.2.1 Delivery of items must be made in accordance with the instructions appearing on the official purchase order forms issued by purchasing State institutions.
- 15.2.2 All deliveries or dispatches must be accompanied by a delivery note stating the official order number against which the delivery has been affected.
- 15.2.3 In respect of items awarded, Suppliers must adhere strictly to the delivery lead times quoted in their bids.
- 15.2.4 Deliveries not complying with the purchase order forms will be returned to the Supplier(s) at the Supplier's expense.
- 15.2.5 Where applicable, all crutches and walking aids, are to be supplied with operating manuals/information brochures in an English language.

16. WARRANTY PERIOD

- 16.1 A minimum warranty/guarantee of 18 months is required on all crutches and walking aids from the date of delivery.
- 16.2 During the warranty period, the quotation and transport/courier cost to repair the crutches and walking aids will be at the cost of the supplier.

17. ITEM ADHERENCE / SUBSTITUTION

- 17.1 In the event where a Supplier(s) is awarded a specific brand and model, it is required of that Supplier(s) to continue to supply the awarded item throughout the transversal contract period.
- 17.2 In the event that the brand is discontinued and or replaced with a new model, National Treasury, Transversal Contracting must be notified of such an occurrence and upon approval, an official amendment will be issued. The supplier is required to submit supporting documents from the manufacturer substantiating the changes.



- 17.2.1 It must be noted that the new brand will be required to undergo the evaluation process prior to receiving approval of the brand change issued by National Treasury. The new brand must adhere to the technical specification for the item. The quality of the product must not be lower than the initial awarded product.
- 17.3 Furthermore, suppliers are to take note that the price of the new brand should not be higher from the current contract price of the original product.
- 17.3.1 Supplier(s) must not deliver a new model other than the model awarded to them prior to an approval of model change from National Treasury. Failure to adhere to this condition may lead to immediate termination of the Supplier and/or item on transversal contract.

18. CONTINUITY OF SUPPLY

- 18.1 The supplier must maintain sufficient stock to meet demand throughout the duration of the contract and inform the National Treasury at first knowledge of any circumstances that may result in interrupted supply, including but not limited to:
- 18.1.1 Industrial action,
- 18.1.2 Manufacturing Pipeline
- 18.1.3 Any other supply challenges.
- 18.2 In terms of the General Conditions of Contract and Special Requirements and Conditions of Contract, the Department of Health reserves the right to purchase outside of the contract in order to meet its requirements if:
- 18.2.1 The contracted supplier fails to perform in terms of the contract.
- 18.2.2 The item(s) are urgently required and not immediately available; □
- 18.2.3 In the case of an emergency.

19. PACKAGING AND LABELLING

- 19.1 **Packaging**
- 19.1.1 All deliveries made against this contract, in all modes of transport, are to be packed in suitable containers.
- 19.1.2 Packaging must be suitable for further dispatch, storage, and stacking according to Good Wholesaling Practice and Good Distribution Practice.
- 19.1.3 Packaging must be suitable for transportation and should prevent exposure to conditions that could adversely affect the stability and integrity of the product.
- 19.1.4 The packing must be uniform for the duration of the contract period. All products must be packed in acceptable containers, specifically developed for the product.
- 19.1.5 Where a particular stacking and storage configuration is recommended by the supplier, this should be



clearly illustrated on the outer packaging.

- 19.1.6 Where the contents of the shipper pack represent a standard supply quantity of an item, the following must be adhered to:
 - 19.1.6.1 Outer packaging flanges must be sealed with suitable tape that will clearly display evidence of tampering.
 - 19.1.6.2 The contents must be packed in neat, uniform rows and columns that will facilitate easy counting when opened.
- 19.1.7 Where the contents of a shipper pack represent a non-standard supply quantity, the following must be adhered to:
 - 19.1.7.1 Outer packaging flanges must be sealed with suitable tape that will clearly display evidence of tampering.
 - 19.1.7.2 The shipper pack must contain only one product, mixing of multiple items in a single shipper is not allowed.
 - 19.1.7.3 The outer packaging must be clearly marked as a "Part Box".
- 19.1.8 Suppliers must ensure that products delivered are received in good order at the point of delivery.

19.2 Labelling

- 19.2.1 All containers, packing, and cartons must be clearly labelled. Bulk packs must be labelled in letters not less than font size 48.
- 19.2.2 The following information must be clearly and indelibly printed on all shelf and shipper packs, including any part boxes packaging in at least English language:

Table 10: Labelling details

#	Details
1.	Proprietary name (if applicable)
2.	Name of the product
3.	A Product code as relevant
4.	The trade name or trademark of the manufacturer
5.	Size of the product
6.	Quantity of the contents
7.	Name of manufacturer
8.	Date of manufacture
9.	Name and address of importer/distributor (if not manufacturer)
10.	Expiry date (Where applicable)



#	Details
11.	Batch/lot number. Products must have the same batch/lot number on the outer box as on the inner box.

19.3 **Barcodes**

19.3.1 It is mandatory that all products supplied must include a barcode (number plus symbology). All shipper, shelf and unit packs must be marked with the appropriate number and symbology. The European Article Numbering Code 13 (EAN 13) has been accepted as standard.

19.3.2 Suppliers are encouraged to include a 2D barcode or similar on their packaging that will include the brand name, batch number and expiry date.

20. **ASSIGNMENTS AND CESSIONS OF CONTRACTS AND CHANGES IN CONTACT DETAILS**

20.1 Where a contracted supplier plans to merge with or is going to be acquired by another entity, the contracted supplier must inform the National Treasury in writing 90 days prior to such event of relevant details.

20.2 **Assignments of Contract**

20.2.1 Assignment of contract refers to the transfer of rights and obligations in a contract from an assigner to an assignee. The effect of this is that the service provider appointed through a competitive bidding process transfers the contract in its entirety that is, the obligation (the responsibility of rendering the services) and the right (of receiving payment for service rendered) to a third party that did not participate in the bidding process or a bidder that participated in the bidding process but was not successful.

20.2.2 Assignment of contracts is therefore not allowed as it will be contrary to principles of section 217 of the Constitution particularly, fairness, transparency, and competitiveness.

20.3 **Cession of Contracts**

20.3.1 Cession refers to the transfer of only the rights a service provider has in terms of a contract from it to a third party. cession will be limited only to those cession agreements in favour of registered Financial Services Providers (FSP) and state institutions established for the express purpose of providing funding to businesses and entities (State Institutions).

20.3.1.1 The written request for cession must be by the service provider and not a third party, and the written request by the service provider must be accompanied by the cession agreement.

20.4 **Changes in the Service Provider Contact Details**

20.5 A contracted supplier must inform the National Treasury within 7 days of any changes of address, name, and or contact details.



21. POST AWARD PRODUCT COMPLIANCE PROCEDURES

- 21.1 Suppliers must ensure that the product confirms the technical specification and its relevant quality standards throughout the contract period. Where there is a justified concern regarding the quality of the product, the State reserves the right to request the supplier (at its own cost) to submit a product for testing to confirm compliance with the relevant item technical specification and requirements at the SANAS accredited institution.
- 21.2 The State reserves the right to conduct any sample or site inspection directly or through a third party appointed by the state.

22. REGISTRATION ON DATABASES OF PARTICIPATING INSTITUTIONS

- 22.1 Suppliers must ensure continuous compliance with all statutory requirements which may affect their complying status on the Central Supplier Database managed by the National Treasury.
- 22.2 All suppliers must ensure registration on all participating institutions within 30 days of accepting the award.
- 22.3 Suppliers must ensure that they register with all the participating institutions the items that they have been awarded in the contract. Suppliers must take note that the participating institutions have different systems that they use internally to capture awarded contract information including that of awarded suppliers.
- 22.4 Failure to meet this requirement will result in an inability to process orders and payments for goods.

23. MONITORING

- 23.1 Monitoring audits may be conducted periodically and randomly by the National Treasury, Provincial Health Departments, and the National Department of Health or by a service provider appointed by the State to determine continuous compliance with the product and terms of the contract. The Participating Institutions, will monitor the performance of contracted suppliers and maintain a report for compliance with the terms of this contract as follows:
- 23.1.1 Compliance with delivery lead times
- 23.1.2 Percentage of orders supplied in full first time.
- 23.1.3 Compliance with reporting requirements according to reporting schedule.
- 23.1.4 Attendance of compulsory meeting: The National Treasury compulsory meetings with suppliers to review supplier performance. The schedules of the meetings will be sent to successful bidders.
- 23.2 The state may conduct a random audit(s) with or without prior appointment arrangements with the appointed Supplier(s).
- 23.3 The National Treasury will conduct meetings with the Participating Institutions and Suppliers to discuss



transversal contracting issues.

- 23.4 The National Treasury may request Participating Institutions to impose penalties, where deemed necessary, as per Sections 21 and 22 of the General Conditions of Contract.
- 23.5 Any change in the status of supply performance during the contract period must be reported within seven (7) days of receipt of such information to the National Treasury.
- 23.6 Reporting and Supplier(s) meetings will be on a six-monthly basis and will be scheduled post-award.
- 23.7 All successful Suppliers are required to submit historical value and volume reports via e-mail on a quarterly basis to: TCcontracts1@treasury.gov.za
- 23.8 Detailed reporting requirements from Suppliers will be provided to awarded Suppliers.

24. TERMINATION

- 24.1 The State shall be entitled to terminate this agreement if one or more of the following occur: –
- 24.1.1 The Supplier decides to transfer the contract or cede the contract.
- 24.1.2 The supplier does not honor contractual obligations including submission of information.
- 24.1.3 The supplier is provisionally or finally liquidated, making it impossible for the supplier to perform its functions in terms of this transversal contract.
- 24.1.4 The supplier enters settlement arrangements with their creditors.
- 24.1.5 The supplier commits an act of insolvency.
- 24.1.6 If the supplier is a member of an unincorporated joint venture or consortium and the membership of such joint venture or consortium changes.
- 24.1.7 There is a change in ownership of the supplier that has the effect that over 50% ownership of the Supplier belongs to the new owner without prior written approval of the State.
- 24.1.8 Overall poor performance rating during the contract period

END