



national treasury

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TRANSVERSAL CONTRACTING

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Ref: RT3-2015

To: Suppliers and Participants

REVISED AMENDMENT 79

CONTRACT PRICE ADJUSTMENTS POST TRANSVERSAL CONTRACT EXPIRY

TRANSVERSAL CONTRACT RT3-2015 FOR THE SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING AND MAINTENANCE OF OFFICE EQUIPMENT AND LABOUR SAVING DEVICES TO THE STATE FOR THE PERIOD 19 NOVEMBER 2015 TO 30 SEPTEMBER 2018

Section 19.2.3 of the Special Conditions of Contract provides that:

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. **On RT3-2015 D1 is applicable to the Cost per Copy post expiry of the transversal contract due to the importing of the finished product.**

Section 19.3.1 of the Special Conditions of Contract further provides that:

The formula on page 19 will be used and the imported cost component of the bid price (D1) will be adjusted considering the base RoE rate and the average RoE rate over the period under review.

Section 4.5 of the Service Level Agreement also provides that:

Upon expiry of the RT3-2015 transversal contract, adjustments to copy charges will be subject to adjustment on the **thirteenth** and **twenty fifth** months from date of commencement of the Service Level Agreement. The Service provider must inform the (Participating institution(s)) of any adjusted copy charges, if applicable, prior to the effective date of adjustment. Any copy charges must be accompanied by documentary evidence to substantiate such adjustments.

Clarity and Simplicity of the clause: ***“adjustments to copy charges will be subject to adjustment on the thirteenth and twenty fifth months from date of commencement of the Service Level Agreement”***



RT3-2015 Supply, Delivery, Installation, Commissioning and Maintenance of Office Equipment and Labour Saving Devices for the State for the period 19 November 2015 to 30 September 2018

- Cost per Copy (CpC) price adjustments will be affective every **12months from the last transversal contract price adjustment.**
- An example: On RT3-2015 the last transversal contract price adjustment was June 2018. The next CpC price adjustments periods beyond the transversal contract expiry are:
 - July 2019
 - July 2020
 - July 2021
 - July 2022
 - July 2023 (last transversal contract price adjustment)

The National Treasury and NOT the Participating institution(s) are responsible for verifying the correctness of such adjustments.

THE ADJUSTED COPY CHARGES PERCENTAGE INCREASE SHOULD NOT EXCEED THE INFLATION RATE

Regards

**KWANELE MTEMBU
FOR CHIEF DIRECTOR : TRANSVERSAL CONTRACTING
OFFICE OF THE CHIEF PROCUREMENT OFFICER
DATE: 20 APRIL 2020**