



SPECIAL CONDITIONS OF CONTRACT

RT 5-2016

**RENDERING OF CONTINUOUS PARCEL COURIER SERVICES TO
THE STATE**

PERIOD 1 October 2016 to 30 September 2019

CLOSING DATE AND TIME OF BID:

11 December 2015

BID VALIDITY PERIOD: 120 DAYS

**NATIONAL TREASURY
TRANSVERSAL CONTRACTING**



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ABBREVIATIONS

BAC	: Bid Adjudication Committee
B-BBEE	: Broad-Based Black Economic Empowerment
CPA	: Contract Price Adjustment
CPI	: Consumer Price Index
OCPO	: Office of the Chief Procurement Office
PPI	: Producer Price Index
ROE	: Rates of Exchange
SABS	: South African Bureau of Standards
SANAS	: South African National Accreditation System
SBD	: Standard Bidding Document
SEIFSA	: Steel and Engineering Industries Federation of South Africa
STATS SA	: Statistics South Africa
TCBD	: Transversal Contract Bidding Document
VAT	: Value- Added Tax



SECTION A

1 LEGISLATIVE AND REGULATORY FRAMEWORK

This bid and all contracts emanating there from will be subject to the 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). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

2 EVALUATION CRITERIA

2.1 *Preference Point System*

2.1.1 In terms of regulation 6 of the Preferential Procurement Regulations of 2011 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 in terms of which points are awarded to bidders on the basis of:

- The bid price (maximum 90 points)
- B-BBEE status level of contributor (maximum 10 points)

2.1.2 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

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

2.1.3 A maximum of 10 points may be allocated to a bidder for attaining their B-BBEE status level of contributor in accordance with the table below:



B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

- 2.1.4 Bidders are required to complete the preference claim form (SBD 6.1), and submit their original and valid B-BBEE status level verification certificate or a certified copy thereof at the closing date and time of the bid in order to claim the B-BBEE status level point.
- 2.1.5 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- 2.1.6 Only bidders who have completed and signed the declaration part of the preference claim form and who have submitted a B-BBEE status level certificate issued by a registered auditor, accounting officer (as contemplated in section 60(4) of the Close Corporation Act, 1984 (Act no. 69 of 1984)) or an accredited verification agency will be considered for preference points.
- 2.1.7 Failure on the part of the bidder to comply with paragraphs 2.1.4 and 2.1.6 above will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).
- 2.1.8 The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.
- 2.1.9 The points scored will be rounded off to the nearest 2 decimals.
- 2.1.10 In the event that two or more bids have scored equal total points, the contract will be awarded



to the bidder scoring the highest number of preference points for B-BBEE.

- 2.1.11 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- 2.1.12 A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

3 RESPONSE FIELDS

- 3.1 Bidders are required to submit responsive bids by completing all the prices, mandatory response fields and item questionnaires on the provided pricing schedule for the individual items. In this regard bidder's attention is drawn to the response field and price structure explanations and examples supplied in the bid document (TCBD 6 – Response Field Explanations).
- 3.2 Non-compliance with this condition may invalidate the bid for the item(s) concerned.

4 AUTHORISATION DECLARATION

- 4.1 Any bidder who is sourcing goods or services from a third party must complete the "Authorisation Declaration" (TCBD 1) in full for all relevant goods or services, sign it and submit it together with the bid documents at the closing date and time of the bid.
- 4.2 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 the bid documents.
- 4.3 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. No agreement between the bidder and the third party will be binding on the State.
- 4.4 Failure to submit a duly completed and signed Authorisation Declaration, with the required annexure(s), in accordance with the above provisions will invalidate the bid for such goods or services offered.



5 TAX CLEARANCE CERTIFICATE

- 5.1 An original and valid Tax Clearance Certificate issued by the South African Revenue Services certifying that the taxes of the bidder are in order must be submitted at the closing date and time of bid. Please refer to SBD2 – Tax Clearance Certificate Requirements.
- 5.2 Copies and/or certified copies of the Tax Clearance Certificate will not be acceptable.
- 5.3 Failure to submit the original and valid Tax Clearance Certificate at the closing date and time will result in the invalidation of the bid.

6 VALUE ADDED TAX

- 6.1 All bid prices must be inclusive of 14% Value-Added Tax.
- 6.2 Failure to comply with this condition may invalidate the bid.

7 SUBMISSION OF BIDS

- 7.1 Bidders must submit the bid in hard copy format (paper document) to National Treasury: Tender Information Centre before the closing date and time. The hard copy of the bid response will serve as the legal bid document. The bid must be addressed to the National Treasury: Tender Information Centre.
- 7.2 Each bid should be submitted in a separate, sealed envelope or suitable cover on which the name and address of the bidder, the bid number and the closing date must be clearly endorsed.
- 7.3 Bidders are requested to initial each page of the tender document on the top right hand corner.

8 LATE BIDS

Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, be returned unopened to the bidder.



9 COUNTER CONDITIONS

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.

10 FRONTING

10.1 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 condemn any form of fronting.

10.2 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 bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the National Treasury may have against the bidder / contractor concerned.

11 SUPPLIER DUE DILIGENCE

The State reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits.

12 COMMUNICATION

12.1 Transversal Contract may communicate with bidders where clarity is sought after the closing date of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary.

12.2 Any communication to any government 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.

- 12.3 All communication between the bidder and the Transversal Contract Office must be done in writing.

13 CONTACT DETAILS

13.1 General

Chief Directorate: National Treasury Transversal Contracting, Private Bag x115, Pretoria, 0001

Physical address: 240 Madiba Street, cnr. Thabo Sehume - and Madiba Streets, Pretoria

13.2 Bid Enquiries

Contract Manager: Sindiswa Tapi

National Treasury Transversal Contracting

Tel: (012) 406 – 9169

Fax: (012) 315 – 5400

E-mail: sindiswa.tapi@treasury.gov.za



SECTION B

14 CONTRACT PERIOD

The contract period shall be for a period of 36 months commencing on 1 October 2016 to 30 September 2019.

14.1.1 End-user Requirements

14.1.2 Rendering of continuous courier services countrywide by transporting and delivering the services as and when required.

14.2 Frequency of services

14.2.1 Same Day Service

Same day service means that the service must be rendered the same day between 09:00 and 17:00 hours.

14.2.2 Overnight Service

Overnight service means that the service must be rendered from 09:00 up to 17h00 on weekdays.

14.2.3 Weekends and Public Holidays

The service must be rendered during Saturdays, Sundays and Public Holidays between 09:00 and 17:00 hours.

14.2.4 Economical Services

The services must be rendered within 72 hours between 08:00 and 17h00 on weekdays

15 PARTICIPATING GOVERNMENT DEPARTMENTS / INSTITUTIONS

15.1 Government Departments / Institutions who will participate in this contract are:



NATIONAL DEPARTMENTS

1. Department Agriculture Forestry and Fisheries
2. Department of Arts and Culture
3. Department of Basic Education
4. Department of Communications
5. Department of Compensation Fund Labour
6. Department of Cooperate Governance and Traditional Affairs
7. Department of Correctional Services
8. Department of Defence
9. Department of Economic Development
10. Department of Energy
11. Department of Environmental Affairs
12. Department of Government Communication and Information System
13. Department of Government Component Centre for Public Service Innovation
14. Department of Higher Education and Training
15. Department of Home Affairs
16. Department of Human Settlement
17. Department of Labour
18. Department of Labour UIF
19. Department of Military Veterans
20. Department of Mineral Resources
21. Department of Planning Monitoring and Evaluation
22. Department of Public Enterprises
23. Department of Public Service and Administration
24. Department of Public Works
25. Department of Road Traffic Management Corporation
26. Department of Rural Development and Land Reform
27. Department of Science and Technology
28. Department of Small Business Development
29. Department of Small Enterprise and Development Agency (SEDA)



30. Department of Social Development
31. Department of Sports Arts and Culture
32. Department of Telecommunications and Postal Services
33. Department of Trade and Industry
34. Department of Transport
35. Department of Water and Sanitation
36. Department of Women
37. Department Tourism
38. Government Pension Administration Agency
39. Independent Police Investigate and Directorate
40. Justice and Constitutional Development
41. National Commissioner South African Police Service
42. National Treasury
43. Office of the Chief Justice
44. Office of the Public Service Commission
45. Parliament Republic of South Africa
46. South African Social Security Agency
47. Statistics South Africa
48. The Presidency

PROVINCIAL DEPARTMENTS

49. Eastern Cape Office of the Premier
50. Eastern Cape: Department of Health
51. Eastern Cape: Department of Roads and Public Works
52. Eastern Cape: Department of Rural Development and Agrarian Reform
53. Eastern Cape: Department of Safety and Liaison
54. Eastern Cape: Department of Social Development
55. Eastern Cape: Department of Transport
56. Eastern Cape: Economic Development Environmental Affairs and Tourism



57. Eastern Cape: Education
58. Eastern Cape: Government Fleet Management Services Trading Entity
59. Eastern Cape: Provincial Treasury
60. Eastern Cape: Sports Recreation Arts and Culture
61. Free State: Department of Health
62. KwaZulu Natal Film Commission
63. KwaZulu Natal Gaming and Betting Board
64. KwaZulu Natal Museum
65. KwaZulu Natal: Trade and Investment
66. KwaZulu-Natal Liquor Authority
67. KZN : Provincial Treasury
68. KZN :Department of Health
69. KZN: Department of Agriculture and Rural Development
70. KZN: Department of Education
71. KZN: Office of the Premier
72. KZN: Social Development
73. Limpopo Road Agency SOC Ltd
74. Limpopo: Department of Agriculture and Rural Development
75. Limpopo: Department of Economic Development Environment and Tourism
76. Limpopo: Department of Education
77. Limpopo: Department of Health
78. Limpopo: Department of Public Works Roads and Infrastructure
79. Limpopo: Department of Social Development
80. Limpopo: Department of Transport
81. Mpumalanga Office of the Premier
82. Mpumalanga Provincial Treasury
83. Mpumalanga: Department of Health
84. Mpumalanga: Department of Agriculture, Rural Development, Land and Environment
85. Mpumalanga: Department of Economic Growth and Agency
86. Mpumalanga: Department of Education



87. North West: Department of Finance
88. North West: Department of Health
89. North West: Department Rural, Environment And Agriculture Development
90. North West: Economy and Enterprise Development
91. North West: Local Government and Human Settlement
92. North West: Office of the Premier
93. Northern Cape Provincial Government
94. Northern Cape: Department of Co-operative Governance Human Settlement and Traditional Affairs
95. Northern Cape: Department of Education
96. Northern Cape: Department of Environment, Nature and Conservation
97. Northern Cape: Department of Health
98. Northern Cape: Department of Roads and Public Works
99. Northern Cape: Department of Social Development
100. Northern Cape: Department of Sports, Arts and Culture
101. Northern Cape: Department of Transport, Safety and Liaison
102. Northern Cape: Office of the Premier
103. Tourism Kwazulu-Natal
104. Western Cape: Department of Agriculture
105. Western Cape: Department of Community and Safety
106. Western Cape: Department of Cultural Affairs and Sport
107. Western Cape: Department of Education
108. Western Cape: Department of Environmental Affairs and Development Planning
109. Western Cape: Department of Health
110. Western Cape: Department of Human Settlement
111. Western Cape: Department of Premier
112. Western Cape: Department of Social Development
113. Western Cape: Department of Transport and Public Works
114. Western Cape: Local Government
115. Western Cape: Provincial Treasury



PUBLIC ENTITIES

- 116. Agreement South Africa
- 117. Agrisetta
- 118. Air Traffic Navigation Services
- 119. BANKSETA
- 120. Broadband Infraco
- 121. Boxing South Africa
- 122. Brand South Africa
- 123. Cathsseta
- 124. CEF (SOC) Ltd
- 125. Commission for Conciliation Mediation and Arbitration
- 126. Companies Tribunal
- 127. Council for Medical Schemes
- 128. Council of Geoscience
- 129. CRL Rights Commission
- 130. Dube TradePort Corporation
- 131. ETDPA SETA
- 132. FASSET
- 133. Film and Publication Board
- 134. Financial and Fiscal Commission
- 135. Financial Intelligence Centre
- 136. Health and Welfare Sector Education & Training Authority (HWSETA)
- 137. Independent Communications Authority of South Africa (ICASA)
- 138. International Trade Administration Commission of South Africa (ITAC)
- 139. Insurance Sector Education and Training Authority (INSETA)
- 140. Legal Aid South Africa
- 141. Lepelle Northern Water
- 142. Magalies Water
- 143. Manufacturing Engineering & Related Services Seta (MERSETA)
- 144. Media Development & Diversity Agency
- 145. Media Information and Communications Technologies Seta (Mictseta)
- 146. Mine Health and Safety Council
- 147. Mining Qualification Authority



- 148. National Consumer Commission
- 149. National Development Agency
- 150. National Health Laboratory Service
- 151. National Home Builders Registration Council (NHBRC)
- 152. National Library of South Africa
- 153. National Prosecuting Authority (NPA)
- 154. National Regulator for Compulsory Specifications
- 155. National Research Foundation
- 156. National School of Government
- 157. National Student Financial Aid
- 158. National Youth Development Agency (NYDA)
- 159. Nkangala TVET College
- 160. Office Of Health Standards Compliance
- 161. Perishable Products Export Control Board (PPECB)
- 162. Ports regulator of South Africa
- 163. Public Protector South Africa
- 164. Public Service Sector Education and Training Authority
- 165. Richards Bay Industrial Development Zone Company SOC Ltd
- 166. Road Traffic Management Corporation
- 167. Robben Island Museum
- 168. SABS
- 169. Safety and Security Sector Education and Training Authority
- 170. Small Enterprise Finance Agency (SEFA)
- 171. Social Housing Regulatory Authority (SHRA)
- 172. South African Local Government Association (SALGA)
- 173. South African Maritime Safety Authority (SAMSA)
- 174. South African National Accreditation System
- 175. South African National Parks
- 176. South African Revenue Services
- 177. South African Weather Services
- 178. South Cape Tvet College



- 179. Special Investigating Unit
- 180. State Diamond Trader
- 181. State Information Technology Agency (SITA)
- 182. The Council for the Built Environment
- 183. The Independent Regulatory Board for Auditors
- 184. The Moses Kotane Institute
- 185. The Road Accident Fund
- 186. The South African State Theatre
- 187. Universal Service and Access Agency of South Africa (USAASA)

16.1.1 **Post award participation**

- 15.2.1 In terms of Treasury Regulation 16A6.6 the accounting officer or accounting authority may, on behalf the department, constitutional institution or public entity, participate in any contract arranged by means of a competitive bidding process by any other organ of state, subject to the written approval of such organ of state and the relevant contractors.

17 AWARD CONDITIONS

The State reserves the right not to award the contract to more than one contractor for the same item.

17 BID INFORMATION SESSION

A non- compulsory information session will be held at:
National Treasury, 24 Madiba Street, Pretoria.
Date: 26 November 2015
Time : 10h00 to 12h00
Venue: Room 0901

- 17.1 This session will provide bidders with an opportunity to obtain clarity on certain aspects of the process as set out in this document and to address any substantial issues they might have.

18 INFORMATION / DOCUMENTATION AND REQUIREMENTS SPECIFIC TO THIS BID



18.1 Bid Completion

- 18.1.1 It is a condition of bid that all routes per item must be completed; bidder(s) can opt to bid inter-provincially (e.g. Gauteng to KZN) or intra-provincially (e.g. Pretoria to Johannesburg within Gauteng) as per bid document.
- 18.1.2 The under mentioned formula should be applied where there is volumetric mass concerned: i.e.

$$\left(\frac{\text{length cm} \times \text{width cm} \times \text{height cm}}{\text{Volumetric conversion factor}} \right) \\ = \frac{17.1 \times 17.1 \times 17.1}{5000} = 1 \text{Volume kg}$$

- 18.1.3 Non-compliance with this condition will invalidate the bid for such services offered.

19 DOCUMENTS OF UNDERTAKING /LEGISLATIVE AND REGULATORY REQUIREMENTS

19.1 Postal Services Act of 1998; No.124

It is the condition of this bid that bidders must be registered in terms of Postal Services Act of 1998, No.124, with the Postal Regulator. The certified copy of certificate/licence thereof must be handed with the bid document at the closing date and time of bid.

20 PRICING STRUCTURE

20.1 Pricing

- 20.1.1 Bidders are requested to offer prices for all the service types (series) specified in paragraphs 14.1.2 to 14.2.4.

- 20.1.2 Prices submitted for this bid must be filled in on the field provided on the pricing schedules supplied with the bid.

Prices must be quoted per one kilogram (1kg) units as per the pricing schedule. For each additional kilogram required, user departments will only be charged at fifty percent (50%) of the original bid price (1kg). Failure to comply with this condition will invalidate such bid.

Please find illustration table below:



Bid Price per 1kg	Additional 1Kg at 50% of bid price
R20.00	R10.00

Bidders must submit one final delivered price inclusive of all costs such as transport, labour and packaging cost. Failure to submit one final delivered price will invalidate the bid.

- 20.1.3 NB: Bidders are specifically cautioned to quote for insurance costs separate from the final delivered price. Failure to do so may result in the invalidation of their bids. For evaluation purposes, prices must be quoted per one kilogram (kg), see an example below.

Service	R/1kg
Same day service	R1.50/1kg
Overnight service	R1.25/1kg
Weekends & public holidays	R2.50/1kg
Economical Services	R5/10kg
Group comparative value	R10.25/1kg

- 20.1.4 All items that are grouped as a series in the specification shall be regarded as a group series and be evaluated and awarded accordingly.
- 20.1.5 Non-compliance with the abovementioned special conditions will invalidate the bid for the item/s concerned.

21 CONTRACT PRICE ADJUSTMENTS

21.1 Formula

- 21.1.1 Prices submitted for this bid will be regarded as non-firm and subject to adjustment(s) in terms of the following formula, defined areas of cost and defined periods of time.
- 21.1.2 Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.
- 21.1.3 The following price adjustment formula will be applicable for calculating contract price adjustments (CPA).



$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + + Dn \frac{Rnt}{Rno} \right) + VPt$		
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.

21.2 Formula component definitions

21.2.1 Adjustable amount

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.

21.2.2 Fixed portion

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 period.

21.2.3 Cost components and proportions

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.

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.

Cost Component	% Contribution
D1- Labour	
D2 – Transport	
D3 – Other	
TOTAL (Cost components must add up to 100%)	100 %

21.2.4 Applicable indices / references

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:

Cost component	Index Publication	Index Reference
D1 – Labour	Stats SA PO141 (CPI) Table E OR Labour agreements	CPI all items OR Labour agreement to be provided
D2 – Transport	Stats SA PO141 (CPI) Table E	Transport
D3 – Other	Specify	Documentary evidence to accompany claim

21.2.5 Base Index Date

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 **November 2015**.

21.2.6 End Index Date



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).

21.2.7 Price Adjustment Periods

Adjustment to contract prices may be applied for at the following dates:

Adjustment <i>(Contract manager to decide on frequency)</i>	CPA application to reach the office at the following dates	End Index Date	Dates <i>from</i> which adjusted prices will become effective
1 st Adjustment	3 January 2017	January 2017	1 April 2017
2 nd Adjustment	1 September 2017	August 2017	1 October 2017
3 rd Adjustment	3 January 2018	January 2018	1 April 2018
4 th Adjustment	3 September 2018	August 2018	1 October 2018
5 th Adjustment	3 January 2019	January 2019	1 April 2019

21.3 General

21.3.1 Unless prior approval has been obtained from Contract Management, no adjustment in contract prices will be made.

21.3.2 Applications for price adjustment must be accompanied by documentary evidence in support of any adjustment.

21.3.3 CPA applications 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.

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

21.3.5 An electronic price adjustment calculator will be available on request from Contract Management.

22 SPECIFICATIONS



22.1 Items must comply with specifications as stated in the bid document.

23 DELIVERY AND QUANTITIES

23.1 Delivery Basis

23.1.1 Firm lead times for delivery must be quoted for the duration of the contract period.

23.1.2 Transit and storage conditions applicable to the relevant product must be adhered to.

23.2 Quantities

23.2.1 No quantities are reflected in the bid as orders will be placed on the basis of “as and when required”.

23.3 Minimum Order Quantities

23.3.1 Bidders must take note that the minimum acceptable order quantity to the end users is 1kg per order (applicable to same day, overnight services, weekends and public holidays). The minimum acceptable order quantity for economy services is 10kg per order.

24 SERVICE/PRODUCT COMPLIANCE

24.1.1 Services will be requested at short notice from time to time, as and when required, during the contract period.

24.1.2 Should parcels need to be delivered at destinations other than the destinations mentioned on the pricing schedules, Departments will use the service provider who is awarded the contract for the main routes of the item.

24.1.3 Successful bidders are therefore requested to furnish their appointed branch offices/agents in each region with full particulars of the contracts awarded. Each branch office/agent must be informed of full bid details which amongst others are pricing and special conditions applicable to the relevant items, for the duration of this contract.

24.1.4 This contract does not include courier services for human/animal body parts.



24.2 Quality Assurance

24.2.1 Where specific specifications and/or standards are applicable on services, the quality of services shall not be less than the requirements of the latest edition of such specifications and/or standards,

24.3 Parcels

- Any parcel to be delivered in a box or similar container must weigh above 1kg but not more than 999kg.
- All parcels must be wrapped by the contractor and made up on the premises of the participating Department or on the premises from which the Department wishes them to be transported. A parcel must be collected immediately after the receipt of an official order.

24.4 Mass/Weight/Length

Where a User Department is only able to provide the estimated weight and price of the parcel, the contractor must provide the Department with the exact weight and price within 7 days after the parcel has been collected from the relevant premises.

The following should appear on the contractor's feedback:

The price

The weight

The destination

The Client Department

P.O.D (proof of delivery)



SECTION C

25 ROLES AND RESPONSIBILITIES

25.1 *Contract Administration*

25.1.1 The administration and facilitation of the contract will be the responsibility of National Treasury, Transversal Contracting and all correspondence in this regard must be directed to the following address:

The Chief Directorate: National Treasury Transversal Contracting , Private Bag X115, Pretoria, 0001

25.1.2 Contractors must advise the Chief Directorate: National Treasury Transversal Contracting immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

25.2 Supplier Performance Management

25.2.1 Supplier performance management will be the responsibility of end-user departments and where supplier performance disputes cannot be resolved between the contractor and the relevant purchasing institution, National Treasury: Transversal Contracting must be informed for corrective action.

25.3 Placement of Orders and Payments

Orders will be placed by participating departments who will be responsible for the payment to contractors for goods delivered and/or services rendered.

26 ORDERS AND DELIVERY

26.1 Orders

26.1.1 Contractors should note that each individual purchasing institution is responsible for generating the order(s) as well as the payment(s) thereof.

26.1.2 Contractors should note that the order(s) will be placed as and when required during the contract period and delivery points will be specified by the relevant purchasing institution(s).



- 26.1.3 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 contractor deviate from the orders issued by the purchasing institutions.

26.2 Delivery Adherence

- 26.2.1 Delivery of goods must be made in accordance with the instructions appearing on the official order forms issued by purchasing institutions.
- 26.2.2 All deliveries or dispatches must be accompanied by a delivery note stating the official order number against which the delivery has been effected.
- 26.2.3 Deliveries not complying with the order forms will be returned to the contractor at the contractor's expense.

27 SECURITY AND CONFIDENTIALITY OF INFORMATION

- 27.1 All successful contractors will be subject to a South African Security Agency clearance process which will be facilitated by the National Treasury.
- 27.2 The state may enforce section 23 (termination for default) of the General Condition of Contract in a case where the contractor's clearance has a negative outcome.
- 27.3 The contractor will regard all information which he/she obtains or is entrusted with concerning the participating department or its members whilst executing the contract, as confidential, secret or top secret.
- 27.4 The contractor, his /her employees, sub-contractor's or agents may not make any such information obtained or entrusted with known to any other person or to the media.



28 INSURANCE/LIABILITY

Responsibility for loss or damage:

- 28.1 The contractor must ensure that it has and continually maintains adequate all risk insurance cover for the duration of the contract period in order to defray any costs that might be incurred due to damage or theft of parcel/consignment.
- 28.2 The User Department reserves the right to select which parcels they want to insure and /or which risks they want to carry themselves.
- 28.3 The contractor must insure the goods to the value specified by the end user at a percentage premium allowed for in the pricing schedule.
- 28.4 The successful bidder is required to submit proof of insurance if requested to do so by the end user.
- 28.5 The successful bidder will be responsible to administrate all claims on behalf of the User Departments should claims derive.
- 28.6 If the parcel or consignment in transit have been damaged or lost due to theft the contractor must inform the end user must within 2 (two) to 5 (five) days of the occurrence of the damage or lost due to theft.
- 28.7 Within 30 (thirty) days, from the date of the occurrence of the damage or lost due to theft, the end user must inform the claim for loss or theft referred to above in writing to the contractor.

29 PAYMENT OF CONTRACTORS AND SERVICES

- 29.1 Payment to the Contractor by the User Departments will take place once an invoice is received from the Contractor. The invoice must always contain the following information:
- i. Price per specific route (i.e. price for the applicable type of service rendered)
 - ii. Actual weight or volumetric weight of parcel
 - iii. Complete breakdown of costs including insurance only if the User Department requested it.



- iv. Total cost as owed by the User Department.
- v. The order number of the relevant User Department.
- vi. The name of the official employed by the User Department who requested the service.
- vii. Evidence of the completed delivery must be attached.

29.2 Where the above-mentioned information does not appear on the invoice, payment cannot be made and the User Department reserves the right to return such an invoice to the Contractor without any payment.

30 POST AWARD REPORTING

30.1 Historical Data

All successful bidders are required to submit historical value and volume reports via e-mail on a six (6) monthly basis to:

30.1.1 National Treasury Transversal Contracting :
Sindiswa Tapi (sindiswa.tapi@treasury.gov.za)

For this purpose electronic templates will be supplied to successful bidders.

Period	Dates at which reports must be submitted
1	1 February 2016
2	1 August 2017
3	1 February 2018
4	1 August 2019