



SPECIAL CONDITIONS OF CONTRACT

RT54-2020

**SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING AND
MAINTENANCE OF MENTAL HEALTH EQUIPMENT TO THE STATE**

1 JUNE 2020 TO 31 MAY 2023

NON-COMPULSORY BRIEFING SESSION: 04 SEPTEMBER 2019 AT 10H00

NATIONAL TREASURY, 40 CHURCH SQUARE, BUDGET COUNCIL BOARDROOM

CLOSING DATE AND TIME OF BID

20 SEPTEMBER 2019 AT 11H00

BID VALIDITY PERIOD: 210 DAYS

National Treasury

Transversal Contracting



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LIST OF ABBREVIATIONS

BAC	Bid Adjudication Committee	PA	Participation Agreement
BEC	Bid Evaluation Committee	PPPFA	Preferential Procurement Policy Framework Act
CE	Conformite Europeene (European Conformity)	RoE	Rate of Exchange
CKS	Clinical Knowledge Summaries	SABS	South African Bureau of Standards
CPA	Contract Price Adjustment	SANAS	South African National Accreditation System
CSD	Central Supplier Database	SANS	South African National Standards
DTI	Department of Trade and Industry	SARB	South African Reserve Bank
ELL	Essential Equipment List	SARS	South African Revenue Service
FDA	Food and Drug Administration	SBD	Standard Bidding Document
HPCSA	Health Professions Council of South Africa	SCC	Special Conditions of Contract
IE	Electromagnetic Interference	SARB	South African Reserve Bank
IEC	Electro-Technical Commission	SITA	State Information Technology Agency
ISO	International Organization for Standardization	TC	Transversal Contracting
LC	Local Content	TCBD	Transversal Contracting Bidding Document
MTA	Master Transversal Agreement	VAT	Value Added Tax
NT	National Treasury		
OCPO	Office of the Chief Procurement Officer		
OEMs	Original Equipment Manufacturers		

LIST OF ANNEXURES

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**Table 1: Bid Document Checklist and Returnables**

#	Document Name	Included in the published bid document?	To be returned by bidder?
PHASE I : ADMINISTRATIVE REQUIREMENTS (CATEGORY A AND B)			
1	Standard Bidding Document (SBD) 1: Invitation to Bid (indicate the items bidding for)	Yes	Yes
2	SBD 4 Declaration of Interest	Yes	Yes
3	SBD 5 National Industrial Participation Program	Yes	Yes
4	SBD 8 Declaration of Bidder's Past SCM Practises	Yes	Yes
5	SBD 9 Certificate of Independent Bid Determination	Yes	Yes
6	TCBD 1 Authorisation Declaration	Yes	Yes
7	TCBD 2 Historical Exchange Rates	Yes	No
8	CSD full report and not summarized	No	Yes
9	Proof of authority must be submitted e.g. company resolution for the capacity under which this bid is signed	No	Yes
10	Written confirmation for disclosing tax status by SARS	No	Yes
11	List of current State institution clients including orders received and contract values per Province	No	Yes
12	Shareholding portfolio by proof of registration of the company with CIPRO/CIPC	No	Yes
13	General Condition of Contract Fully Signed and initialled on every page	Yes	Yes
14	Special Conditions of Contract Fully Signed and initialled on every page	Yes	Yes



PHASE II FUNCTIONALITY REQUIREMENTS (CATEGORY B)

#	Document Name	Included in the published bid document?	To be returned by bidder?
15	Three (3) Contactable References on Form 1	Yes	Yes
16	Technical and/or Application Specialist Training Certificate by Original Equipment Manufacturer (OEM) for Lead Personnel	No	Yes
17	Company Profile	No	Yes
18	Proof of Address	No	Yes
19	Profiles of Technical Personnel	No	Yes
20	Lease Agreements or Municipal Account or Proof of Geographical Location of Workshop Facilities or Proof of Arrangement with third party	No	Yes
21	Risk Management Strategy	No	Yes

PHASE III LOCAL PRODUCTION AND CONTENT (CATEGORY B –SELECTED ITEMS AS PER 6.5)

22	Exchange Rate for Local Production and Content at Closing Date	No	Yes
23	Annex C : Local Content Declaration – Summary Schedule	Yes	Yes
24	Annex D : Imported Content Declaration	Yes	Yes
25	Annex E : Local Content Declaration – Supporting Schedule to Annex C	Yes	Yes
26	SBD 6.2 Local Content	Yes	Yes
27	Authorisation letter by DTI where raw material or input is not available locally	No	Yes

PHASE IV : SAMPLES (CATEGORY A AND B)

28	Detailed Technical Specification (Annexure 3)	Yes	No
29	Specific Samples to be communicated during evaluation (not submitted at closing date)	No	Yes
30	Test Report(s) not be older than twenty-four (24) months at the closing date	No	Yes



31	Proof (issued by the testing institution) that the sample had been submitted to the testing institution before the closing date	No	Yes
32	Original manufacturer's technical specification sheet for all items	No	Yes
33	Approval letter indicating the distributor/sub-distributor or re-seller of equipment is approved to supply the equipment by the OEM	No	Yes
34	OEM brochure for each equipment offered, the brochure must be clearly labelled with the item number of the equipment being offered or operating manuals	No	Yes
35	Cleaning operating manual of the equipment	No	Yes
36	Proof of compliance/ certification for Psychological assessment test kits accredited and approved by Health Professions Council of South Africa (HPCSA)- where applicable	No	Yes
37	Radiation Control Licence (where applicable) under the bidder's name or a letter of joint venture must be submitted by the license holder where the license is not in the name of the bidder. Bidders must state the Radiation Control Licence number of the make and model of the equipment offered	No	Yes
38	Proof of compliance/ certification (where applicable) with an acceptable relevant international electrical safety standard such as IEC 601-1-2 for medical equipment	No	Yes
39	Compliance Certificates or Equivalent: <ul style="list-style-type: none"> • ISO 9001:2008 / SANS 9001:2008 – Quality Management Systems for Medical Equipment; • ISO SANS 13485: 2004/ ISO 13485: 2003: Quality Management Systems for Medical Equipment's; • SANS 14971: 2008/ISO 14971: 2007 Risk Management for Medical Equipment; • SANS 15223: 2010/ISO 15223: 2007 Symbols and Labels for Medical Equipment; • SANS 60601-1; 2013/IEC 60601-1: 2012 Medical Electrical Equipment Part 1; and • SANS 60601-1-2:2014/IEC 60601-1-2:2007 Medical Electrical Equipment Part 1-2 (Electromagnetic Compatibility). 	No	Yes



40	Where applicable, bidders offering sterile products must submit a declaration of sterility	No	Yes
41	Where applicable, a minimum of two-year warranty for items offered and/or a five-year warranty	No	Yes
42	Licence or evidence of application for the manufacturing, importing, exporting, distribution and wholesaling of medical devices and IVDs, as issued by the South African Health Products Regulatory Authority (where applicable)	No	Yes

PHASE V : PRICE AND B-BBEE (CATEGORY A AND B)

42	Pricing Schedule (Annexure 2) (Mandatory)	Yes	Yes
43	Original and valid B-BBEE status level verification certificate or a certified copy thereof or a sworn affidavit	No	Yes
44	SBD 6.1 Preference Points Claim Form	Yes	Yes
45	Submit a separate annexure as a price list of all the optional accessories and consumables that are compatible to the items offered	No	Yes
46	Cost breakdown (Annexure 5)	Yes	Yes
47	Black economic empowerment plan	No	Yes



1. INTRODUCTION

This bid is for the supply, delivery, installation, commissioning and maintenance of mental health equipment to the State for a period of thirty-six (36) months commencing on 1 June 2020 to 31 May 2023.

This bid document is divided as follows:

1.1 Section A: Conditions of bid

1.1.1 Part 1: Evaluation criteria for categories A and B respectively

1.1.2 Part 2: Bid requirements

1.2 Section B: 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) as well as the Preferential Procurement Policy Framework Act 2000 (PPPFA) with its latest 2017 regulations. The Special Conditions of Contract (SCC) are supplementary to that of General Conditions of Contract. However where the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

2.2 This bid is subject to all applicable industry related legislation, particularly the legislation stated below:

2.2.1 Mental Health Care Amendment Act 14 of 2014.

2.2.2 National Core Standards for Health Establishments of South Africa, 2008.

2.2.3 Occupational Health and Safety Act, 1993.

2.2.4 Other Legislative Regulatory Requirements Specific to this bid

South African Health Products Regulatory Authority (SAHPRA)

2.2.4.1 Bidders are required to adhere to Medicines and related substances Act, 1965 (Act No. 101 of 1965), as amended as per the Regulation relating to Medical Devices and in Vitro Diagnostic Medical Devices where applicable. Non-compliance with these conditions may invalidate the bid.

2.2.4.2 Manufacturers, distributors and wholesalers, as referred to in Section 22C(1)(b) of the Medicines and Related Substances Act, 1965 (Act No. 101 of 1965), must obtain a licence for the manufacturing, importing, exporting, distribution and wholesaling of medical devices and IVDs, as issued by the South African Health Products Regulatory Authority.

2.2.4.3 Bidders must submit with the bid, on or before the closing date and time of bid evidence of the approved medical device establishment licence.

2.2.4.4 In the event that an approved medical device establishment licence and/or registration certificate cannot be obtained from the South African Health Products Regulatory Authority, prior to the closing date and time of the bid, the bidder must submit evidence of application made to the Regulatory Authority, to be licensed as a medical device establishment (in the form of an Acknowledgement Letter received from the South African Health Products Regulatory Authority).



3. BID INFORMATION SESSION

- 3.1 A non-compulsory information session will be held as follows:

Venue : National Treasury, 40 Church Square (not Street), Budget Council Boardroom, Pretoria

Date : 04 September 2019

Time : 10h00

Parking : No parking is available within National Treasury. You are advised to utilise the private public parking at Sammy Marks Square corner Lillian Ngoyi and Madiba Streets.

- 3.2 The briefing 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.
- 3.3 The state reserves the right to answer questions at the briefing session and/or to respond formally after the briefing session.
- 3.4 Bidders are encouraged to prepare questions upfront and send them to National Treasury (NT) by e-mail to transversal.contracting2@treasury.gov.za before the briefing session. The closing date for receipt of all enquiries is **13 September 2019**. All enquiries beyond this closing date will not be considered.

4. SPECIFICATIONS AND SCOPE OF SERVICES

- 4.1 A bid that does not address the specifications and scope of services may be disqualified and considered non-responsive. A bid may be considered responsive if it addresses the specifications and scope of services summarised below:
- 4.2 The supply, delivery, installation, commissioning and maintenance of:
- 4.2.1 Mental Health Status Examination Equipment;
- 4.2.2 Cognitive Assessment Tests Tools; and
- 4.2.3 Assessment Toys.
- 4.3 Where applicable, items which are grouped in a series as per item specifications will be evaluated and awarded accordingly. Allocation of points will be as per the total value of the series group.

5. END-USER REQUIREMENTS

A list was established (attached as Annexure 2 Pricing Schedule) of all the items required for clinical application, consulting rooms and for what is required when conducting home-based care visits as summarised below. The mental health equipment items as identified were derived from the Essential Equipment List (ELL).

- 5.1 **Mental Status Examination Test kits and Equipment:** This includes test kits and equipment used to examine patient's mental health status. As per the norms and standard document, the mental status examination and Montreal cognitive test are mostly used in primary health care facilities. The total number of items covered under this category is twenty (20).
- 5.2 **Projective Tests:** Are used to test the person's response to ambiguous stimuli, presumably revealing hidden emotions and internal conflicts projected by the person into the test. There are six (6) main tests



and they are used with other subtest and a total of one-hundred and sixty (160) tests are covered on this category.

- 5.3 **Personality and Psychopathology Tests:** Test used for expression of mental impairment in the form of psychological signs and symptoms. The norms and standard document classified two (2) main tests under this category however a total of one-hundred and twenty (120) tests are included under this category.
- 5.4 **Cognitive Assessment Tests:** Test that measures cognitive abilities as part of Integrated Selection Assessment Battery. Eight (8) main tests fall under this category but a total of one-hundred and sixty-nine (169) tests were included under this category.
- 5.5 **Diagnostic Test:** Diagnostics test are used to diagnose the patient's mental health status. Statistical manual of mental disorder is the main category for diagnostic test. Sixteen (16) tests are included under this category as sub tests.
- 5.6 **Assessment and therapeutic Toys:** This includes collection of toys for psychological assessment and therapy. Toys are mostly used by kids and fifty (50) toys are included under this category.

The above mentioned tests are considered critical within the mental health care service and they have sub-tests that are used with them by different specialists.



SECTION A

CONDITIONS OF BID

6. PART 1: EVALUATION CRITERIA

The items on this bid have been divided into two (2) categories, **Category A** which require mostly supply and delivery with less installation and commissioning and **Category B** which requires pre-site inspection, supply, delivery, installation, commissioning and training. The detailed specification (attached as **Annexure 3**) of the items is also indicative of what is required per line item. The details of the evaluation phases are outlined below including the functionality evaluation criteria which is applicable only to **Category B** items.

Bidders have an option of bidding for all items on all categories or only on item or items of interest.

6.1 Category A Items evaluation criteria

The evaluation process will be conducted in phases as follows for **Category A** items.

Table 2: Category A items evaluation criteria

Phase I	Phase IV	Phase V	Phase VI
Administrative compliance	Technical Compliance & Visual Screening	Price and B-BBEE	Recommendation and Appointment
Compliance with Mandatory and other bid requirements	Compliance to the item technical specification	Bids evaluated in terms of the 80/20 or 90/10 preference points system	Recommendation and appointment of a panel of bidders

6.2 Category B Items evaluation criteria

The evaluation process will be conducted in phases as follows for **Category B** items.

Table 3: Category B items evaluation criteria

Phase I	Phase II	Phase III (Specific items ¹)	Phase IV	Phase V	Phase VI
Administrative compliance	Functionality Evaluation	Local production and content	Technical Compliance & Visual Screening	Price/Total Cost of Ownership (TCO) and B-BBEE	Recommendation and Appointment
Compliance with mandatory and other bid requirements	Bids will be evaluated in terms of the functionality criteria. A threshold of 60% to be achieved	Bids will be evaluated in terms of the local production and content thresholds on specific items	Compliance to the item technical specification	Bids evaluated in terms of the 80/20 or 90/10 preference system	Recommendation and appointment of a panel of bidders

¹ Refer to Section 6.5 for specific items for local production and content



6.3 Phase I: Administrative Compliance (Applicable to Category A and B)

During this phase bidders' responses will be evaluated based on the mandatory and other bid requirements (administrative) as listed above in Table 1 Bid Document Checklist and Returnables (Items 1-14). Bidders must submit all required documents indicated with the bid document at the closing date **(20 September 2019)** and time of the bid **(11h00)**. Bidders who fail to comply with all the mandatory criteria may be disqualified.

6.3.1 Responsive Bids

Bidders are required to submit responsive bids by completing all the prices on the provided pricing schedule for the individual items and all required forms.

6.3.2 Authorisation Declaration

6.3.2.1 Any bidder who is sourcing goods or services from a third (3rd) 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 response at the closing date **(20 September 2019)** and time **(11h00)** of the bid invitation.

6.3.2.2 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 this bid document.

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

6.3.2.4 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.

6.3.3 Tax Compliance Requirements

6.3.3.1 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.

6.3.3.2 The Tax Compliance status requirements are also applicable to potential foreign bidders / individuals who wish to submit bids.

6.3.3.3 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.

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



6.3.3.5 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.

6.4 Phase II Functionality (Applicable to Category B)

6.4.1 Only bidders who have complied with mandatory requirements will be evaluated for functionality. During this phase bidders' responses will be evaluated for functionality based on achieving a minimum total score of sixty percent (60%) for the functional requirements.

6.4.2 Bidders must, as part of their bid documents, submit supportive documentation for all functional requirements as indicated in Table 4 below in line with Table 1 (items 15 to 21).

6.4.3 The Bid Evaluation Committee (BEC) will be responsible for scoring the respective bids individually. The scores will be based on the submissions and the information provided. Bidders will not rate themselves, but need to ensure that all information required is supplied.

6.4.4 Functionality Evaluation Criteria

Bidders will be evaluated on each of the criteria, weight and scoring scale as listed in Table 4 below:

Table 4: Functionality Requirements

ELEMENT	REQUIREMENTS	WEIGHTING %
Company Medical Equipment Experience in implementing similar contracts	<p>a) Bidder must have experience in at least three (3) contracts that has been successfully completed within the last five (5) years, in the fields of pre-site inspection, supply, delivery, installation, commissioning, training and maintenance of similar medical equipment contracts.</p> <p>b) Bidders are required to submit Form 1 attached as Annexure 4 for three (3) contactable references highlighting the information in (a) above, accompanied by reference letters from the clients on their letterheads.</p>	20%
Product Knowledge and Understanding	Solid demonstration of knowledge and understanding of products are required. Bidders must submit certificates demonstrating that lead personnel has been trained (technical and, or, application specialist training) by the Original Equipment Manufacturer (OEM) as indicated on the Authorisation Letter.	20%
Operational Strategy	<p>a) Bidders must include a full strategy demonstrating the ability to carry out the requirements of the bid in terms of:</p> <ul style="list-style-type: none"> i. pre-site inspection, ii. supply, iii. delivery, iv. installation, 	30%



ELEMENT	REQUIREMENTS	WEIGHTING %
	v. commissioning, vi. training vii. maintenance, calibration, service & repair viii. lead times, Spares and consumables.	
Capacity	Bidders must demonstrate that they have the necessary capacity to undertake a national project of this nature in terms of: i. Human resources with requisite skills. ii. Coverage or proof of geographical locations of workshop facilities is required and or proof of arrangements with third parties for such. iii. The workshop process flow demonstration is also required.	20%
Risk Management Strategy	Bidders must include a risk management strategy to mitigate against any supply risk and equipment down time (e.g. equipment call outs, availability of loan units, stock and spares availability, insurance, etc.) that may arise during the contract period.	10%
Threshold		60%
Total		100%

6.4.5 Each bidder will be individually scored by a panel of Bid Evaluation Committee members. The points scored for each criteria will be multiplied by the relevant weight and summed to add up to a total score out of a maximum of 300 points. The average score of the panel members will be calculated. The average score will be converted to a percentage and only bidders that have met or exceeded the 60% threshold (180 points out of 300) will be evaluated further.

6.5 Phase III Local Production and Content (Applicable to three (3) Category B items)

It is a condition of this bid in respect of **base, mattress and clothing** (mattress cover and any other clothing in this bid) that only locally produced or manufactured base, mattress and clothing with the below stipulated threshold for local production or manufactured will be considered.

- 6.5.1 The exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) at 12h00 on the date of advertisement of the bid;
- 6.5.2 The rates of exchange quoted by the bidder of the declaration certificate will be verified for accuracy;
- 6.5.3 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content;
- 6.5.4 The guidance on the calculation of local content together with the local content declaration templates (**Annex C** – local content declaration : summary schedule), **Annex D** (imported content declaration : supporting schedule to Annex C) and **Annex E** (local content declaration : supporting schedule to Annex



C) are all accessible to all potential bidders on the Department of Trade and Industry (DTI's) official website http://www.thedti.gov.za/industrial_development/ip.jsp at no cost;

6.5.5 The SBD 6.2 declaration certificates for local production and content together with the **Annex C** (Local Content Declaration: Summary Schedule) must be completed, duly signed and submitted by the bidder at the closing date (**20 September 2019**) and time (**11h00**) of the bid;

6.5.6 The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the following formula which must be disclosed in the bid documentation:

$$LC = (1 - x/y) * 100$$

Where

X is the imported content in Rand

Y is the bid price in Rand excluding value added tax (VAT)

6.5.7 Prices offered in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the SARB at 12h00 on the date of advertisement of the bid;

6.5.8 The bids will be evaluated in terms of the minimum threshold stipulated in this bid document;

6.5.9 As the bid is for more than one (1) item, the local content percentages for each item contained in SBD 6.2 must be used;

6.5.10 The DTI has a right, as and when necessary, to request for auditors' certificates confirming the authenticity of the declarations made in respect of local content;

6.5.11 Only items that achieve the minimum stipulated threshold for local production and content may be evaluated further;

6.5.12 Suppliers must not sub-contract in such a manner that the local production and content of the overall value of the items concerned is reduced to below the stipulated minimum threshold;

6.5.13 Where, after the award of this bid, suppliers experience challenges in meeting the stipulated minimum threshold for local content, the DTI must be informed accordingly in order to verify and in consultation with the National Treasury provide directives in this regard.

6.5.14 The thresholds are as follows:

- **Base:**
- ✓ Timber base : 90%
- ✓ Steel base : 100%
- ✓ Mattress : 80%

6.5.15 If the raw material or input to be used for a specific item is not available locally, bidders should obtain written authorisation from the DTI should there be a need to import such raw material or input

6.5.16 A copy of the authorisation letter must be submitted together with the bid document at the closing date (**20 September 2019**) and time (**11h00**) of the bid.

- **Clothing:**

This category of clothing includes mattress cover, hand puppet, coloured textile puppet and any item in this bid that falls under clothing

- ✓ Textiles, clothing, leather and footwear : 100%



6.5.17 If the raw material or input to be used for a specific item is not available locally, bidders should obtain written authorisation from the DTI should there be a need to import such raw material or input.

6.5.18 A copy of the authorisation letter must be submitted together with the bid document at the closing date (**20 September 2019**) and time (**11h00**) of the bid.

6.6 Phase IV Technical Specification Compliance & Sample Technical and or Visual Screening (Applicable to Category A and B)

Items must comply with technical specification as stated in this bid document for each item. The specification as per the pricing schedule (attached as **Annexure 2**) is a summary description and the detailed technical specification of all the items is attached as **Annexure 3**. Non-compliance to the technical specification requirement may invalidate the items which the compliance is not adhered to.

6.6.1 Samples submitted to a testing institution

6.6.1.1 Where a standard is indicated on the item specification, a sample must be submitted to a testing institution accredited by South African National Accreditation System (SANAS) before the closing date (**20 September 2019**) and time (**11h00**) of bid. The purpose is to obtain a test report for the items being offered in the bid.

6.6.1.2 Where specific specifications and/ or standards are applicable on materials and supplies, the quality of products shall not be less than the requirements of the latest edition of such specifications and/or standards.

6.6.1.3 Test reports must be submitted proving that the relevant item(s) complies with the specification after inspection and testing of the samples by a SANAS accredited or recognized institution. The test reports must not be older than twenty-four (24) months at the closing date (**20 September 2019**) of the bid.

6.6.1.4 In the event that a test report cannot be obtained from the testing institution prior to the closing date (**20 September 2019**) and time (**11h00**) of the bid, the bidder must obtain proof (issued by the testing institution) that the sample had been submitted to the testing institution before the closing date (**20 September 2019**) and time (**11h00**) of the bid. In this case, bidders must submit the test reports to National Treasury within thirty-five (35) days after the closing date (**20 September 2019**) and time (**11h00**) of bid. It is the responsibility of the bidder to ensure that the test report is submitted to National Treasury within the stipulated timelines.

6.6.1.5 Bids not supported by test reports at time of evaluation will be disregarded in respect of the item (s) for which test reports are not submitted.

6.6.1.6 The procedures for sampling and testing for item compliance may differ and should be obtained from the relevant testing institution. The cost of compliance testing will be for the account of the prospective bidder.

6.6.1.7 All bidders are required to submit samples at a testing institution.

6.6.1.8 Bidders must enquire at the following institutions for the relevant standards. A list of accredited institutions is available on the SANAS website <http://www.sanas.co.za>.

6.6.1.9 South African Bureau of Standards

- South African National Standards (SANS), SABS, International Organization for Standardisation (ISO) and Clinical Knowledge Summaries (CKS) specifications is available from South African Bureau of Standards offices countrywide. Obtaining of such



standards/specifications will be the responsibility of and for the account of the prospective bidder.

- To purchase standards, obtain quotes or enquire about the availability of eStandards, please contact Standards Sales at Postal Address: Private Bag X191, Pretoria, 0001; Physical Address: 1 Dr Lategan Road, Groenkloof, Pretoria. Website: www.sabs.co.za and follow the "Search/Buy Standards" link.

6.6.1.10 **South African National Accreditation System**

The contact details of SANAS are as follows: Postal Address - Private Bag x 23, Sunnyside, Pretoria, 0132; Physical Address: The DTI Campus, 77 Meintjies Street, Sunnyside, Pretoria, 0002, Tel: 012 394 3760.

6.6.2 **Samples submitted for Technical Evaluation and or Visual Screening**

- 6.6.2.1 Samples must be submitted for the purpose of technical evaluation and or visual screening of items offered for compliance to technical specification during the evaluation phase.
- 6.6.2.2 A schedule indicating the venue, date and time for submission of samples identified for technical evaluation and or visual screening will be forwarded to all bidders who qualified prior to the date and time of visual screening.
- 6.6.2.3 Bidders or a representative (preferable technical machine experts) of the bidder must be present for any clarity which may be required during the evaluation of the equipment. National Treasury will not take responsibility for samples left unattended or not collected after the evaluation.
- 6.6.2.4 Where applicable, standard accessories including consumables to render the machine operational must be submitted with samples for the relevant equipment.
- 6.6.2.5 An original manufacturer's technical specification sheet for all items required must be submitted again with the samples. This sheet must include all relevant information required to verify the compliance of the bid specification requirements.
- 6.6.2.6 It is the responsibility of the bidder to ensure that their samples are collected after evaluation, no samples will be kept at the sample evaluation venue and State will not take responsibility for samples left at the venue.
- 6.6.2.7 Where different sizes of the same item are called for against different item numbers, samples of each size must be submitted.
- 6.6.2.8 All samples submitted for visual screening must be a true representation of the item which will be supplied during the tenure of the transversal contract.
- 6.6.2.9 Bids not supported by samples may invalidate the bid for the item(s) for which samples are not submitted.

6.6.3 **Marking of Samples**

- 6.6.3.1 Samples must be placed in suitable containers and be clearly marked on the outside with the bid number, item number(s), and the bidder's name. This detail must appear on a label attached to each individual item package.
- 6.6.3.2 All samples, including the labelling requirements, must be a true representation of the item that will be supplied during the transversal contract period.



- 6.6.3.3 Where applicable, packaging of samples submitted must be marked with the expiry date, batch identification prefixed by the "LOT" the word "sterile" and the sterilisation method, trade name or trademark of the manufacture and item code as relevant.
- 6.6.3.4 Failure to comply with this condition may invalidate the bid against the relevant item.
- 6.6.4 **Bid Quality Assurance Requirements - Safety and Quality Assurance Requirements (to be submitted with Samples)**
- 6.6.4.1 All items must comply with standards as stated in the specification detail of each item. Failure to comply may invalidate the items concerned.
- 6.6.4.2 Where applicable, a certification/proof of compliance from a SANAS accredited institution such as SABS OR from an International equivalent institution (CE, FDA and etc.) must be submitted to confirm compliance with standard specified or equivalent at the closing date **(20 September 2019)** and time **(11h00)** of bid.
- 6.6.4.3 All Psychological assessment test kits must be accredited and approved by HPCSA. Proof of compliance/ certification must be submitted at closing date **(20 September 2019)** and time **(11h00)** of bid. Failure to comply with the above compliance requirements may result in the disqualification of the bid for such relevant item/s.
- 6.6.4.4 The mains cable of the units should be 15 Amp, 3pin prong (South African requirement), hospital/clinic grade type and it should be a minimum length of two (2) meters. NB: The mains cable of the unit must be SANAS (SABS) standard colour coded, and must be supplied with surge protector plug.
- 6.6.4.5 The equipment offered must be protected against electromagnetic interference (IE) standard.
- 6.6.4.6 The requirements for this bid are in compliance with the National Core Standards for Health Establishments of South Africa, 2008. Therefore, bidders must familiarise themselves with such standards.
- 6.6.4.7 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 transversal contract period.
- 6.6.4.8 The State reserves the right to request a valid compliance certificate from the successful bidders during the transversal contract period.
- 6.6.4.9 Bidders are required to comply with the requirements of the Occupational Health and Safety Act, 1993.
- 6.6.5 **Hazardous Substance Act (Act 15/1973): Radiation Control Licence**
- 6.6.5.1 It is a requirement of the bid that all items comply with the Hazardous Substance Act (Act 15/1973). Where applicable, Radiation Control Licence must be submitted with the bid at closing date **(20 September 2019)** and time **(11h00)** for relevant items.
- 6.6.5.2 The licence must be registered under the bidder's name or a letter of joint venture must be submitted by the license holder where the license is not in the name of the bidder.
- 6.6.5.3 Bidders must state the Radiation Control Licence number of the make and model of the equipment offered.
- 6.6.5.4 Failure to comply with the above compliance requirements may result in the disqualification of the bid for such relevant item/s.



6.6.6 **International Electro-Technical Commission (IEC) Requirements**

6.6.6.1 Where applicable, items offered must comply with an acceptable relevant international electrical safety standard such as IEC 601–1-2 for medical equipment. Proof of compliance/ certification must be submitted at closing date (**20 September 2019**) and time (**11h00**) of bid.

6.6.6.2 Failure to comply with the above compliance requirements may result in the disqualification of the bid for such relevant item/s.

6.6.7 **Quality Assurance Standards**

6.6.7.1 Bidders are required to comply with Occupational Health and Safety Act and are required to submit the following compliance certificates or equivalent at the closing date (**20 September 2019**) and time (**11h00**) of bid. ISO 9000: Quality Management Systems;

- ISO 9001:2008 / SANS 9001:2008 - Quality Management Systems for Medical Equipment;
- ISO SANS 13485: 2004/ ISO 13485: 2003: Quality Management Systems for Medical Equipment's;
- SANS 14971: 2008/ISO 14971: 2007 Risk Management for Medical Equipment;
- SANS 15223: 2010/ISO 15223: 2007 Symbols and Labels for Medical Equipment;
- SANS 60601-1; 2013/IEC 60601-1: 2012 Medical Electrical Equipment Part 1; and
- SANS 60601-1-2:2014/IEC 60601-1-2:2007 Medical Electrical Equipment Part 1-2 (Electromagnetic Compatibility).

6.6.7.2 Failure to comply with the above may invalidate the bid entirely or at a specific item level.

6.6.8 **Certification of Information Technology Devices by SITA**

6.6.8.1 All bidders should ensure that any information technology devices on this transversal contract must be certified by SITA prior to closing date and time.

6.6.8.2 Bidders can refer to www.sita.co.za/prodcert.htm for details on the equipment certification process, as well as the required documents. Product certification contact details are as follows:

SITA Contact Details:

Contact person : Izak de Villiers

Telephone number : (012) 482 2749

Email : izak.devilliers@sita.co.za

6.6.9 **Phase V: Price and B-BBEE (Applicable to Category A and B)**

6.6.9.1 **Pricing schedule and structure requirements**

- One National price is required and prices quoted must be furnished on the basis of supply, delivery, installation and commissioning including Value Added Tax.
- 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.
- Conditional discounts offered will not be taken into consideration during evaluation.
- Prices submitted for this bid must be filled in on the field provided on the pricing schedules supplied with the bid. Price structures that do not comply with this requirement may invalidate the bid.



6.6.9.2 Value Added Tax

All bid prices must be inclusive of fifteen percent (15%) Value Added Tax.

Failure to comply with this condition may invalidate the bid.

6.6.9.3 Applicable Taxes

All bid prices must be inclusive of all applicable taxes.

Failure to comply with this condition may invalidate the bid.

6.6.9.4 Cost Breakdown

- Bidders are requested to submit the cost breakdown of their pricing including the profit mark-up for each item offered as per **Annexure 2**. Should the cost breakdown be the same for all items on the bid response, the bidder must indicate clearly in the bid response. Bidders will not be allowed to change the cost breakdown of price during the tenure of the transversal contract.
- 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 Rand value. The Rand value of the cost drivers should be expressed as a percentage of the total cost.

Example:

Table 5 Example of Cost Breakdown

Cost-driver	Rand value	% of Total Cost
Imported raw material	R 300.00	30%
Local raw material	R 200.00	20%
Labour	R 150.00	15%
Transport	R 300.00	30%
Other	R 50.00	5%
Total price of item	R 1000.00	100%

6.6.9.5 B-BBEE requirements

- In terms of regulation 6 and 7 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 either the 80/20 or 90/10 preference point system and that the lowest acceptable price/TCO bid will be used to determine the applicable preference point system.
- The following formula will be used to calculate the points for price:

$$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

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

- A maximum of either 10/20 points may be allocated to a bidder for attaining their B-BBEE status level of contributor in accordance with the table below:

Table 6: Preference Point System

B-BBEE Status Level of Contributor	Number of Points for the 90/10 system	Number of Points for the 80/20 system
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- (iii) 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 or a sworn affidavit at the closing date **(20 September 2019)** and time **(11h00)** of the bid in order to claim the B-BBEE status level point.
- (iv) The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- (v) 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 an accredited verification agency or a sworn affidavit will be considered for preference points.
- (vi) Failure on the part of the bidder to comply with the above paragraphs will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).
- (vii) 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.
- (viii) The points scored will be rounded off to the nearest two (2) decimals.
- (ix) In the event that two (2) or more bids have scored equal total points, the award will be to the bidder scoring the highest number of preference points for B-BBEE.



- (x) However, when functionality is part of the evaluation process and two (2) or more bidders have scored equal points including equal preference points for B-BBEE, the awarded will be to the bidder scoring the highest for functionality.
- (xi) Should two (2) or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- (xii) A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

6.6.10 Phase VI Recommendation and appointment of a panel of bidders (Applicable to Category A and B)

Once the evaluation process is complete including negotiations, 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 and appointment(s).

On approval of the recommendation and appointment(s), successful bidder(s) will sign an appointment letter together with the master transversal agreements for the mental health equipment of this bid and unsuccessful bidder(s) will be informed accordingly.

7. PART 2: ADDITIONAL BID REQUIREMENTS

- 7.1 Where applicable, all equipment must be supplied with operating manuals/information brochures written in English language.
- 7.2 Where applicable, products should be made of non-toxic, easy to clean and disinfect material.
- 7.3 Where possible no equipment supplied should provide opportunity for self-harm to patients or harm to others.
- 7.4 Materials used for mattresses and covers should be fire resistant and not give off toxic gas during accidental fires.
- 7.5 Bidders are required to ensure that products and written publications/books/manuals and tests offered are of the latest or current edition, version, make or models. The State is under no obligation to accept offers for models and or make of the products that are not current or latest in the market.
- 7.6 Items shall carry a minimum of two-year warranty.
- 7.7 Bidders must quote for all the consumables that are used with the product offered and also indicate if these consumables need to be compatible with the product offered or whether generic consumables can be utilised with the product offered.
- 7.8 All products shall be priced standard price including all accessories and consumables which will render the item usable at first purchase. Following which, accessories, consumables and optional extras can be purchased individually.
- 7.9 Bidders are required to submit a separate annexure as a price list of all the optional accessories that are compatible to the item offered.



8. TERMS AND CONDITIONS

8.1 Supplier Due Diligence

- 8.1.1 The State reserves the right to conduct supplier 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.
- 8.1.2 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 specifications. This will be arranged with the bidder.

8.2 Validation of phases

- 8.2.1 The State reserves the right to ensure accuracy of the evaluation phases of the transversal contract prior to final award.

8.3 Counter Conditions

- 8.3.1 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.
- 8.3.2 The NT reserves the right to change or supplement any information or to issue any addendum to this bid before the closing date (**20 September 2019**) and time (**11h00**). The NT and its officers, employees and advisors will not be liable in connection with either the exercise of, or failure to exercise this right.
- 8.3.3 If the NT exercises its right to change or supplement information in terms of the above clause, it may seek amended bid documents from all bidders.

8.4 Fronting

- 8.4.1 The NT 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 NT does not support any form of fronting.
- 8.4.2 The NT, 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 DTI, be established during such enquiry / investigation, the onus will be on the bidder to prove that fronting does not exist. Failure to do so by the bidder within a period of fourteen (14) days from date of notification by NT 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 NT may have against the bidder concerned.

8.5 Right of Award

The State reserves its following rights;

- 8.5.1 To award the bid in part or in full;
- 8.5.2 Not to make any award in this bid or accept any bids submitted;
- 8.5.3 Award the bid to more than one (1) bidder for the same item;
- 8.5.4 Request further technical information from any bidder after the closing date;



- 8.5.5 Verify information and documentation of a bidder;
- 8.5.6 Not to accept any of the bids submitted;
- 8.5.7 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
- 8.5.8 In the event that an incorrect award has been made to remedy the matter in any lawful manner it may deem fit.

8.6 **Multiple Award**

The State reserves the right to award the same item to more than one supplier to address item availability and compatibility. Due diligence will be applied to ensure that pricing is affordable, market related and aligned to end-user requirements.

The following shall be taken into consideration when contemplating a multiple award:

- 8.6.1 Capacity to meet the expected demand according to the end-user requirements;
 - 8.6.2 Mitigation of risk if the item is unavailable;
 - 8.6.3 Past compliance of the bidder with contractual obligations;
 - 8.6.4 The maximum number of bidders per items to be awarded will be at the discretion of the BEC.
- #### 8.7 **Items Grouped as a Series**
- 8.7.1 Where applicable, items which are grouped in a series as per item specifications will be evaluated and awarded accordingly. Allocation of points will be as per the total value of the series group.
 - 8.7.2 Bidders are required to offer prices for all units of measure specified in the series, and for all items within a group series.
 - 8.7.3 Bidders are required to offer prices of all the consumables, accessories, optional extras as required in the detailed item specifications.
 - 8.7.4 Non-compliance with the above-mentioned conditions may invalidate the bid for the item(s) concerned.

9. **NEGOTIATIONS**

The State reserves the right to negotiate with the shortlisted bidders prior to 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, taking into account subjective factors such as fit to purpose along with whole life cost as installation, training, maintenance, disposal and wastage.

10. **SUBMISSION OF BIDS**

- 10.1 Bidders must respond to the bid as follows:
 - Submit hard copies and electronic copy at the Tender Information Centre (TIC) situated at corner 240 Madiba and Thabo Sehume Streets in Pretoria CBD behind former ABSA building;
 - Bidders are requested to initial each page of the bid document on the bottom right hand corner; and
 - Submit any bid queries via email to transversal.contracting2@treasury.gov.za.
- 10.2 Bidders must submit the bid to TIC in the following format:



- One (1) original hard copy clearly marked as “original”;
- Two (2) duplicate hard copies clearly marked as “copies”;
- One (1) duplicate soft copy as pdf and pricing schedule separately in an XLSX excel sheet format) on either a CD/DVD/Memory stick to the National Treasury: TIC by the closing date **(20 September 2019)** and time **(11h00)** of the bid invitation.
- Bidders to ensure the submission of the pricing schedule is an excel sheet and not a pdf copy.

10.3 Non-compliance with 10.1 and 10.2 above may invalidate the bidder's response.

10.4 Any discrepancies between the electronic bid copy and the hard copy may invalidate the bid response for the above mentioned items and services in question. All CDs/DVDs/Memory sticks should be clearly marked with the bid number and bidder's name.

10.5 In order to simplify the evaluation process, bidders are required to submit their bids as per the checklist (Phases) on Table 1 which is the Bid Document Checklist and Returnables.

10.6 Late Bids

Bids received after the closing date **(20 September 2019)** and time **(11h00)** at the TIC and according to 10.2 above will NOT be accepted for consideration and where practicable, be returned unopened to the bidder.

11. COMMUNICATION AND CONFIDENTIALITY

11.1 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 **(20 September 2019)** and time **(11h00)** of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary.

11.2 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 **(20 September 2019)** and the award of the bid by the bidder is discouraged.

11.3 Whilst all due care has been taken in connection with the preparation of this bid, the NT 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 NT, and its officers, employees and advisors will not be liable with respect to any information communicated which is not accurate, current or complete.

11.4 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 NT (other than minor clerical matters), the bidder must promptly notify the NT in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the NT an opportunity to consider what corrective action is necessary (if any).

11.5 Any actual discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the NT will, if possible, be corrected and provided to all bidders without attribution to the bidder who provided the written notice.

11.6 All communication between the bidder and the NT TC office must be done in writing as per 12.2 below.



- 11.7 No representations made by or on behalf of the NT in relation to this bid will be binding on the NT unless that representation is expressly incorporated into the contract ultimately entered into between the NT and the successful bidder(s).
- 11.8 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.

12. CONTACT DETAILS

12.1 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

12.2 Bid Enquiries

All enquiries should be in writing to transversal.contracting2@treasury.gov.za. The closing date for receipt of all enquiries is **13 September 2019**. All enquiries beyond the closing date will not be considered.

Transversal Contract and Samples : Ms Brenda Mashifane
: National Treasury

**SECTION B:****CONDITIONS OF CONTRACT****13. CONCLUSION OF MASTER TRANSVERSAL AGREEMENT AND PARTICIPATION AGREEMENT**

- 13.1 The Master Transversal Agreement (MTA) between National Treasury and the preferred bidder(s) collectively referred to as the Parties shall come into effect after the preferred bidder(s) has been issued with an unconditional letter of acceptance to their bids.
- 13.2 It is a requirement that the preferred bidder (s) and the end user State institutions sign a Participation Agreement (PA) within thirty (30) days upon receipt of order.
- 13.3 The preferred bidder(s) shall be appointed in terms of this bid. The Parties must ensure that the terms and conditions of the PA do not contradict the provisions of this bid document. In the event that the terms of the PA contradict the provisions of this bid document to the extent that the duration, pricing as well as the services have changed in terms of this transversal contract, such PA shall be deemed not to be in terms of this RT54-2020 transversal contract. Therefore, any transaction that flows therefrom shall not be considered a transaction in terms of this RT54-2020 transversal contract.
- 13.4 The following will form part of the Master Transversal Agreement documents between the Parties in as far as this RT54-2020 is concerned:
- 13.4.1 Bid Documents;
 - 13.4.2 Letter of Appointment;
 - 13.4.3 Award Documents;
 - 13.4.4 Master Transversal Agreement; and
 - 13.4.5 Participation Agreement.
- 13.5 In the event that there is any contradiction between the abovementioned documents, the order of precedence will be as follows; only in as far as it relates to service delivery:
- 13.5.1 Maintenance Schedule to the Participation Agreement
 - 13.5.2 Participation Agreement
 - 13.5.3 Master Transversal Contract
 - 13.5.4 Bid documents
- 13.6 Regarding all other matters;
- 13.6.1 Master Transversal Agreement
 - 13.6.2 Participation Agreement
 - 13.6.3 Maintenance Schedule
 - 13.6.4 Bid documents

14. PARTICIPATING STATE INSTITUTIONS

- 14.1 National Department of Health;
- 14.2 All Provincial Departments of Health;
- 14.3 South African National Defence Force;
- 14.4 Department of Correctional Services; and



- 14.5 Day Care and Residential Facilities for persons with mental illness or severe or profound intellectual disability licensed by Department of Health.

15. POST AWARD PARTICIPATION

- 15.1 Public Finance Management Act public institutions listed in Schedules 1, 2, 3A, 3B, 3C, 3D and Local Government are all welcome to participate post award on the transversal contract.
- 15.2 The participating letter will be customised to allow participation on completion and signing thereof as the transversal contract is arranged by means of a competitive bidding process by NT, subject to an electronic (e.g. e-mail, NOT written approval/consent) acceptance by the Contract Manager or a delegate from TC.
- 15.3 Bidder(s) will be notified of new participants and the list of participants will be published on the website together with any model changes, price adjustments and any other transversal contract information for the benefit of bidder(s) and participants.
- 15.4 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.
- 15.5 Public entities listed in schedule 2, 3B and 3D to the PFMA, may participate in transversal contract facilitated by the relevant treasury through approval from their accounting authorities.
- 15.6 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.

16. PRICE ADJUSTMENT

16.1 Formula

- 16.1.1 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.
- 16.1.2 Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.
- 16.1.3 The following price adjustment formula will be applicable for calculating contract price adjustments (CPA).

**Table 7 : Contract Price Adjustment Formula**

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

16.2 Formula component definitions

16.2.1 Adjustable amount

The adjustable amount is the portion of the bid price which is subject to adjustment. In this bid the adjustable amount is eighty-five percent (85%) of the original bid price. For example, if the bid price is R1000, then only R850 will be subject to adjustment.

16.2.2 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.

16.2.3 Cost components and proportions

The cost components of the contract price usually constitute the cost of materials (raw material or finished item), 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.

**Table 8: Contract Price Adjustment Cost Components**

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

16.2.4 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:

Table 9: Applicable Indices

Cost component	Index Publication	Index Reference
D1 – Imported Raw Material / Finished item (if applicable)	Supplier / Manufacturer invoice(s) and remittance advice. ¹	Documentary evidence to accompany claim
D2 - Local Raw Material / Finished item (if applicable)	STATS SA (PPI)	STATS SA Index /Documentary evidence to accompany claim e.g. Invoices
D3 - Labour	STATS SA P0141 (CPI) Table E OR Labour agreement ²	Table E - All Items or OR Labour agreement to be provided
D4 – Transport	STATS SA P0141 (CPI) Table E	Table E - Transport – Other Running Cost
D5 – Other	Specify	Documentary evidence to accompany claim

16.2.5 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 **August 2019**.



16.2.6 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).

16.2.7 Price Adjustment Periods

Price adjustment shall be applied on an annual basis at the anniversary of the transversal contract from commencement date. The application must be send to National Treasury a month before the effective date of the new adjusted price.

Table 10: Contract Price Adjustment Periods

Adjustment	Average exchange rates for the period	CPA application to reach National Treasury at the following dates	Dates from which adjusted prices will become effective
1 st Adjustment	Aug 2019 to Apr 2021	May 2021	1 June 2021
2 nd Adjustment	July 2021 to Apr 2022	May 2022	1 June 2022

16.2.8 Rates of Exchange (RoE) – Base and average rates

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

- 16.2.8.1 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 in below paragraph and the average RoE rate over the period under review indicated in paragraph below.
- 16.2.8.2 In the event where 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 paragraph below for the later invoice.
- 16.2.8.3 The imported cost component (D1) will be adjusted together with all the other cost components indicated in paragraph above and at the predetermined dates indicated in paragraph above.
- 16.2.8.4 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 11: CPA Rate of Exchange

Currency	Rates of exchange (6 months' average for the period)
US Dollar	14.23
Pound Sterling	18.31
Euro	16.03



- 16.2.8.5 Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period 1 August 2019 – 31 April 2021 using the Reserve Bank published rates for the specific currency. Visit www.reservebank.co.za to obtain the relevant rates. Please refer to TCBD 2 (Procedure to download historical exchange rates from the Reserve Bank website for instructions).
- 16.2.8.6 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 above.

16.2.9 Forex

The State will only be allowing the contract price adjustments on the intervals as indicated in this Special Conditions of Contract. Most of the items on this bid are imported and no extra ordinary price adjustment due to exchange rate fluctuations will be considered. Therefore, the supplier is advised to take forward cover and or foreign exchange hedging or whichever is applicable to be able to cover the foreign exchange risk.

16.2.10 General

- 16.2.10.1 Unless prior approval has been obtained from National Treasury, Transversal Contracting, no adjustment in contract prices will be made.
- 16.2.10.2 Applications for price adjustment must be accompanied by documentary evidence in support of any adjustment.
- 16.2.10.3 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.
- 16.2.10.4 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.
- 16.2.10.5 Bidders are referred to the paragraph regarding counter conditions.
- 16.2.10.6 An electronic price adjustment calculator will be available on request from Transversal Contracting.
- 16.2.10.7 The State reserves the right to negotiate a price adjustment or not to grant any price adjustment.

17. STERILITY STANDARDS

- 17.1 SABS sterility is entrenched in the SABS standards testing and is performed by SABS Microbiology Division on sterile products only.
- 17.2 Where applicable, bidders offering sterile products must submit a declaration of sterility.

18. DELIVERY, QUANTITIES AND ORDERS

18.1 Delivery Basis

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

18.2 Quantities

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



Orders will be placed by participating State institutions and they will also be responsible for the payment to bidders for the equipment delivered and/or services rendered.

18.3 Shelf Life

18.3.1 Where applicable, products, upon delivery must have at least eighteen (18) months of shelf-life before date of expiry.

18.3.2 Suppliers may make written applications to the purchasing institution to deliver goods with a shorter shelf-life, provided such applications are accompanied by an undertaking that unused short- dated stock shall be unconditionally replaced before or after expiry.

18.3.3 Any delivery of short dated supplies without prior written approval must be collected by the respective suppliers at their own cost.

18.3.4 Any participating institution may, without prejudice, decline written applications to deliver short dated stock.

18.4 Orders

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

18.4.2 Suppliers 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).

18.4.3 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 institutions.

18.4.4 The State is under no obligation to accept any quantity which is in excess of the ordered quantity.

18.5 Delivery Adherence

18.5.1 Delivery of goods must be made in accordance with the instructions appearing on the official order forms issued by purchasing institutions.

18.5.2 All deliveries or dispatches must be accompanied by a delivery note stating the official order number against which the delivery has been affected.

18.5.3 In respect of items awarded Suppliers must adhere strictly to the delivery lead times quoted in their bids.

18.5.4 Deliveries not complying with the order forms will be returned to the Supplier at the Supplier's expense.

18.5.5 Where applicable, all equipment is to be supplied with operating manuals/information brochures in an English language.

19. ITEM REQUIREMENTS

19.1 All items offered must be of the latest model – bidders should state date of initial manufacture of the model range offered in the pricing schedule.

19.2 All parts must be supplied new; no second hand or refurbished parts will be accepted.

19.3 The expected lifespan of all items offered must be stated in the pricing schedule.

19.4 The bidder should ensure that the spare parts of the items are guaranteed to be available for the specified lifespan of the equipment.

**20. ITEM ADHERENCE / BRAND CHANGE**

- 20.1 In the event where a bidder offers a specific brand against an item and the item is subsequently awarded to the bidder, it is required of the successful bidder to continue to supply the brand awarded throughout the transversal contract period.
- 20.2 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.
- 20.3 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.
- 20.4 Furthermore, Suppliers are to take note that the price of the new brand should not be higher from the current transversal contract price of the original product.
- 20.5 Suppliers are not allowed to deliver a new brand other than the brand awarded to them prior to an approval of brand change from National Treasury.

21. CATALOGUE

Successful bidders will be required to compile a colour catalogue for all the items awarded within a period of four (4) weeks from transversal contract commencement which include list of items, contract item numbers, item description, item images, model number, brand name, unit prices and post warrantee maintenance prices where applicable for each year for five (5) years.

22. PACKAGING AND LABELLING**22.1 Packaging**

- 22.1.1 All deliveries made against this transversal contract, in all modes of transport, are to be packed in suitable containers.
- 22.1.2 Packaging must be suitable for further dispatch, storage and stacking according to Good Wholesaling Practice and Good Distribution Practice.
- 22.1.3 Packaging must be suitable for transportation and should prevent exposure to conditions that could adversely affect the stability and integrity of the item.
- 22.1.4 All books and assessment sheets must be packaged in sealable protective plastic or other material to protect them from dust, rain and etc.
- 22.1.5 The packing must be uniform for the duration of the transversal contract period. All items must be packed in acceptable containers, specifically developed for the item.
- 22.1.6 The number of units in the unit pack, shelf pack and shipper pack must be completed in the pricing schedule.
- 22.1.7 Where a particular stacking and storage configuration is recommended by the supplier, this should be clearly illustrated on the outer packaging.
- 22.1.8 Where the contents of the shipper pack represent a standard supply quantity of an item, the following must be adhered to:
- Outer packaging flanges must be sealed with suitable tape that will clearly display evidence of tampering.



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

22.2 Labelling

22.2.1 All containers, packing and cartons must be clearly labelled. Bulk packs must be labelled in letters not less than font size forty-eight (48).

22.2.2 The following information must be clearly and indelibly printed on all shelf and shipper packs, including any part boxes:

- Proprietary name (if applicable)
- Number of units in pack (e.g. for bulk packs 20 administration sets)
- Batch number
- Expiry date
- Storage conditions
- Barcode.

23. GUARANTEE PERIODS

- 23.1 The guarantee must be specific for the appropriate equipment.
- 23.2 The supplier must guarantee that spare parts will be available for the expected lifetime of the equipment and for a period of at least ten (10) years from procurement date.
- 23.3 The guarantee must cover all items against manufacturing defects, installation, commissioning, materials and workmanship. Should manufacturing defects be detected within a thirty-day (30-day) period, the supplier shall replace the equipment with a new one. Should manufacturing defects be detected within a period of six (6) months after commissioning, the supplier shall be obliged to replace with a new item /equipment.
- 23.4 Throughout the guarantee and maintenance plan periods, the Supplier must maintain good working order of the equipment.
- 23.5 During the guarantee period maintenance must be carried out on intervals specified by the equipment manufacturer without being requested to do so by the end-user. The use of other brands of material e.g. ribbons, ink, tapes and paper etc. must in no way affect the guarantee. Should the use of this material affect the guarantee, full particulars must be furnished.
- 23.6 It is a requirement that the Supplier keeps record of the premises where the equipment has been installed in order to keep such equipment in good working order during the guarantee period.

**24. MAINTENANCE**

- 24.1 A fully comprehensive preventive maintenance, and repair plan including all costs must be included in the two (2) year guarantee. Software updates and upgrades to be included. Repair costs due to end-user negligence will be for end-user's account.
- 24.2 The guarantee period of twenty-four (24) months will be effective from the date of user acceptance and should cover all applicable maintenances.
- 24.3 In a case where equipment is removed from an institution for repairs, the Supplier must provide a loan machine, which is in good condition.
- 24.4 After the warranty has expired the Supplier will be requested to repair and maintain the equipment under the conditions of this transversal contract.
- 24.5 All spares, calibration, maintenance cost in line with Original Equipment Manufacturer specifications for the full maintenance period should be covered. Due diligence will be conducted prior to award and during the transversal contract period to confirm compliance.
- 24.6 The Supplier shall ensure the availability of all accessories and consumables for the life span of the equipment.
- 24.7 For certain items, a five (5) year maintenance plan is required (details to be found in the specifications) and bidders are requested to provide a maintenance plan and costs that will be applicable beyond the guarantee period. The price offered for maintenance will be evaluated with the equipment price and its accessories as a series.

25. TRAINING AND COMMISSIONING OF EQUIPMENT

- 25.1 First line maintenance training by Suppliers to the purchasing institution's technical personnel is required. The equipment catalogue or brochure should specify what the first line maintenance per equipment entails.
- 25.2 User training must be provided by the successful bidder in the operation of the unit at no extra cost to the final bid price. Bidders must detail the training that would be offered and indicate who would offer the training, commissioning of medical equipment includes assembly, installation, acceptance testing and initial training, verifying safety and functional performance accuracy, quality assurance calibration, correction of equipment defects including those that are not readily apparent, practical training for both clinical and technical staff, and full handover of all catalogue, operating manuals, instruction leaflet. Commissioning shall include on-field user-training on medical equipment to clinical staff and shall be performed by a qualified and competent application specialist.
- 25.3 The Supplier's shall test, calibrate and commission the equipment as appropriate in a way that, on installation completion, they are fully operational and can be used. The Purchaser reserves the right to witness the Supplier's testing and commissioning without thereby relieving the Supplier of his obligation to provide equipment in a fully operable condition.
- 25.4 A complete set of commissioning forms with the entire set of tests run and the results obtained will be given to the Purchaser after the final reception of the equipment.
- 25.5 The Supplier is required to make available to the end-user the use of all consumables measurement and calibration instruments used during the commissioning.
- 25.6 User Care: Information to be provided by manufacturer/supplier, e.g. cleaning, disinfection/ sterilization method (for reusable devices).



- 25.7 Commissioning shall also include practical training for technical service personnel on first-line repairs and inspection maintenance by a qualified and competent clinical engineering professional.
- 25.8 The purchasing institution may request training as and when a need arise to ensure competency / operational efficiency of end-user

26. SUPPORT

- 26.1 It is required that the Suppliers should provide product demonstration training support at no additional cost to all end users for the duration of the transversal contract period relating to the following:
- Versatility and adjustability including size ranges: this should also include design quirks that impact on the type of accessories that can be used, (e.g. a 14" SAM uses a 12" back system, because of the way the backrests arms are set up).
 - Troubleshooting problems and potential solutions.
 - The standard basic setup of the device as it should be upon delivery, what the device comes with and what needs to be ordered, (e.g. wheelchair will need a back and a cushion ordered separately).
 - The availability of accessories for the devices.
- 26.2 These demonstrations are not to replace the seating training courses but purely to highlight the features of the various devices, the end-user is to still attend the appropriate level seating training for the service they intend providing (basic-intermediate-advanced).
- 26.3 Item information documents (e.g. catalogues, operating manuals, instruction leaflets, etc.), in at least the English language, must be provided with the items.

27. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

27.1 Contract Administration

- 27.1.1 The administration and facilitation of the transversal contract is the responsibility of National Treasury and all correspondence in this regard must be directed to transversal.contracting2@treasury.gov.za.
- 27.1.2 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.

27.2 Contract Performance Management

- 27.2.1 Contract performance management will be the responsibility of end-user State institutions and where Supplier performance disputes cannot be resolved between the Supplier and the relevant purchasing institution, National Treasury: Transversal Contracting must be informed for corrective action.
- 27.2.2 The details of how end-user State institutions should do contract performance management will be provided post award.
- 27.2.3 End-user State institutions are required to report to National Treasury on quarterly orders including values of the orders to ascertain if the medical equipment needs are being fulfilled by the transversal contract.

27.3 Breach of Contract

The State reserves the right to terminate the contract(s) for not honouring contract(s) obligations including submission of information.

**27.4 Post Award Monitoring and Reporting**

27.4.1 National Treasury will conduct meetings with the end users and Suppliers to discuss transversal contracting issues.

27.4.2 Reporting and bidder(s) meetings will be on a quarterly basis and will be scheduled post award.

27.5 Supplier Performance

27.5.1 Contracted suppliers must notify the National Treasury of any unforeseeable circumstances that may adversely affect supply against the contract.

27.5.2 The National Treasury, in collaboration with the other Participating end user department, will monitor the performance of contracted suppliers and maintain a scorecard for compliance to the terms of this contract as follows:

- a. Compliance to delivery lead times;
- b. Percentage of orders supplied in full first time;
- c. Compliance with reporting requirements according to reporting schedule.
- d. Attendance of compulsory quarterly meetings.

27.5.3 Any change in the status in supply performance during the contract period must be reported within seven (7) days of receipt of such information to the National Treasury.

27.6 Historical data

All successful bidders are required to submit historical value and volume reports via e-mail on a quarterly basis to: transversal.contracting2@treasury.gov.za

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