



SPECIAL CONDITIONS OF CONTRACT

RT60-1-2017

**SUPPLY AND DELIVERY OF FABRIC AND TOWELLING TO THE STATE
FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018**

**NATIONAL TREASURY
TRANSVERSAL CONTRACTING
OFFICE OF THE CHIEF PROCUREMENT OFFICER**



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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 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 its 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 points.
- 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 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 total 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. CENTRAL SUPPLIER DATABASE

- 3.1 The Central Supplier Database maintains a database of organisations, institutions and individuals who can provide goods and services to government. The CSD will serve as the single source of key supplier information for organs of state from 01 April 2016 providing consolidated, accurate, up-to-date, complete and verified supplier information to procuring organs of state.
- 3.2 Prospective suppliers interested in pursuing opportunities within the South African government are encouraged to self-register on the Central Supplier Database. This self-registration application represents an expression of interest from the supplier to conduct business with the South African government. Once submitted, your details will be assessed for inclusion on the Central Supplier Database.
- 3.3 A contract will not be awarded to a person/company who is not registered on the CSD.



4. FRONTING

- 4.1 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.
- 4.2 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.

5. AUTHORISATION DECLARATION

- 5.1 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.
- 5.2 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.



5.3 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.

5.4 Failure to submit a duly completed and signed Authorisation Declaration (TCBD 1), with the required annexure(s), in accordance with the above provisions will invalidate the bid for such goods or services offered.

6. TAX CLEARANCE CERTIFICATE

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

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

6.3 It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted;

6.4 Bidders are required to be registered on the Central Supplier Database and the National Treasury shall verify the bidder's tax compliance status through the Central Supplier Database.

6.5 Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database

7. VALUE ADDED TAX

7.1 All bid prices must be inclusive of 14% Value-Added Tax.

7.2 Failure to comply with this condition will invalidate the bid.



8. ELECTRONIC BIDDING

- 8.1 Bidders are required to submit their bid electronically using the National Treasury's Transversal contracting supplier portal accessed on the following link: <https://eprocurement.csd.gov.za/>.
- 8.2 Bidders must submit the exact copy of 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. In the event that a hard copy of the bid documents is not received on or before the closing date and time, the bid will be invalidated.
- 8.3 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.
- 8.4 Electronic tender system training to bidders will be provided by the National Treasury, Transversal Contracting every Monday between 14:00pm and 16:00pm. Training booking may be made at the following details:
- Name: Babara Sanders
Tel: 0123155865
Email: gcommerce@treasury.gov.za
- 8.3 Failure to submit the bid electronically may result in the immediate disqualification of the bid

9. RESPONSE FIELDS

- 9.1 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 bidders' attention is drawn to the response field and price structure explanations and examples supplied in the bid document (TCBD 6 – Response field Explanations)
- 9.2 Bidders are requested to initial each and every page on the right hand bottom corner of the tender document.



9.3 Non-compliance with this condition will invalidate the bid for the item(s) concerned.

8. LATE BIDS

10.1 Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration.

10.2 Late bids will not be admitted for consideration and will, where practicable, be returned unopened to the bidder.

10.3 To correct any mistakes at any stage of the bid that may have been in the bid documents or occurred at any stage of the bid process.

9. COMMUNICATION

11.1 Transversal Contracting may communicate with bidders where clarity is sought after closing date and prior to the award of the contract to obtain information or to extend the validity period of the bid.

11.2 Any communication either by telephone, facsimile, letter or electronic mail or any other form of correspondence to any government official or representative of a testing institution 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.

11.3 All communication between the bidder and the Transversal Contracting Office must be done in writing

10. NEGOTIATIONS

The State reserves the right to negotiate with the shortlisted bidders prior to award and with the successful bidder/s post award based on market conditions.

11. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments to any of the Special Conditions by bidders may result in the invalidation of such bids.



12. NATIONAL TREASURY RESERVES THE RIGHT

- 14.1 To cancel and/or terminate the bid process at any stage, including after the closing date and/or after presentations have been made, and/or after bids have been evaluated and/or after the preferred bidder(s) have been notified of their status as such;
- 14.2 To cancel and/or terminate the contract or part thereof, post the awards with consultation with the service provider if is deemed necessary.
- 14.3 Not to award or cancel this tender at any time and shall not be bound to accept the lowest or any Bid.
- 14.4 To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
- 14.5 To accept part of the tender rather than the whole tender.
- 14.6 To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.
- 14.7 To award a tender based on which bidder is offering the best value for money, even if such tender is not the lowest priced tender.
- 14.8 To terminate or amend the requirements of this contract at any point during the life cycle of the contract.
- 14.9 To appoint a reserve bidder that can be utilised at any time during the contract when necessary.

13. CONTACT DETAILS

15.1 *General*

Office of the Chief Procurement Officer: Chief Directorate: Transversal Contracting, National Treasury,
Private Bag x115, Pretoria, 0001

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

15.2 *Bid enquiries:*

Contact: Yvette van Niekerk

Tel: (012) 315-5360; Fax: (012) 315-5058; E-mail: Yvette.vanniekerk@treasury.gov.za



15.3 *Specification/Technical Enquiries*

Department of Correctional Services

Contact: Willie Smit, Tel: (012) 307 2980, Fax: (012) 323 5621 / 086 529 6395, Cell: 082 927 5060,

E-mail: willem.smit@dcs.gov.za



SECTION B

14. CONTRACT PERIOD

The contract period shall be for the period 1 April 2017 to 31 March 2018.

15. PARTICIPATING GOVERNMENT DEPARTMENTS/INSTITUTIONS

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

| Department |
|-------------------------------------|
| Department of Correctional Services |

17.1 *Post award participation*

Constitutional institutions as per Schedule 1 of the PFMA, national and provincial public entities as per Schedule 3A and 3C of PFMA and Local Authorities e.g. municipalities are permitted to participate in this contract, only once formal requests have been submitted to, and formal approval has been obtained from National Treasury. The National Treasury will obtain written confirmation from the relevant suppliers indicating their willingness to supply in terms of the contract.

16. AWARD CONDITIONS AND SPLIT AWARDS

The State reserves the right to award contracts to more than one contractor for the same item. The following formula will be used for the purpose of splitting contracts between two contractors:

| Category | Difference between points | Recommended percentage split |
|-----------------|----------------------------------|-------------------------------------|
| | Equal points | /50 |
| | 1 – 5 % | /30 |
| | 1 – 10 % | /20 |



17. PRICING STRUCTURE AND QUANTITIES

- 19.1 All prices must include VAT and must be furnished on the basis of "delivered to the store".
- 19.2 The yearly prices MUST be all inclusive. This means, all direct and indirect related costs must be included in the prices.
- 19.3 Year 1 prices will be based on estimated available quantities. If quantities substantially increase during the year due to new participation request from user departments, the state reserves the rights to renegotiate the prices.
- 19.4 Year 2 and Year 3 quantities will be communicated 3 months prior to the anniversary of the contract. Bidders will be requested to provide prices in line with the cost elements breakdown submitted as part of this bid. The final prices will be reviewed, negotiated and approved prior to the anniversary of the contract.

19.5 ***Cost Elements breakdown –***

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.

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.

The following examples below are some of the cost breakdown for illustration purposes. Bidders are requested to select only the once applicable to their bid prices



| Cost Component | Weighted contribution | Indices |
|--|-----------------------|--|
| Imported Raw Material/Finished product (if applicable) | | Supplier/Manufacturer invoice(s) and remittance advice.1 |
| Local Raw Material/Finished product (if applicable) | | Stats SA P0142.1 (PPI) Table 8 – Domestic Output |
| Labour | | Stats SA P0141 (CPI) OR Labour agreement2 |
| Transport | | Stats SA P0141 (CPI) Table E |
| Overheads (excluding profit) | | |
| Production costs | | |
| Packaging | | |
| Profit | | Compulsory to select |
| Other | | Specify |
| TOTAL (Cost components must add up to 100%) | 100 % | |

19.6 Percentage weighted contribution – List % weighted contribution for each cost element

19.7 Indices – List measurable indices/factors that contribute to cost escalation.

19.8 All prices are subject to negotiation prior to signing on an anniversary of the contract

18. QUANTITIES

20.1 The quantities reflected in the bid forms are estimated quantities and no guarantee is given or implied as to the actual quantity which will be procured during the contract period.

20.2 The quantity indicated against each item represents the total estimated off-take of all participating departments and however not guaranteed. The numbers may increase or decrease in a particular year.



- 20.3 The estimated quantities provided in this bid are for year 1 only. Year 2 and Year 3 quantities will be provided to the successful bidders 3 months prior to the anniversary of the contract respectively.

19. SUPPLIER DUE DILIGENCE

The State reserves the right to conduct supplier due diligence including site visits prior to final award and post award.

20. PRE-AWARD PRODUCT COMPLIANCE PROCEDURES FOR ITEMS WHERE SPECIFICATION REFER TO DEPARTMENT, PRIVATE OR SANS STANDARDS

The following pre-award product compliance procedures will apply:

22.1 Standards/Specifications

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

22.2 South African Bureau of Standards:

SANS, ISO and CKS specifications are available from South African Bureau of Standards Office's 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

Tel: (012) 428-6883, Fax: (012) 428-6928, E-mail: sales@sabs.co.za

Website: www.sabs.co.za and follow the "Search/Buy Standards" link

22.3 South African National Accreditation System (SANAS):

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, Fax: (012) 394-0526

A list of institutions is available on the SANAS website <http://www.sanas.co.za/> or <http://www.sanas.co.za/contact.php>

22.4 Capability report

22.4.1 Bidders must submit a manufacturing capability report with the bid documents at closing date and time of the bid.

22.4.2 The capability report must be issued by an organization accredited or recognized by SANAS. The capability report must specifically indicate whether the bidder/manufacturer has the capability and capacity to manufacture the product(s). The capability report has to address the following requirements:

- Production capacity and capability
- Company organization
- Facilities
- Quality control systems
- Incoming inspections
- In-process quality control
- Final inspection
- Packaging
- Non-conforming product
- Communication/documentation control and work movement



- 22.4.3 In the event of the bidder sourcing the product(s) from another manufacturer, a capability report from that manufacturer must be obtained. The capability report must accompany the bid at closing date and time of the bid.
- 22.4.4 The capability report must not be older than twelve (12) months.
- 22.4.5 The cost for the capability evaluation and report will be for the account of the bidder.
- 22.4.6 Failure to comply with this condition will invalidate the bid.

21. QUALITY

Where specific specifications and/ or standard 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.

22. DELIVERY AND QUANTITIES

24.1 *Delivery basis*

- 24.1.2 Firm lead times for delivery must be quoted for the duration of the contract period.
- 24.1.3 Transit and storage conditions applicable to the relevant product must be adhered to.

24.2 *Quantities*

- 24.2.2 The quantities reflected in the bid forms are estimated quantities and no guarantee is given or implied as to the actual quantity which will be procured during the contract period.
- 24.2.3 The quantity indicated against each item represents the total estimated off-take of all participating departments.

23. LOCAL PRODUCTION AND CONTENT

- 23.1 Regulation 9 of the Preferential Procurement Regulations, 2011 pertaining to the Preferential Procurement Policy Framework Act, Act no 5 of 2000 provides for the designation of sectors in line with national development and industrial policies for local production.



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- 23.2 To give effect to the above requirement the Textiles, Clothing, Leather and Footwear sector has been designated for local production and content with a minimum threshold of 100%.
- 23.3 Only locally produced or locally manufactured Textiles, Clothing, Leather and Footwear from local raw material or input will therefore be considered. If the raw material or input to be used for a specific item is not available locally, bidders should obtain written authorisation from the Department of Trade & Industry (the dti) should there be a need to import such raw material or input.
- 23.4 A copy of the authorisation letter must be submitted together with the bid document at the closing date and time of the bid. For further information, bidders may contact the Textiles, Clothing, Leather and Footwear Unit within the DTI:

Mr A P Tembo at Tel: (012) 394 3717 or e-mail aptembo@thedti.gov.za, or

Me P Khumalo at Tel: (012) 394 1390 or e-mail khumalop@thedti.gov.za

- 23.5 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content. The technical specification and the Guidance on the calculation of local content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)] are accessible to all bidders on the dti's website http://www.dti.gov.za/industrial_development/ip.jsp at no cost.
- 23.6 The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the following formula:

$$LC = (1 - X/Y) * 100$$

Where

X is the imported content in Rand

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



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- 23.7 Prices referred to in the determination of X must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid.
- 23.8 The Declaration Certificate for Local Production and Content (SBD 6.2) together with the Annex C (Local Content Declaration: Summary Schedule) must be completed, signed and submitted with the bidding documents at the closing date and time of the bid. The rates of exchange used by the bidder in paragraph 4.1 of the Declaration Certificate will be verified for accuracy against the requirements of paragraphs 20.6 and 20.7 above.
- 23.9 A bid may be disqualified if the above-mentioned Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation, and the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.
- 23.10 A contract awarded in relation to a designated sector, may not be sub-contracted in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.



SECTION C

24. ROLES AND RESPONSIBILITIES

26.1 *Contract Administration*

26.1.1 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: Transversal Contracting, National Treasury, Private Bag X115, Pretoria, 0001

26.1.1 Contractors must advise the Chief Directorate: Transversal Contracting, National Treasury 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.

26.1.2 Contractors must advise the Chief Directorate: Transversal Contracting, National Treasury 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.

26.2 *Supplier Performance Management*

26.2.1 Supplier performance management will be the responsibility of end user departments and supplier performance issues must be resolved between the contractor and the relevant purchasing institution.

26.2.2 The Chief Directorate: Transversal Contracting, National Treasury must be informed of all cases of unsatisfactory supplier performance.

26.3 *Placement of Orders and Payments*

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



25. ORDERS AND DELIVERY

25.1 Orders

- 25.1.1 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).
- 25.1.2 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.
- 25.1.3 The State is under no obligation to accept any quantity which is in excess of the ordered quantity.
- 25.1.4 In the case of the Department of Defence (SA Air Force, SA Army, SA Military Health Services) item/s, bidders should note that each individual Provincial Directorate/Base is responsible for generating the order/s as well as the payment/s thereof. Bidders should further note that the order/s will be spread out throughout the contract period and that delivery points will be to the individual Directorate/Base.

25.2 Delivery Adherence

- 25.2.1 Delivery can only commence upon receipt of an original approved order form from the relevant participating department.
- 25.2.2 Delivery of goods must be made in accordance with the instructions appearing on the official order forms issued by purchasing institutions.
- 25.2.3 All invoices should be delivered / posted to reach the institution that placed the order timeously. The invoices should be original and complete with all particulars such as order numbers and accompanied by an inspection certificate and proof of delivery.
- 25.2.4 All deliveries or dispatches must be accompanied by a delivery note stating the official order number against which the delivery has been affected.
- 25.2.5 In respect of items awarded to them, contractors must strictly adhere to the delivery lead times quoted in their bids.



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

26. PRODUCT ADHERANCE/BRAND CHANGE

26.1 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 contract period.

26.2 In the event that the brand is discontinued, National Treasury, Transversal Contracting must be notified of such an occurrence.

26.3 Contractors are not allowed to deliver a different brand other than the brand awarded to them prior to an approval of brand change from National Treasury, Transversal Contracting.

27. POST-AWARD PRODUCT COMPLIANCE PROCEDURES

The following post-award product compliance procedures will apply:

Once bids are awarded, the inspection authority, the South African Bureau of Standards is given written notification of the award of all contracts.

29.1 *Consignment/batch testing*

27.1.1 Consignments (products) are inspected on a batch to batch or lot for lot basis to ensure that the product comply with predetermined standards (these standards could be SANS or private standards).

27.1.2 The contract and official orders to the successful bidder will reflect that the relevant testing institution is required to carry out consignment/batch inspections. The purchasing institution will send a copy of the official order to the South African Bureau of Standards and notify the testing institution in writing (preferably by means of an official order) that consignment /batch tests must be carried out.

27.1.3 It is the responsibility of the purchasing institution to determine and explicitly stipulate the number and frequency of consignment inspections to be carried out, as the costs of such inspections would



normally be borne by the purchasing institution. The consignment inspection can be carried out either before delivery at the contractor's premises or after receipt of the consignment at the purchasing institution's warehouse. Inspection at the contractor's premises is preferable as any faults are then indisputably the responsibility of the contractor and the correction thereof could be done promptly. Non mark bearing fabric will be tested with every batch; mark bearing fabric will be tested on request by the department.

- 29.1.4 If the inspections do not comply with the standards, the cost for these inspections will be payable directly by the contractor.

28. DISPOSING OF GOODS BEARING STATE OWNERSHIP MARK: ALL PRINTED FABRIC

- 28.1 Textile goods manufactured in terms of this contract and bearing a State ownership mark shall not be disposed of by the contractor to any person, other than a State Department unless the ownership mark has been cancelled, defaced or obliterated in such a manner as may be approved by the State.

- 28.2 In order for a contractor to comply with the abovementioned condition, a contractor will be entitled to:

- Dispose of such goods provided the goods are stamped or stencilled in indelible ink or dye with the word "CANCELLED", preferable, but not necessarily, over the State ownership mark, or overprinted with a design in the same colour as that of the mark, or provided the colouring of the mark is bleached out.
- Cut up the goods so that the State ownership mark is defaced and then to use it or dispose of it as rags, cleaning cloths, etc.

29. CONDITIONS APPLICABLE FOR ITEMS REQUESTED BY THE DEPARTMENT CORRECTIONAL SERVICES: PRISON UNIFORM ONLY

- 29.1 The quantities for fabrics that the purchaser deems as "confined / restricted lines", the supplier may submit and deliver up to 90% of the total contracted quality of "A" grade fabric. The remaining 10%



of the contract quantity can be of a "sub-standard" fabric offered, if acceptable for its use. The cost of a report/certificate will be for the supplier's account. If the purchaser accepts the "sub-standard" fabric, the Department will discount the cost of these "sub-standard" fabrics at 20% of the contract price.

- 29.2 The Department of Correctional Services reserves the right to request sporadic inspections on "MARK BEARING" suppliers and that the cost of these inspections will be carried by the Department, should the product comply with the specification and, by the supplier should it not comply.

30. QUALITY ADHERANCE

- 30.1 Bidder's attention is drawn to paragraph 8 of the General Conditions of Contract regarding inspection, tests and analysis.
- 30.2 If the delivered supplies are not in accordance with the contract requirements, the cost of inspections, tests and analysis done by an independent testing facility shall be defrayed by the contractor.



31. POST AWARD REPORTING

33.1 *Historical Spend Data*

33.1.1 All successful bidders and participating departments are required to submit historical spend data including value and volume reports via e-mail on a three (3) monthly basis. The electronic templates to be completed will be supplied to all successful bidders. The reports must be sent to:

Transversal Contracting, National Treasury: Yvette van Niekerk (Yvette.van.Niekerk@treasury.gov.za) and Kobie Claassen (Kobie.claassen@treasury.gov.za).

| Period | Dates at which reports must be submitted |
|--------|--|
| 1 | 30 June 2017 |
| 2 | 30 September 2017 |
| 3 | 31 December 2017 |
| 4 | 31 March 2018 |

DORAH KGOTSE

for CHIEF DIRECTOR: TRANSVERSAL CONTRACTING
OFFICE OF THE CHIEF PROCUREMENT OFFICER

24 APR 2017
DATE: