SPECIAL CONDITIONS OF CONTRACT

RT72-2014

SUPPLY AND DELIVERY OF MEDICAL OXYGEN THROUGH CYLINDERS OR OXYGEN ENRICHING MACHINES TO PATIENTS TREATED AT HOME BY REGISTERED PROFESSIONAL NURSES SUCH PATIENTS MUST BE WITHIN THE REPUBLIC OF SOUTH AFRICA FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2017

CLOSING DATE AND TIME OF BID:
26 May 2014 at 11h00

BID VALIDITY PERIOD: 120 DAYS

NATIONAL TREASURY

CONTRACT MANAGEMENT

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ABBREVIATIONS

BAC	:	Bid Adjudication Committee
B-BBEE	:	Broad-Based Black Economic Empowerment
CPA	:	Contract Price Adjustment
CPI	:	Consumer Price Index
ISO	:	International Organisation for Standardisation
PPI	:	Producer Price Index
ROE	:	Rates of Exchange
SABS	:	South African Bureau of Standards
SANAS	:	South African National Accreditation System
SBD	:	Standard Bidding Document
STATS SA	:	Statistics South Africa
TCBD	:	Transversal Contract Bidding Document
VAT	:	Value- Added Tax

SECTION A

1 LEGISLATIVE AND REGULATORY FRAMEWORK

This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

2 EVALUATION CRITERIA

2.1 Preference Point System

2.1.1 In terms of regulation 6 of the Preferential Procurement Regulations 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:

$$Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

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

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

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

2.1.4 Bidders are required to complete the preference claim form (SBD 6.1), and submit their original and valid B-BBEE status level verification certificate or a certified copy thereof at the closing date and time of the bid in order to claim the B-BBEE status level point.

2.1.5 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.

2.1.6 Only bidders who have completed and signed the declaration part of the preference claim form and who have submitted a B-BBEE status level certificate issued by a registered auditor, accounting officer (as contemplated in section 60(4) of the Close Corporation Act, 1984 (Act no. 69 of 1984)) or an accredited verification agency will be considered for preference points.

2.1.7 Failure on the part of the bidder to comply with paragraphs 2.1.4 and 2.1.6 above will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).

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

2.1.9 The points scored will be rounded off to the nearest 2 decimals.

2.1.10 In the event that two or more bids have scored equal total points, the contract will be awarded to

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

2.1.11 However, when functionality is part of the evaluation process and two or more bidders have scored equal points including equal preference points for B-BBEE, the contract will be awarded to the bidder scoring the highest for functionality.

2.1.12 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

2.1.13 A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

3 RESPONSE FIELDS

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

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

4 AUTHORISATION DECLARATION

4.1 Any bidder who is sourcing goods or services from a third party must complete the "Authorisation Declaration" (TCBD 1) in full for all relevant goods or services, sign it and submit it together with the bid documents at the closing date and time of the bid.

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

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

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

5 TAX CLEARANCE CERTIFICATE

5.1 An original and valid Tax Clearance Certificate issued by the South African Revenue Services certifying that the taxes of the bidder are in order must be submitted at the closing date and time of bid. Please refer to SBD2 – Tax Clearance Certificate Requirements.

5.2 Copies and/or certified copies of the Tax Clearance Certificate will not be acceptable.

5.3 Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid.

6 VALUE ADDED TAX

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

6.2 Failure to comply with this condition may invalidate the bid.

7 SUBMISSION OF BIDS

7.1 Bidders must submit the bid in hard copy format (paper document) to National Treasury: Tender Information Centre before the closing date and time. The hard copy of the bid response will serve as the legal bid document. The bid must be addressed to the National Treasury: Tender Information Centre.

7.2 Each bid should be submitted in a separate, sealed envelope or suitable cover on which the name and address of the bidder, the bid number and the closing date must be clearly endorsed.

7.3 Bidders are encouraged to bid electronically via the electronic response system to facilitate the speedy evaluation of bid responses. Electronic bids must also be submitted before the closing date and time. Besides responding electronically through the electronic response system, the bidder is still required to submit a hard copy of the bid document before the closing date and

time. In the event that a hard copy of the bid document is not received on or before the closing date and time, the bid will be invalidated.

7.4 All electronic data submitted must be an exact copy of the hard copy document. Any discrepancies between the electronic data and the hard copy may invalidate the bid for the item in question.

8 LATE BIDS

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

9 COUNTER CONDITIONS

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

10 FRONTING

10.1 The National Treasury supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the National Treasury condemn any form of fronting.

10.2 The National Treasury, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the

National Treasury may have against the bidder / contractor concerned.

11 SUPPLIER DUE DILIGENCE

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

12 COMMUNICATION

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

12.2 Any communication to any government official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.

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

13 CONTACT DETAILS

13.1 ***General***

Chief Directorate: Contract Management, National Treasury, Private Bag x115, Pretoria, 0001

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

13.2 ***Bid Enquiries***

Contract Manager: Johnny Ramoroka / Patiswa Mgcodo

Contract Management, National Treasury

Tel: (012) 395 6524 / (012) 315 5820

Fax: (086) 232 5145

E-mail:johnny.ramoroka@treasury.gov.za / patiswa.mgcodo@treasury.gov.za

13.3 ***Specification / Technical Enquiries***

Name: Elmarie Van Der Walt

Department: National Department of Health

Tel: (012) 395 8023

E-mail:VdwalE@health.gov.za

SECTION B

14 CONTRACT PERIOD

The contract period shall be for a period of 36 months commencing on 1 July 2014 to 30 June 2017.

15 PARTICIPATING GOVERNMENT DEPARTMENTS / INSTITUTIONS

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

National Departments

- Department of Defence:

Provincial Departments

- Provincial Departments of Health: Free State, Mpumalanga, North West, KwaZulu Natal, Western Cape, Gauteng, Limpopo, Eastern Cape and Northern Cape

15.2 ***Post award participation***

15.2.1 In terms of Treasury Regulation 16A6.6 and Municipal Supply Chain Management Regulation 32, an Accounting Officer/Accounting Authority may, on behalf of the department, constitutional institution, public entity, Municipality or Municipal Entity, request to participate in transversal term contracts contract arranged by means of a competitive bidding process by National Treasury, subject to written approval by the BAC for Transversal Contracts and relevant contractors.

15.2.2 The abovementioned provision for post award participation will only apply during the first six months of the contract period. No application after this period will be considered.

16 GROUP EVALUATION AND AWARD CONDITIONS

16.1 Items in the bid are grouped as a series and will be evaluated as a group. The items will be awarded accordingly.

16.2 Bidders are required to offer prices for all units of measure specified in the series.

16.3 Bidders must take note that the allocation of points will be per category (group evaluation)

16.4 Non-compliance with the abovementioned conditions will invalidate the bid for the item/s concerned.

16.4.1 Product information documents (e.g. catalogues, operating manuals, instruction leaflets, etc.), in at least the English language, must accompany the bid documents.

17 BID INFORMATION SESSION

17.1 A non-compulsory information session will be held at:

National Treasury	: 240 Madiba Street, Pretoria.
Date	: 14 May 2014
Time	: 10h00 to 16h00
Venue	: Room 901

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

18 LEGISLATIVE AND REGULATORY REQUIREMENTS SPECIFIC TO THIS BID

Bidders are required to adhere to the following legislative and regulatory requirements. Noncompliance with these conditions may invalidate the bid for such products offered.

18.1 Medicines and Related Substances Act, Act 101 of 1965

18.1.1 Bidders offering medical gasses which must be registered in terms of section 15 of the Medicines and related Substances Act, Act 101 of 1965 as amended, must submit a certified copy of a valid registration certificate, issued in terms of the said act, at the closing date and time of the bid.

18.1.2 It is required that a product (concentrator machine) must conform to specifications, a test report from any testing agent accredited or recognised by the South African national Accreditation Standards (SANAS) proving compliance, must be handed in with the bid document at closing date and time. This test report must not be older than twelve months at the closing date and time

of the bid.

18.1.3 Non-compliance with the above mentioned special conditions may invalidate the bid for such products offered.

19 ESTIMATES

The statistics here under must be utilised for the sole purpose of preparation for this bid.

Estimated number of patients on LTDOT programme per province as at March 2014

Gauteng Province	1367
Limpopo Province	107
Mpumalanga Province	261
North West Province	319
Free State	391
Western Cape Province	184
Northern Cape Province	150
Eastern Cape Province	81
Kwazulu Natal Province	210
Department of Defence	35
TOTAL	**3105**

20 PRICING STRUCTURE

20.1 Prices quoted must be furnished on the basis of “delivered into store” country-wide.

20.2 Bids must be for the supply ex duty paid stocks held in the Republic of South Africa during the contract period.

20.3 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.

21 CONTRACT PRICE ADJUSTMENTS

21.1 ***Formula***

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

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

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

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

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

21.2 ***Formula component definitions***

21.2.1 Adjustable amount

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

21.2.2 Fixed portion

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

21.2.3 Cost components and proportions

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

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

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

Cost Component	% Contribution	Bid Price Breakdown
D1- Imported raw material / finished product (If applicable)		
D2 – Transport		
D3 – Labour		
D4 – Other		
TOTAL (Cost components must add up to 100%)	**100 %**	

21.2.4 Applicable indices / references

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

Cost component	Index Publication	Index Reference
D1 – Imported raw Material / finished product (If applicable)	Stats SA PO142.1 (PPI) TABLE 1	Chemical product
D2 – Transport	Stats SA P0141 (CPI) TABLE E	Transport and other running costs)
D3 – Labour	STATS SA P0141 (CPI), TABLE E OR Labour agreement[1]	Table E - All Items or (CPI Headline) OR Labour agreement to be provided
D5 – Other	Specify	Documentary evidence to accompany claim

21.2.5 Base Index Date

The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date is **April 2014**

21.2.6 End Index Date

[1] *In the absence of a labor agreement, the labor cost component will be adjusted with CPI Headline inflation.*

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

21.2.7 Price Adjustment Periods

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

Adjustment	CPA application to reach the office at the following dates	End Index Date	Dates *from* which adjusted prices will become effective	Dates *until* which adjusted prices will be effective
1st Adjustment	4 August 2014	June 2014	1 September 2014	28 February 2015
2nd Adjustment	February 2015	December 2014	2 March 2015	31 August 2015
3rd Adjustment	3 August 2015	June 2015	1 September 2015	29 February 2016
4th Adjustment	3 February 2016	December 2015	1 March 2016	31 August 2016
5th Adjustment	3 August 2016	June 2016	1 September 2016	28 February 2017
6th Adjustment	3 February 2017	December 2016	1 March 2017	30 June 2017

21.3 ***Rates of Exchange (RoE) – Base and Average rates***

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

21.3.1 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 paragraph 21.3.4) and the average RoE rate over the period under review indicated in paragraph 21.3.6 below.

21.3.2 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 (paragraph 21.3.4) for the earlier invoice and the average RoE rate for the period under review as indicated in paragraph 21.3.6 below for the later invoice.

21.3.3 The imported cost component (D1) will be adjusted together with all the other cost components indicated in paragraph 21.2.3 and 21.2.4 above and at the predetermined dates indicated in paragraph 21.2.7 above.

21.3.4 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.

Currency	**Rates of exchange** 6 month average for the period 25 November 2013 to 25 April 2014
US Dollar	10.6887
Pound Sterling	17.6736
Euro	14.6551
Yen	9.6282

21.3.5 Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period 25 November 2013 to 25 April 2014 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.

21.3.6 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 hereunder:

Adjustment	**Average exchange rates for the period:**
1st Adjustment	1 February 2014 to 31 July 2014
2nd Adjustment	1 August 2014 to 31 January 2015
3rd Adjustment	1 February 2015 to 31 July 2015
4th Adjustment	1 August 2015 to 31 January 2016
5th Adjustment	1 February 2016 to 31 July 2016
6th Adjustment	1 August 2016 to 31 January 2017

21.4 ***General***

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

21.4.2 Applications for price adjustment must be accompanied by documentary evidence in support of

any adjustment.

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

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

21.4.5 Bidders are referred to paragraph 9 of the Special Conditions regarding Counter Conditions.

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

22 PRE-AWARD PRODUCT COMPLIANCE PROCEDURES

The following pre-award product compliance procedures will apply:

22.1 ***Standards / Specifications***

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

22.1.2 *South African Bureau of Standards:*

SANS, SABS, 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

22.1.3 *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: 012-3940526

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

23 DELIVERY OF EQUIPMENT

23.1 Initial delivery

23.1.1 The initial delivery of equipment to the patient must be made within 24 hours after the contractor receives the instruction.

23.1.2 With the initial delivery a competent person must train the patient and family or caregiver in the basic operation as well as safety aspects of the equipment in order to enable the patient to immediately commence with treatment.

23.1.3 The contractor is responsible for ensuring that the equipment supplied is suitable to meet the needs of the patient.

23.1.4 The contractor must ensure that all equipment supplied is functioning as required so that patient can begin with the treatment immediately.

SECTION C

24 ROLES AND RESPONSIBILITIES

24.1 ***Contract Administration***

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

The Chief Directorate: Contract Management, National Treasury, Private Bag X115, Pretoria, 0001

24.1.2 Contractors must advise the Chief Directorate: Contract Management, 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.

24.2 ***Performance Measures***

24.2.1 The following performance measures are required to be electronically supplied on an annual basis to Contract Management, National Treasury by the contractor. Electronic templates will be supplied to successful bidders.

24.2.2 Performance measures that will be measured in this contract include

- Supplier performance
  - ✓ On-time delivery of functional equipment and service; and
  - ✓ Call-out response time
  - ✓ Adherence to special conditions including visits and reports
  - ✓ Complaints received and successfully addressed or not
- End-User measure
  - ✓ On time payment percentage; and
  - ✓ Rand value of on-time payment

25 COPYRIGHT AND OWNERSHIP OF DATA

25.1 On commencement of the contract, the provincial coordinators shall arrange with the current contractor to hand-over the instructions/orders/prescriptions of all current patients and to electronically transfer the data base information to the new contractor within one (1) week.

25.2 The State is, and remains, the sole owner of all data generated during the execution of this contract. The contractor shall provide the data to third party only upon written request in paper and/or electronic format, upon approval from the National Treasury.

25.3 All documents produced by the contractor, including its employees and agents, in the fulfilment of the items of this contract shall be and remain the sole property of the state and all copyrights of documents shall vest with the state.

26 IMPLEMENTATION PLAN

26.1 The service will start the first day of the contract period; all newly diagnosed patients will be the responsibility of the incoming contractor.

26.2 The data-distributing procedure is as follows:

- Within one (1) week after the successful contractor has been officially notified the contractor will receive a list with all the contract details of the department of defence and all nine (9) provincial coordinators/representatives
- Within one (1) month after the commencing of this contract each provincial coordinator/representative will ensure that the incoming contractor has received a complete database of all the outgoing contractors' current patients.
- It is the responsibility of each provincial coordinator/representative to ensure that the database has all the contact details (including telephone numbers and physical addresses) of all the patients. In case of incomplete information, the provincial coordinator/representative must approach the outgoing contractor to obtain the information.

26.3 Should the current contractor be the unsuccessful bidder, the contractor should continue to render the all-inclusive package service for the duration of the handover period of three (3)

months on the same terms and conditions of the contract.

27 PRODUCT REQUIREMENTS

27.1 Quality Assurance

- All items offered, must comply with the minimum specifications
- All the contractors, depending on where they are manufactured must be accredited according to the regulations of the manufacturing country i.e. FDA or CE
- All machines must adhere to the compulsory specification for electrical and electronic apparatus as stipulated in the Standard Gazette Not. 5794 of 8 November 1996
- It is required that a product (concentrator machine) must conform to specific specifications, a test report from any testing agent accredited or recognised by the South African National Accreditation Standards (SANAS) proving compliance,
- With respect to the products offered, the manufacturing facility is required to be in compliance with the Quality Management System. ISO 9002 for manufacturing.

27.2 Equipment

- All equipment supplied by the contractor will remain the property of the contractor.
- During the period that the equipment is in transit or in the possession of the contractor, up to and including the date of acceptance by the patient, the contractor shall be responsible for all risks of loss or damage to the equipment.
- The cost of loss and damages through negligence by the patient (other than wear and tear) will be charged to the relevant department at the contractor's then rulling rate for such repair.
- Equipment supplied to patients may not differ from the equipment (make and model) offered and specified in this bid.
- In the case where equipment has been discontinued and replaced with a new model, contractors are required to submit letters from manufactures / suppliers stating the changes and approval is to be obtained from National treasury and the National Department of Health for the execution of such changes.
- Furthermore, the price of the model should not differ from the current applicable price for the original model.

- The new model must adhere to the minimum specification for the item category.
- Contractors are not to deliver new equipment models prior to approval of model change by the National Treasury.

  Note: Bidders must include a catalogue or photographs of all equipment which are considered compliant with their bid offer.

27.3 Product adherence / Brand change

27.3.1 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.

27.3.2 In the event that the brand is discontinued, National Treasury, Contract Management must be notified of such an occurrence.

27.3.3 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, Contract Management.

28 MAINTENANCE AND REPAIRS

28.1 All equipment supplied must be serviced and repaired by the service provider according to the service and repair requirements as stipulated, by the original manufacturer. State Departments retain the right at any time to call for substantiating documentation in this regard.

28.2 It is required that sufficient spare parts be held in stock to ensure that equipment supplied in terms of the contract, are kept in acceptable working condition for the duration of the contract

29 VISITS REPORTS AND COMPLIANCE

For each visit by the registered nurse a patient compliance report must be completed:

29.1.1 The report must be signed by the patient or a caregiver as an officially acknowledgement of the visit. The time and date of the visit must be indicated on the report.

29.1.2 A copy of this report must be attached to the monthly claim form and sent to the provincial coordinator/representative of the Long term Domiciliary Oxygen Therapy programme on a

monthly basis.

29.1.3 No payments can be made without proof of visit/patient compliance report.

29.1.4 In the event of visit not being conducted for that specific month (due to 3-monthly visits) the contractor must indicate it on the claim form that must be approved by the provincial coordinator/representative. Additional required visits by the nurse being of her/his own doing, or on request of the patient/caregiver is part of the all-inclusive package.

30 ORDERING AND DELIVERY PROCEDURES

30.1 Provisioning of service shall only commerce upon receipt of an official government order

30.2 Delivery of products must be made to destinations in the Republic of South Africa in accordance with the instructions appearing on the official order forms and as stated herein.

30.3 All deliveries or despatches must be accompanied by a delivery note stating the official order number against which delivery has been made.

30.4 Contractors must adhere to the delivery periods spelled out in this contract.

30.5 Contractors are responsible for the delivery of all contract items as well as the cost of delivery.

31 INSPECTION AND AUDIT

31.1 It is a condition of bid that services rendered will at any stage during execution of the contract be subjected to inspection; by representatives of the National Treasury or Department of Health or organisation acting on behalf of both National treasury and Department of Health.

31.2 The state reserves the right to inspect or audit any documentation and services pertaining to this contract within one year of the date of expiry on the contract. This may also include queries and complaints.

31.3 Should any audit or inspection reveal that the contractor has not complied with any of the terms of this contract, the contractor shall be charged for the cost of the audit or inspection as well as the cost of any losses incurred by the state associated with such non-compliance.

31.4 In addition to the above, the state may invoke any appropriate corrective measures at its disposal.

32 POST AWARD REPORTING

32.1 Historical value and volume reports

All successful bidders are required to submit historical value and volume reports via e-mail on an annual basis. Electronic templates will be supplied to the contractor.

32.1.1 Contract Management, National Treasury:

Patiswa Mgcodo (patiswa.mgcodo@treasury.gov.za)

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

Period	Dates at which reports must be submitted
1	30 June 2015
2	30 June 2016
3	30 June 2017

END