# 1ST REVISED SPECIAL CONDITIONS OF CONTRACT

# RT24-1-2021

## SUPPLEMENTARY BID FOR THE SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING AND MAINTENANCE OF HOSPITAL FURNITURE AND WARD REQUIREMENTS TO THE STATE FOR THE PERIOD

## ENDING 30 APRIL 2026

**NON-COMPULSORY BRIEFING SESSION ON 7 OCTOBER 2021 AT 10H00 ON MICROSOFT TEAMS**

**CLOSING DATE AND TIME OF BID**

## 20 OCTOBER 2021 AT 11H00

**BID VALIDITY PERIOD: 180 DAYS**

National Treasury

Transversal Contracting

## Table of Contents

LIST OF ABBREVIATIONS ..... 3
LIST OF ANNEXURES ..... 3
LIST OF TABLES ..... 3
SECTION A ..... 6
1. INTRODUCTION ..... 6
2. LEGISLATIVE AND REGULATORY FRAMEWORK ..... 6
3. BRIEFING SESSION ..... 6
4. TECHNICAL SPECIFICATIONS ..... 7
SECTION B ..... 9
CONDITIONS OF BID ..... 9
5. PART 1: EVALUATION CRITERIA ..... 9
6. PART 2: ADDITIONAL BID REQUIREMENTS ..... 19
7. STANDARDS / SPECIFICATIONS ..... 20
8. ITEMS FOR TESTING ..... 20
9. QUALITY ..... 21
10. TERMS AND CONDITIONS ..... 21
11. SUBMISSION OF BIDS ..... 23
12. COMMUNICATION AND CONFIDENTIALITY ..... 24
13. CONTACT DETAILS ..... 24
SECTION C: ..... 26
CONDITIONS OF CONTRACT ..... 26
14. DELIVERY, QUANTITIES AND ORDERS ..... 26
15. ITEM REQUIREMENTS ..... 27
16. ITEM ADHERENCE / BRAND CHANGE ..... 27
17. INSTALLATION, COMMISSIONING AND MAINTENANCE ..... 27
18. CATALOGUE ..... 28
19. PACKAGING ..... 28
20. ITEM TRAINING (ON-GOING) ..... 28
21. SUPPORT / ITEM DEMONSTRATION (AFTER-SALES SUPPORT – TRAINING COMPLETED) ..... 28
22. CONCLUSION OF MASTER TRANSVERSAL AGREEMENT AND PARTICIPATION AGREEMENT ..... 29
23. PARTICIPATING STATE INSTITUTIONS ..... 29
24. POST AWARD PARTICIPATION ..... 29
25. PRICE ADJUSTMENT ..... 30
26. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES ..... 34



Initials_____

## LIST OF ABBREVIATIONS

| | |
|---|---|
| BAC | Bid Adjudication Committee |
| B-BBEE | Broad-Based Black Economic Empowerment |
| BEC | Bid Evaluation Committee |
| CPA | Contract Price Adjustment |
| CSD | Central Supplier Database |
| DDP | Delivered Duty Paid |
| DTIC | Department of Trade and Industry |
| NT | National Treasury |
| OCPO | Office of the Chief Procurement Officer |
| OEM | Original Equipment Manufacturer |
| PA | Participation Agreement |
| PPPFA | Preferential Procurement Policy Framework Act |
| RoE | Rate of Exchange |
| SANAS | South African National Accreditation System |
| SARB | South African Reserve Bank |
| SARS | South African Revenue Service |
| SBD | Standard Bidding Document |
| SCC | Special Conditions of Contract |
| TC | Transversal Contracting |
| TCBD | Transversal Contracting Bidding Document |
| TIC | Tender Information Centre |
| VAT | Value Added Tax |

## LIST OF ANNEXURES

Annexure 1 : SBD Forms
Annexure 1A : Subcontractors List
Annexure 2 : Technical Specification and Pricing Schedule
Annexure 3 : Cost Breakdown
Annexure 4 : Appendices
Annexure 5 : Form 1 for References
Annexure 6 : List of Non-designated locally manufactured items
Annexure 7 : Guide for Online Bid Submission
Annex C : Local Content Declaration – Summary Schedule
Annex D : Imported Content Declaration
Annex E : Local Content Declaration – Supporting Schedule to Annex C

## LIST OF TABLES

Table 1: Bid Document Checklist and Returnables ..... 4
Table 2: Number of Hospital Beds (Ward and Theatre included) ..... 7
Table 3: Summary of Technical Specification Categories ..... 7
Table 4: Evaluation Criteria ..... 9
Table 5: Functionality Requirements applicable to Categories 2 and 8 only ..... 11
Table 6: Scoring Values ..... 12
Table 7: Example of Cost Breakdown ..... 17
Table 8: Preference Point System ..... 18
Table 9 : Contract Price Adjustment Formula ..... 30
Table 10: Contract Price Adjustment Cost Components ..... 31
Table 11: Applicable Indices ..... 32
Table 12: Contract Price Adjustment Periods ..... 32
Table 13: CPA Rate of Exchange ..... 33

 Initials_____

## Table 1: Bid Document Checklist and Returnables

| # | Document Name | Mandatory / Non-Mandatory | Included in the published bid document? | To be returned by bidder? |
|---|---|---|---|---|
| **PHASE 1 : MANDATORY AND OTHER BID REQUIREMENTS (ADMINISTRATIVE REQUIREMENTS)** | | | | |
| 1 | Standard Bidding Document (SBD) 1: Invitation to Bid **(indicate the items bidding for)** | Mandatory | Yes | Yes |
| 2 | SBD 4 Declaration of Interest | Mandatory | Yes | Yes |
| 3 | SBD 5 National Industrial Participation Program | Mandatory | Yes | Yes |
| 4 | SBD 8 Declaration of Bidder's Past SCM Practises | Mandatory | Yes | Yes |
| 5 | SBD 9 Certificate of Independent Bid Determination | Mandatory | Yes | Yes |
| 6 | CSD full report and not summarized | Non – Mandatory | No | Yes |
| 7 | Proof of authority must be submitted e.g. company resolution for the capacity under which this bid is signed | Non – Mandatory | No | Yes |
| 8 | Written confirmation for disclosing tax status by SARS | Non – Mandatory | No | Yes |
| 9 | Shareholding portfolio by proof of registration of the company with CIPRO/CIPC | Non – Mandatory | No | Yes |
| 10 | General Condition of Contract Fully Signed and initialed on every page | Non – Mandatory | Yes | Yes |
| 11 | Special Conditions of Contract Fully Signed and initialed on every page | Non – Mandatory | Yes | Yes |
| 12 | Subcontractors documents as per Section 5.1.12 | Non – Mandatory | No | Yes |
| **PHASE 2 : FUNCTIONALITY REQUIREMENTS (CATEGORY 2 AND 8 ONLY)** | | | | |
| 13 | Accumulative experience of lead personnel in a company profile (the core technical personnel) | Non – Mandatory | No | Yes |
| 14 | Three (3) Contactable References on Form 1 (Annexure 5) | Non – Mandatory | No | Yes |
| 15 | Technical Training Certificate by Original Equipment Manufacturer for Lead Technical Personnel | Non – Mandatory | No | Yes |
| 16 | Operational Strategy on providing the services listed on Table 5 | Non – Mandatory | No | Yes |
| 17 | Coverage or proof of geographical locations (Proof of Address or Municipal Account) of workshop facilities or proof of arrangements with third parties for such. | Non – Mandatory | No | Yes |
| 18 | The maintenance workshop process flow demonstration | Non – Mandatory | No | Yes |
| 19 | Risk Management Strategy | Non – Mandatory | No | Yes |
| **PHASE 3 : LOCAL PRODUCTION AND CONTENT (CATEGORY 2 ONLY)** | | | | |
| 20 | Exchange Rate for Local Production and Content at Closing Date | Non – Mandatory | No | Yes |
| 21 | Annex C : Local Content Declaration – Summary Schedule | Mandatory | Yes | Yes |
| 22 | Annex D : Imported Content Declaration | Non – Mandatory | Yes | Yes |
| 23 | Annex E : Local Content Declaration – Supporting Schedule to Annex C | Non – Mandatory | Yes | Yes |
| 24 | SBD 6.2 Local Content | Mandatory | Yes | Yes |
| 25 | Exemption letter by DTIC where raw material or input is not available locally (where applicable) | Mandatory | No | Yes |
| 26 | Manufacturer's Letter declaring the imported content (where applicable) | Non – Mandatory | No | Yes |
| **PHASE 4 : TECHNICAL COMPLIANCE & VISUAL SCREENING** | | | | |
| 27 | Detailed Technical Specification (Annexure 2) to verify compliance | Mandatory | Yes | Yes |
| 28 | Specific Samples to be communicated during evaluation (**not submitted at closing date**) | Mandatory | No | Yes |
| 29 | Test Report(s) not be older than twelve (12) months at | Mandatory | No | Yes |



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| # | Document Name | Mandatory / Non-Mandatory | Included in the published bid document? | To be returned by bidder? |
|---|---|---|---|---|
| | the closing date as per technical specification | | | |
| 30 | Proof (issued by the testing institution) that the sample had been submitted to the testing institution before the closing date | Mandatory | No | Yes |
| 31 | TCBD 1 Authorization Declaration | Mandatory | Yes | Yes |
| 32 | Approval letter indicating the distributor/sub-distributor or re-seller of equipment is approved to supply the hospital furniture by the OEM | Mandatory | No | Yes |
| 33 | Any local distributors must submit their OEM agreements that will be reviewed by the DTIC for execution | Non-Mandatory | No | Yes |
| 34 | OEM brochure for each item offered, the brochure must be clearly labeled with the item number of offer or operating manuals | Non-Mandatory | No | Yes |
| 35 | For any item in the bid containing stainless steel, the bidder shall submit proof of compliance (test report) to certify that the material conforms to the standard | Mandatory | No | Yes |
| 36 | For any item in the bid that contains nylon/epoxy coated mild steel the bidder shall submit proof of compliance (test report) to certify that the material conforms to the standard | Mandatory | No | Yes |
| 37 | Bidders must submit proof of compliance (test report) to certify that the mattresses comply with SANS standards as outlined | Mandatory | No | Yes |
| 38 | For any item in the bid is mounted on castors the bidder shall submit proof of compliance (test report) to certify that the castors comply with SANS standards as outlined | Mandatory | No | Yes |
| 39 | Where applicable, a minimum of two-year warranty for items offered or in line with the OEM's recommendation which should not be less than 2years | Non-Mandatory | No | Yes |
| **PHASE 5 : TCO/PRICE & B-BBEE** | | | | |
| 40 | Pricing Schedule (Annexure 2) | Mandatory | Yes | Yes |
| 41 | TCBD 2 Historical Exchange Rates | Non-Mandatory | Yes | No |
| 42 | Original and valid B-BBEE status level verification certificate or a certified copy thereof or a sworn affidavit | Non-Mandatory | No | Yes |
| 43 | SBD 6.1 Preference Points Claim Form | Mandatory | Yes | Yes |
| 44 | Cost breakdown (Annexure 3) | Non-Mandatory | Yes (example) | Yes |



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## SECTION A

## 1. INTRODUCTION

This is a supplementary bid for the supply, delivery, installation, commissioning and maintenance of hospital furniture and ward requirements to the State for the period ending 30 April 2026

This bid document is divided as follows:

| | | | |
|---|---|---|---|
| 1.1 | Section A | | |
| 1.2 | Section B | : | Conditions of bid |
| 1.2.1 | Part 1 | : | Evaluation criteria consisting of five (5) phases |
| 1.2.2 | Part 2 | : | Bid requirements |
| 1.3 | Section C | : | Conditions of Contract |

## 2. LEGISLATIVE AND REGULATORY FRAMEWORK

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.

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

2.1 National Health Act No. 61 of 2003.

## 3. BRIEFING SESSION

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

| | | |
|---|---|---|
| Venue | : | Microsoft Teams Meeting |
| Meeting Link | : | RT24-1-2021 Supplementary Bid Briefing Session for Hospital Furniture and Ward Requirements |
| Date | : | 7 October 2021 |
| Time | : | 10h00 |

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. Post-briefing session questions are also welcome up until **13 October 2021**. All enquiries beyond this closing date will not be considered.



Initials_____

## 4. TECHNICAL SPECIFICATIONS

4.1 There is no doubt that South Africa's healthcare industry is one of the most dynamic sectors in the world. Currently, the public sector provides health care for 80% of the population and accounts for approximately 48% of total health care spending. Of the private-sector spending, 81% is funded from private prepaid plans and about 14% from out-of-pocket payments. Based on this observation, it is clear that the private healthcare sector in South Arica is truly one of the nation's greatest assets and is gaining both political and economic relevance, as it is playing a pivotal role in assisting the government to fulfil its constitutional mandate of providing quality healthcare services to the South African citizen.

4.2 There are more than 400 public hospitals and more than 200 private hospitals. The Provincial Health Departments manage the larger regional hospitals directly. Smaller hospitals and primary care clinics are managed at district level. The National Department of Health manages the 10 major teaching hospitals directly. The Chris Hani Baragwanath Hospital is the third largest hospital in the world and it is located in Johannesburg.

**Table 2: Number of Hospital Beds (Ward and Theatre included)**

| Province | Public hospital beds | Private hospitals beds | Total hospital beds |
|---|---|---|---|
| Eastern Cape | 13 200 | 1 723 | 14 923 |
| Free State | 4 798 | 2 337 | 7 135 |
| Gauteng | 16 656 | 14 278 | 30 934 |
| KwaZulu-Natal | 22 048 | 4 514 | 26 562 |
| Limpopo | 7 745 | 600 | 8 345 |
| Mpumalanga | 4 745 | 1 252 | 5 997 |
| North West | 5 132 | 1 685 | 6 817 |
| Northern Cape | 1 523 | 293 | 1 816 |
| Western Cape | 12 241 | 4 385 | 16 626 |
| **South Africa** | **85 362** | **31 067** | **119 155** |

4.3 Hospital furniture and ward requirements include all types of hospital furniture with the main objective of providing comfort and relief to ailing patients in hospital and clinic settings. The item for this supplementary bid consists medical bowls, kidney dishes, measuring jugs, hospital beds, mattresses, bedpan, urinals, cabinet units, locker, table units, overbed, scales, patient transfer and stools. The commodity involves a variety of hospital items which cater for individual patient needs.

4.4 The supplementary bid for the supply, delivery, installation, commissioning and maintenance of hospital furniture and ward requirements has eight (8) categories summarized below:

**Table 3: Summary of Technical Specification Categories for the Supplementary Bid**

| Supplementary Bid Category Description | Category Numbers |
|---|---|
| Medical Bowls, Kidney dishes, Measuring Jugs | 1 |
| Hospital Beds, Mattresses, Mattress Cover | 2 |
| Bed Pan and Urinals | 3 |
| Cabinet Units | 4 |
| Locker, Table Units and Overbed Table | 7 |
| Scales | 8 |
| Patient Transfer Boards and Patients Hoist | 9 |
| Stools | 11 |



Initials_____

4.5 **Brief descriptions of the technical specification categories**

**Medical bowls** are frequently used for holding components during medical procedure; they are also used to hold fluids to cleanse a trauma site such as vomit. **Kidney dishes** are used in medical and surgical wards to receive soiled dressings and other medical waste. A **Measuring jug** container is used for measuring liquids with lines printed on the side showing how much it contains.

**Beds** – A hospital bed is a special bed that can be adjusted at the head and foot of the bed. As their name suggests, these are the types of beds typically used for patients in the hospital. A hospital bed **mattress** is a specially designed mattress that is used in a hospital bed. This kind of mattress not only supports a patient in the prone position but can be raised and lowered at both the head and foot of the bed. A hospital bed mattress can be made out of different kinds of materials, depending on what type of patient it is used for.

A **bedpan** is a receptacle used for the toileting of a bedridden patient in a health care facility, and is usually made of metal, glass, ceramic, or plastic. A bedpan can be used for both urinary and faecal discharge. A **urinal** is a bottle for urination. It is most frequently used in health care for patients who find it impossible or difficult to get out of bed during sleep. Urinals allow the patient who has cognition and movement of their arms to toilet independently.

A dispensing **cabinet** is a drug storage device or cabinet designed for hospitals. It allows medications to be stored and dispensed near the point of care while controlling and tracking drug distribution.

Hospital **Overbed Table** are tables that easily fit under the stretchers, hospital beds, mobile recliners and wheelchairs. Depending upon the requirement, the height of the overbed table can be easily adjusted with a handle at the side. An overbed table might be very useful if a patient has work to do while in the hospital. It also allows the hospital staff to keep track of their responsibilities while attending to the patient. In addition, if a patient is struggling with walking or moving around on their own, a bedside table would allow them to have easy access to their belongings or medication.

Medical **scales** are essential for tracking the progress of patients while they are being monitored in a hospital or at the physician's office. When a patient is admitted in a hospital, there are occasions when they must be transported to another Health Care Facility to provide a continuation of their care. This transport is referred to as a **'patient transfer'**, since the patient along with their records are transferred from one facility to another. A **drip** is sometimes known as a cannula, intravenous fluids or IV. It is a short, small plastic tube. A doctor or nurse will use a needle to put the drip into a patient's vein. The doctor or nurse will leave the plastic tube in so that fluids and medicines can go directly into the blood. Medical **stools** contain various features like seat, castors, built in handles for support, 360 degree rotation and much more. These stools are built to enhance manoeuvrability and comfort. They provide the patient to move around the room while being seated, good for people with poor body strength due to illness.

4.6 **Other technical specification consideration**

4.6.1 The technical specifications represent minimum requirements. Any item offer that provides equivalent performance or capabilities, or exceeds the stated requirements, will be acceptable, subject to Bid Evaluation Committee (BEC) decision.

4.6.2 Different offers that meet the technical specification may be offered against each line item.



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## SECTION B

## CONDITIONS OF BID

### 5. PART 1: EVALUATION CRITERIA

The details of the evaluation phases are outlined below:

**Table 4: Evaluation Criteria**

| Phase 1 | Phase 2 (Category 2 and 8 only)[1] | Phase 3 (Category 2[2]) | Phase 4 | Phase 5 |
|---|---|---|---|---|
| **Mandatory and other bid requirements (Administrative Requirements)** | **Functionality Requirements** | **Local production and content** | **Technical Compliance & Visual Screening** | **Price and B-BBEE** |
| Compliance with mandatory and other bid requirements | Bids will be evaluated in terms of the functionality criteria. A threshold of 66% to be achieved | Bids will be evaluated in terms of the local production and content thresholds on specific items | Compliance to the item specification | Bids evaluated in terms of the 90/10 preference system |

### 5.1 Phase 1: Mandatory Requirements and Other Bid Requirements (Administrative Compliance)

During this phase bidders' responses will be evaluated based on the mandatory and other bid requirements (administrative) as listed above on Table 1 Bid Document Checklist and Returnables. These are the documents to be submitted for administrative evaluation. Bidders' must submit all required documents indicated with the bid document at the closing date and time of the bid. Bidders who fail to comply with all the mandatory criteria may be disqualified.

5.1.1 **SBD 1** which is the invitation to bid form.
5.1.2 **SBD 4** which is the declaration of interest form.
5.1.3 **SBD 5** which is the national industrial participation program which is applicable to all government procurement contracts that have an imported content equal to or exceeding US$ 10 million or other currency equivalent to US$ 10 million.
5.1.4 **SBD 8** which is the declaration of bidder's past SCM practices.
5.1.5 **SBD 9** which is the certificate of independent bid determination.

5.1.6 **Proof of authority** which is a company resolution for the capacity under which this bid is signed.

5.1.7 **Written confirmation for disclosing tax status by SARS** where 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.

[1] Refer to Section 4.4 Table 3 for the relevant categories
[2] Refer to Section 5.2 for specific items for local production and content



Initials_____

5.1.7.1 **Tax Compliance Requirements**

5.1.7.2 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.

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

5.1.7.4 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.

5.1.7.5 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.

5.1.7.6 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.

5.1.8 Shareholding portfolio by **proof of registration of the company** with CIPRO/CIPC. An additional document detailing the shareholding of the bidder in an organogram format in support of the proof of company registration.

5.1.9 **CSD full report** and not summarized as at 13 to 20 October 2021.

5.1.10 **General Condition of Contract** which are fully signed and initialled on every page to indicate that the bidder has read and understood the terms and conditions.

5.1.11 **Special Conditions of Contract** which are fully signed and initialled on every page to indicate that the bidder has read and understood the terms and conditions.

5.1.12 Bidders are to submit in line with Section 5.7 below as per **Annexure 1A B-BBEE affidavits, full CSD report that is not older than 1 month, and list of the goods and/or services** that will be provided by the subcontractor, **proof of address** or **municipal account** of the subcontractor for location verification.

5.2 **Phase 2: Functionality Requirements (Applicable to Category 2 and 8 only)**

5.2.1 Only bidders who have complied with Phase 1 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-six percent (66%) for the functional requirements.

5.2.2 Bidders must, as part of their bid documents, submit supportive documentation for all functional requirements as indicated in Table 5 below in line with Table 1 (items 13 to 19).

5.2.3 The 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.

5.2.4 Bidders must demonstrate **accumulative experience of the lead technical personnel** in a profile **(profiles of technical personnel)** of at least three (3) contracts that have been successfully

 Initials_____

completed within the last five (5) years, in the fields of supply, delivery, installation, commissioning, training and maintenance of similar hospital furniture contracts.

5.2.5 Bidders are required to submit **Form 1 attached as Annexure 5 for three (3) contactable references** highlighting the information in element one (1) accompanied by reference letters from the clients on their letterheads.

5.2.6 Solid demonstration of knowledge and understanding of items are required. Bidders must submit **certificates** demonstrating that lead personnel has been trained **(technical training)** by the OEM as indicated on the Authorization Letter.

5.2.7 Bidders must include a full **operational strategy** demonstrating the ability to carry out the requirements of the bid in terms of supply, delivery, installation, commissioning, training, maintenance, calibration, service & repair, lead times, and spares and consumables.

5.2.8 Bidders must demonstrate their capacity to undertake a national project of this nature in terms of coverage or **proof of geographical locations** of maintenance workshop facilities and or proof of arrangements with third parties for such.

5.2.9 The **maintenance workshop process flow** demonstration is also required.

5.2.10 Bidders must include a **risk management strategy** to mitigate against any supply risk and after sales support or maintenance (e.g. availability of loan furniture, stock and spares availability, insurance, etc.) that may arise during the transversal contract period.

5.2.11 Bidders will be evaluated on each of the criteria, weight and scoring scale as listed in Table 5 below:

**Table 5: Functionality Requirements applicable to Categories 2 and 8 only**

| ELEMENT | REQUIREMENTS | WEIGHTING % |
|---|---|---|
| Accumulative experience of lead personnel in a company (the core technical personnel) | a) Bidder must demonstrate accumulative experience of the lead technical personnel in a profile (profiles of personnel) of at least three (3) contracts that have been successfully completed within the last five (5) years, in the fields of supply, delivery, installation, commissioning, training and maintenance of hospital furniture and similar contracts.<br>b) Bidders are required to submit **Form 1** attached as **Annexure 5** for three (3) contactable references highlighting the information in (a) above, accompanied by reference letters from the clients on their letterheads. | 10% |
| Item Knowledge and Understanding | Solid demonstration of knowledge and understanding of items are required. Bidders must submit certificates demonstrating that lead personnel has been trained (technical training) by the OEM as indicated on the Authorization Letter. | 20% |



Initials_____

| ELEMENT | REQUIREMENTS | WEIGHTING % |
|---|---|---|
| | | |
| Operational Strategy | a) Bidders must include a full strategy demonstrating the ability to carry out the requirements of the bid in terms of:<br>i. supply,<br>ii. delivery,<br>iii. installation,<br>iv. commissioning,<br>v. training<br>vi. maintenance, calibration, service & repair<br>vii. lead times, and<br>viii. Spares and consumables. | 20% |
| Capacity | Bidders must demonstrate their capacity to undertake a national project of this nature in terms of:<br>i. Coverage or proof of geographical locations of maintenance workshop facilities is required and or proof of arrangements with third parties for such.<br>ii. The maintenance workshop process flow demonstration is also required. | 40% |
| Risk Management Strategy | Bidders must include a risk management strategy to mitigate against any supply risk and after sales support or maintenance (e.g. availability of loan furniture, stock and spares availability, insurance, etc.) that may arise during the transversal contract period. | 10% |
| Threshold | | 66% |
| Total | | 100% |

The following applicable values will be utilised when scoring each criterion mentioned above:

**Table 6: Scoring Values**

| Performance | Description | Points |
|---|---|---|
| Very good | Response addresses and exceeds the functionality requirements | 3 |
| Compliant | Response addresses all functionality requirements | 2 |
| Requires attention | Response partially addresses the functionality requirements | 1 |
| Inadequate | Response did not address the functionality requirements | 0 |

5.2.12 The points scored for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. The total score will be converted to a percentage and only bidders that have met or exceeded the minimum threshold of 66% for functionality on those categories 2 and 8 will proceed to the next phases.



Initials_____

5.3 **Phase 3: Local Production and Content (Applicable to Category 2 only)**

5.3.1 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.

5.3.2 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;

5.3.3 The rates of exchange quoted by the bidder of the declaration certificate will be verified for accuracy;

5.3.4 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content;

5.3.5 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, Industry and Competition (DTICs) official website http://www.thedtic.gov.za/sectors-and-services-2/industrial-development/industrial-procurement/ at no cost;

5.3.6 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 and time of the bid;

5.3.7 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)

5.3.8 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;

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

5.3.10 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;

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

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

5.3.13 Bidders 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.

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

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5.3.15 The thresholds are as follows:

- **Base:**

| | | | |
|---|---|---|---|
| ✓ | Timber base | : | 90% |
| ✓ | Steel base | : | 100% |
| ✓ | Mattress | : | 80% |

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

5.3.17 **DTIC can be contacted at** TNyanzunda@thedtic.gov.za **and** SSoomaroo@thedtic.gov.za

5.3.18 A copy of the exemption letter must be submitted together with the bid document at the closing date and time of the bid.

- **Clothing:**

This category of clothing includes mattress cover and any item in this bid that falls under clothing

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

5.4 **Non-designated locally manufactured items**

5.4.1 The State reserves the right to prefer local manufactured items on this bid as per the list attached as **Annexure 6**. These items are not in a designated sector according to DTIC and the threshold for local manufacturing and content is 100%.

5.5 **Phase 4 Technical Specification Compliance & Sample Technical and or Visual Screening (Applicable to certain items)**

5.5.1 Where a standard is indicated, a sample must be submitted to a testing institution accredited or recognised by South African National Accreditation System (SANAS). The purpose is to obtain a test report for the items being offered in the bid.

5.5.2 Items must comply with technical specification as stated in this bid document for each item. The technical specification as per the pricing schedule (attached as **Annexure 2**) is a summary description and the detailed technical specification of all the items is incorporated in **Annexure 2**. None compliance to the technical specification requirement may invalidate the items which the compliance is not adhered to.

5.5.3 Specific **Samples** to be communicated during evaluation and **not to be submitted at closing date and time**. A schedule indicating the venue, date and time for the submission of samples for visual screening will be forwarded to all bidders who have qualified on Phase 1, 2 and 3 prior to the date and time of visual screening.

5.5.4 In order to frame meaningful recommendations, it is imperative that the required samples of items offered, be submitted for visual screening.

5.5.5 Where different sizes of the same item are called for against different item numbers, a reference sample must be submitted.

5.5.6 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.

5.5.7 Bids not supported by samples and brochures/manuals/ technical specifications may invalidate the bid for the item(s) for which samples and technical specifications are not submitted.



Initials_____

5.5.8 Test reports must be submitted with the bid at closing time and date of bid 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 of the bid.

5.5.9 In the event that a test report cannot be obtained from the testing institution prior to the closing date and time of the bid, the bidder must obtain proof (issued by the testing institution) that the sample had been submitted to the testing institution for testing before or on the closing date and time of the bid. Such proof must be submitted with the bid at closing date and time of the bid.

5.5.10 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.

5.5.11 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.

5.5.12 All bidders, including current suppliers are required to submit samples at a testing institution.

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

5.5.14 **Marking of Samples**

The following requirements for the marking and submission of samples are applicable to samples that are submitted for visual screening:

5.5.14.1 Samples must be placed in suitable packaging and be clearly marked on the outside with the bid number, item number(s), the bidder's name and contact details (telephone and cell).

5.5.14.2 All samples must be a true representation of the item that will be supplied during the tenure of the transversal contract.

5.5.14.3 Failure to comply with this condition may invalidate the bid against the relevant item(s).

5.5.15 **Test Reports**

Where applicable, test reports to validate technical specifications must be submitted for the relevant category items.

5.5.16 **TCBD 1 Authorization Declaration**

5.5.16.1 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 and time of the bid invitation.

5.5.16.2 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.

5.5.16.3 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 (3rd) party will be binding on the State.

5.5.16.4 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.



Initials_____

5.5.17 **Approval letter** indicating the distributor/sub-distributor or re-seller of hospital furniture and ward requirements is approved by the Original Equipment Manufacturer (OEM) to supply the items.

5.5.18 For the **electric beds** all maintenance, accessories and/or parts will be procured from the authorised bidder for the duration of the transversal contract or the life span of the beds.

5.5.19 For the **scales and pressure mattress**, maintenance, parts, or accessories will be procured from the authorised bidder for the duration of the transversal contract or the life span of the furniture.

5.5.20 Bidders must submit **brochures/manuals** for each items offered, the brochure must be clearly labelled with the item number of the item being offered according to **Annexure 2**.

5.5.21 Detailed **Technical Specification (Annexure 2)** is provided for bidders to know the required technical specification for all items required.

## 5.6 Phase 5A: TCO / Price and B-BBEE

### 5.6.1 Pricing schedule and structure requirements

5.6.1.1 Prices quoted must be furnished on the basis of "delivered to State facility" country-wide inclusive of Value Added Tax.

5.6.1.2 Bids must be for the Delivered Duty Paid (DDP) stocks held in the Republic of South Africa during the transversal contract period.

5.6.1.3 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.

5.6.1.4 Conditional discounts offered will not be taken into consideration during evaluation.

5.6.1.5 Prices submitted for this bid must be filled in on the field provided on the pricing schedule supplied with the bid. Price structures that do not comply with this requirement may invalidate the bid.

5.6.1.6 Submit pricing on **Annexure 2 Section 2** for all optional accessories and consumables that are compatible to the items offered, indicating which item they relate to.

### 5.6.2 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.

### 5.6.3 Applicable Taxes

All bid prices must be inclusive of all applicable taxes.

Failure to comply with this condition may invalidate the bid.

### 5.6.4 TCBD 2 Historical Exchange Rates

5.6.4.1 In terms of cost price adjustment, bidders should make use of any relevant currency for the items offered by calculating the average for the period 1 March to 31 August 2021 using the Reserve Bank published rates for the specific currency. Bidders are to visit www.reservebank.co.za to obtain the relevant rates. Reference to **TCBD 2** on the procedure to download historical exchange rates from the Reserve Bank website for instructions.

### 5.6.5 Cost Breakdown

5.6.5.1 Bidders are requested to submit the cost breakdown **(Annexure 3)** of their pricing including the profit mark-up for each item offered. Should the cost breakdown be the same for all items on the bid



Initials_____

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.

5.6.5.2 Bidders should itemise the cost of each product 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 7: 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% |

5.6.6 **B-BBEE requirements** - An **original and valid B-BBEE status level verification certificate or a certified copy thereof or a sworn affidavit** must be submitted by bidders.

5.6.6.1 The National Treasury will exercise Regulation 3(a)(ii) of the Preferential Procurement Regulations 2017 if it is unclear which preference point system will be applicable and that either 80/20 or 90/10 preference point system will apply. The lowest acceptable tender will be used to determine the applicable preference point system on this bid.

5.6.6.2 In terms of regulation 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 the 90/10 preference point system.

5.6.6.3 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

5.6.6.4 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:



Initials_____

**Table 8: Preference Point System**

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

5.6.6.5 Bidders are required to complete the preference claim form **SBD 6.1** (Add Subcontractors information on **Annexure 1A**) 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 and time of the bid in order to claim the B-BBEE status level point.

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

5.6.6.7 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.

5.6.6.8 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).

5.6.6.9 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.

5.6.6.10 The points scored will be rounded off to the nearest two (2) decimals.

5.6.6.11 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.

5.6.6.12 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.

5.6.6.13 Should two (2) or more bids be equal in all respects, the award shall be decided by the drawing of lots.

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



Initials_____

5.6.7 Bidders are required to complete **SBD 6.1 Preference Points Claim Form** 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 and time of the bid in order to claim the B-BBEE status level point.

5.6.8 Bidders are required to complete a mandatory **Pricing Schedule Annexure 2** as a response on how much the items offered will be charged. No submission of the Pricing Schedule will invalidate the bid response.

5.7 **Phase 5B Subcontracting as a condition of tender**

This condition is set in accordance with PPR Regulation 9 and for categories where it is more than supply and delivery only. For categories where it is only supply and delivery, this condition does not apply.

5.7.1 A successful bidder(s) will sub-contract a minimum 30% of contract value for the transversal contract period to a NEW or EXISTING Subcontractor who is an EME/QSE which is at least 51% black owned at a Provincial level who will either (not limited to) provide the downstream activities such as to deliver, maintenance of the furniture, supply consumables and/or recycle/up cycle for all the categories where it's feasible.

5.7.2 Bidders can access potential subcontractors from CSD for fulfilling this requirement as the information cannot be supplied without adhering to POPI Act.

5.7.3 The above clause is not applicable to bidders who are EME/QSE as defined on paragraph 1 of PPR who are at least 51% blacked owned.

5.7.4 All subcontractors must have been registered on CSD by the closing date and time of bid or before the commencement of the transversal contract.

5.7.5 The state reserves the right to remedy any adverse situation if it affects the awarding of the transversal contract and or service delivery.

5.8 **Responsive Bids**

Bidders are required to submit responsive bids by completing all pricing and item information on the provided technical specification and pricing schedule **(Excel document - Annexure 2)** for the individual items and all required forms.

5.9 **Recommendation and appointment of a panel of bidders**

Once the evaluation process is complete 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 master transversal agreements for the supplementary bid of supply, delivery, installation, commissioning and maintenance of hospital furniture and ward requirements and unsuccessful bidder(s) will be informed accordingly.

## 6. PART 2: ADDITIONAL BID REQUIREMENTS

6.1 Where applicable, all items, accessories and consumables must be supplied with operating manuals/information brochures written in English language.



Initials_____

6.2 Items must comply with standards / technical specifications as stated in the bid document. Failure to comply with this condition may invalidate the bid for the items concerned.

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

6.4 **Negotiations**

6.4.1 The State reserves the right to negotiate with the shortlisted bidders prior or post award. The terms and conditions for negotiations will be communicated to the shortlisted bidders prior to invitation to negations. 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 for purpose along with whole life costs as installation, training, maintenance, disposal and wastage where applicable.

## 7. STANDARDS / SPECIFICATIONS

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

7.1.1 **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: koketso.malekutu@sabs.co.za and Corna.Schoonbee@sabs.co.za

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

7.1.2 **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 DTIC 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

## 8. ITEMS FOR TESTING

8.1 **Stainless Steel**

For any item in the bid containing stainless steel, the bidder shall submit proof of compliance (test report) to certify that the material conforms to the standard. The bidder shall submit a 100 x 100 mm plate of the stainless used in the item to a SANAS accredited/recognised institution for testing. All stainless steel shall conform to 18/8, type 304 stainless steel.

 Initials_____

8.2 **Nylon/epoxy Coating**

For any item in the bid that contains nylon/epoxy coated mild steel the bidder shall submit proof of compliance (test report) to certify that the material conforms to the standard. The standard is specified in SANS 778. The bidder shall submit two 150 x 100 mm plates of the mild steel used in the item to a SANAS accredited/recognised institution for testing.

8.3 **Mattresses and Covers**

Bidders must submit proof of compliance and fire resistance (test report) to certify that the mattresses comply with SANS 640 and SANS 1291-1 (type 2) from a SANAS accredited/recognised institution.

8.4 **Castors**

For any item in the bid is mounted on castors the bidder shall submit proof of compliance (test report) to certify that the castors comply with SANS 621 or equivalent standard with the exception of clause 3.6 that is replaced with the following: "Swivel bearings shall be of the ball or other low friction hard-wearing type".

Where castors are fitted into steel tubular legs, the tube shall be of wall thickness not less than 2,0mm and castors shall be fixed to the tube by one of the following methods:

8.4.1 Solid plug (long) complying with SANS 621 subsection 3.5.6 or
8.4.2 Screwed into 35mm long sleeves welded into the tabular members and locked in an acceptable manner.
8.4.3 Rubber or plastic expanding sleeves for fitting castors are not acceptable.

## 9. QUALITY

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

## 10. TERMS AND CONDITIONS

10.1 **Supplier Due Diligence**

10.1.1 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.

10.1.2 The State also reserves the right to conduct any evaluation verifications prior to final award or at any time during the transversal term contract period.

10.1.3 Where applicable, 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.

10.2 **Counter Conditions**

10.2.1 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.

 Initials_____

10.2.2 The National Treasury reserves the right to change or supplement any information or to issue any addendum to this bid before the closing date and time. 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.

10.2.3 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.

10.3 **Fronting**

10.3.1 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.

10.3.2 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 Department of Trade and Industry, 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.

10.4 **Right of Award**

The State reserves its following rights;

10.4.1 To award the bid in part or in full;
10.4.2 Not to make any award in this bid or accept any bids submitted;
10.4.3 Award the bid to more than one (1) bidder for the same item (multiple-award);
10.4.4 Request further technical information from any bidder after the closing date;
10.4.5 Verify information and documentation of the bidder(s);
10.4.6 Not to accept any of the bids submitted;
10.4.7 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
10.4.8 In the event that an incorrect award has been made to remedy the matter in any lawful manner it may deem fit.

10.5 **Multiple Award**

The State reserves the right to award the same item to more than one bidder 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:

10.5.1 Capacity to meet the expected demand according to the end-user requirements;
10.5.2 Mitigation of risk if the item is unavailable;
10.5.3 Past compliance of the bidder with contractual obligations (where applicable); and
10.5.4 The maximum number of suppliers per item to be awarded will be at the discretion of the BEC.



Initials_____

10.6 **Items Grouped as a Series**

10.6.1 Where applicable, items which are grouped in a series as per item technical specifications will be evaluated and awarded accordingly. Allocation of points will be as per the total value of the series group.

10.6.2 Bidders are required to offer prices for all units of measure specified in the series, and for all items within a group series.

10.6.3 Bidders are required to offer prices of all the consumables, accessories, optional extras as required in the Pricing Schedule **Annexure 2**.

10.6.4 Non-compliance with the above-mentioned conditions may invalidate the bid for the item(s) concerned.

## 11. SUBMISSION OF BIDS

### 11.1 ONLINE BID SUBMISSION

11.1.1 Bidders to register and submit (upload) a replica bid of the hard copy online by the closing date and time as guided through the weblink RT24-1-2021 Online Supplementary Bid for Hospital Furniture & Ward Requirements

11.1.2 The guide on online bid submission is attached as Annexure 7.

11.1.3 Bidders to adhere to all the rules for the online bid submission.

11.1.4 Bidders' attention is drawn to the sequential submission format as per the checklist on Table 1.

11.1.5 1 copy of each document must be uploaded on the correct Phase.

11.1.6 The Technical Specifications and Pricing Schedule (Annexure 2) should in an XLSX excel sheet format and not pdf.

11.1.7 Non-compliance with online bid submission may invalidate the bidder's response.

### 11.2 PHYSICAL AND HARDCOPY BID SUBMISSION

11.2.1 Bidders to submit one (1) original hard replica copy as the online submission by the closing date and time at the Tender Information Centre (TIC); corner 240 Thabo Sehume and Madiba Streets, Pretoria.

11.2.2 Bidders are requested to initial each page of the bid document (Special Conditions of Contract) on the bottom right-hand corner indicating they have read and understood the terms and conditions.

11.2.3 Bidders' attention is drawn to the sequential submission format as per the checklist on Table 1.

11.2.4 The Technical Specifications and Pricing Schedule (Annexure 2) should in an XLSX excel sheet format and not pdf in a memory stick

11.2.5 Non-compliance with both online bid submission and hardcopy replica submissions may invalidate the bidder's response.

11.2.6 Any discrepancies between the online bid copy and the hard copy may invalidate the bid response.

11.2.7 Submit all bid queries via email to transversal.contracting2@treasury.gov.za.

### 11.3 Late Bids

Bids received after the closing date and time, at the TIC and according to 11.1 and 11.2 above will NOT be accepted for consideration and where practicable, may be returned unopened to the bidder.



Initials_____

## 12. COMMUNICATION AND CONFIDENTIALITY

12.1 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 and time 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 State 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 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.

12.4 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).

12.5 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.

12.6 All communication between the bidder and the NT TC office must be done in writing as per 13.2 below.

12.7 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).

12.8 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.

12.9 Samples required will be determined by the evaluation constraints and criteria for each category. Therefore bidders will be notified by the BEC during evaluation of which samples are required.

## 13. CONTACT DETAILS

13.1 **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

13.2 **Bid and Sample Enquiries**

All enquiries should be in writing to transversal.contracting2@treasury.gov.za. The closing date for receipt of all enquiries is **13 October 2021**. All enquiries beyond the closing date will not be considered.



Initials_____

**Transversal Contract and Samples** : Ms Nancy Ravele / Ms Kwanele Mtembu

: National Treasury

13.3 **Sample submitted to Testing Institution**

Enquiries : Mr Koketso Malekutu
Telephone : 012 428 6984
Email address : koketso.malekutu@sabs.co.za

13.4 **Local Production and Content & Exemptions**

Enquiries : Ms Tafadzwa Nyanzunda and Ms Swasthi Soomaroo
Email address : TNyanzunda@thedtic.gov.za and SSoomaroo@thedtic.gov.za



Initials_____

## SECTION C:

## CONDITIONS OF CONTRACT

### 14. DELIVERY, QUANTITIES AND ORDERS

14.1 **Delivery Basis**

Firm lead times for delivery must be quoted for the duration of the transversal contract period. Transit and storage conditions applicable to the relevant item must be adhered to.

14.2 **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.

14.3 **Orders**

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

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

14.3.3 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.

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

14.4 **Delivery Adherence**

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

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

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

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

14.4.5 Where applicable, all assistive devices are to be supplied with operating manuals/information brochures in an English language.



Initials_____

## 15. ITEM REQUIREMENTS

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

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

15.3 The expected lifespan where applicable of all items offered must be stated in the pricing schedule.

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

## 16. ITEM ADHERENCE / BRAND CHANGE

16.1 Any local distributors must submit their OEM agreements that will be reviewed by the DTIC for execution.

16.1.1 If the awarded bidder loses an agency/authorization from the OEM, the bidder is required and expected to continue with the contractual agreement with the State. Failure to honour the contractual agreement, the State reserves the right to cancel the contractual agreement and seek alternatives for the benefit of continuity of service delivery.

16.2 Where there is a change of support of the OEM, the OEM will be required to consider the new company and support those items.

16.3 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.

16.4 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. This requirement will only be allowed from the second (2nd) year of the transversal contract and onwards.

16.5 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 item must not be lower than the initial awarded item.

16.6 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 item.

16.7 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.

## 17. INSTALLATION, COMMISSIONING AND MAINTENANCE

On delivery of the electronic items, bidders should assemble set-up, position, install and commissioning the items. Commissioning of the items includes testing to verify if the items functions according to its design objectives or technical specifications. Once the electronic items are in operation after delivery at the State facilities, bidders are required to preserve these items for their useful lives. Maintenance should involve functional checks, servicing, repairing or replacing of necessary parts, and supporting the State institutions in installations. The maintenance should be



Initials_____

a cost-effective practice to keep the items operational; these practises should take place either before or after a failure and should be bundled on the delivered price.

## 18. CATALOGUE

Successful bidders will be required to compile a colour catalogue for all the items awarded within a period of 30 days from transversal contract commencement which include list of items, contract item numbers, item description, item images, model number, brand name, unit prices and post warranty (where applicable) prices for the transversal contract period.

## 19. PACKAGING

19.1 All deliveries made against this transversal contract, in all modes of transport, are to be packed in suitable containers, which will be acceptable for further dispatch.

19.2 The packing of the items to be supplied must be uniform for the duration of the transversal contract period, i.e.:

19.2.1 All items must be packed in acceptable containers, where applicable, specifically developed for the item.
19.2.2 The conditions under which the item must be stored.
19.2.3 Where applicable, date of manufacture and expiry must be clearly shown.
19.2.4 Labels for consumable items must be clearly marked for occupational health and safety purposes.

## 20. ITEM TRAINING (ON-GOING)

20.1 Commissioning of the furniture includes training which must be performed when installation and commissioning is executed.

20.2 Within State institutions there should be a train the trainer for business continuity.

20.3 Bidders are to provide training at health institutions at a minimum of four (4) shifts to cater for the different health professionals.

20.4 Price offered should incorporate training at the installation and commissioning stage.

20.5 The participating institutions must liaise with the Supplier regarding the arrangements of any training that might be required to ensure end-user competency.

20.6 Each participating institution will be responsible for centrally coordinating the attendance and the arrangements of the venue.

20.7 Suppliers are required to provide item training annually (where applicable) to all participating institutions for the products awarded at no cost to the end users.

## 21. SUPPORT / ITEM DEMONSTRATION (AFTER-SALES SUPPORT – TRAINING COMPLETED)

21.1 Suppliers are required to provide online or telephonic support to end users in aiding the correct application of items.



Initials_____

21.2 Item information documents (e.g. catalogues, operating manuals, instruction leaflets, etc.), in at least the English language, must at all times be included with the item on delivery.

21.3 It is the responsibility of the Supplier to provide the participating institutions with adequate information on all items.

## 22. CONCLUSION OF MASTER TRANSVERSAL AGREEMENT AND PARTICIPATION AGREEMENT

22.1 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.

22.2 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 first order.

22.3 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 RT24-1-2021 transversal contract. Therefore, any transaction that flows therefrom shall not be considered a transaction in terms of this RT24-1-2021 transversal contract.

22.4 The following will form part of the Master Transversal Agreement documents between the Parties in as far this RT24-1-2021 is concerned:

22.4.1 Bid Documents;
22.4.2 Letter of Appointment;
22.4.3 Award Documents;
22.4.4 Master Transversal Agreement; and
22.4.5 Participation Agreement.

22.5 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:
22.5.1 Participation Agreement
22.5.2 Master Transversal Agreement
22.5.3 Bid documents

22.6 Regarding all other matters;
22.6.1 Master Transversal Agreement
22.6.2 Participation Agreement
22.6.3 Bid documents.

## 23. PARTICIPATING STATE INSTITUTIONS

Government Departments / Institutions who are participating in this transversal contract are listed on Annexure 8 of the Contract Circular and published on the National Treasury's website.

## 24. POST AWARD PARTICIPATION

24.1 In terms of Treasury Regulations 16.A6.5 the accounting officer or accounting authority may opt to participate in transversal contracts facilitated by the relevant treasury. Should the accounting officer or accounting authority opt to participate in a transversal contract facilitated by the relevant treasury, the

 Initials_____

accounting officer or accounting authority may not solicit bids for the same or similar item or service during the tenure of the transversal term contract.

24.2 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.

24.3 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.

## 25. PRICE ADJUSTMENT

### 25.1 Formula

25.1.1 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.

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

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

**Table 9 : Contract Price Adjustment Formula**

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

| | | |
|---|---|---|
| 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 |



Initials_____

25.2 **Formula component definitions**

25.2.1 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.

25.2.2 Fixed portion

The fixed portion represents those costs which will not change over the adjustment period and DOES NOT represents 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.

25.2.3 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 10: 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 %** |

25.3 **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:



Initials_____

**Table 11: Applicable Indices**

| Cost component | Index Publication | Index Reference |
|---|---|---|
| D1 – Imported Raw Material / Finished item (if applicable) | Supplier / Manufacturer invoice(s) and remittance advice.[3] | Documentary evidence to accompany claim |
| D2 - Local Raw Material / Finished item (if applicable) | Supplier / Manufacturer invoice(s)[4] | STATS SA Index /Documentary evidence to accompany claim e.g. Invoices |
| D3 - Labour | STATS SA P0141 (CPI) Table E OR Labour agreement[5] | 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 |

25.4 **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 **September 2021.**

25.5 **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).

25.6 **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 12: 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 |
|---|---|---|---|
| 1st Adjustment | 1 Nov 2022 to 31 Oct 2023 | 20 Oct 2023 | 1 Nov 2023 |
| 2nd Adjustment | 1 Nov 2023 to 31 Oct 2024 | 20 Oct 2024 | 1 Nov 2024 |
| 3rd Adjustment | 1 Nov 2024 to 31 Oct 2025 | 20 Oct 2025 | 1 Nov 2025 |

[3] In cases where invoices are supplied as documentary evidence, it is advised that invoices closest to the Base Index date and the End Index date be submitted. It should ideally reflect the adjustment period.
[4] Same as footnote 1
[5] In the absence of a labour agreement, the labour cost component will be adjusted with CPI Headline inflation.



Initials_____

25.7 **Rates of Exchange (RoE) – Base and average rates**

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

25.7.1 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.

25.7.2 In the event where the RoE adjustment goes hand in hand with a material/item price increase, the material/item 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.

25.7.3 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.

25.7.4 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 13: CPA Rate of Exchange**

| Currency | Rates of exchange<br>(Use 6 months average for the period on 25.7.5 and not 12 months) |
|---|---|
| US Dollar | 14.46 |
| Pound Sterling | 20.10 |
| Euro | 17.26 |

25.7.5 Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period 1 March 2021 to 31 August 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.

25.7.6 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.

25.8 **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.

25.9 **General**

25.9.1 Unless prior approval has been obtained from National Treasury, Transversal Contracting, no adjustment in contract prices will be made.

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

25.9.3 Contract Price Adjustment (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.



Initials_____

25.9.4 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.

25.9.5 Bidders are referred to the paragraph regarding counter conditions.

25.9.6 An electronic price adjustment calculator will be available on request from Transversal Contracting.

25.9.7 The State reserves the right to negotiate a price adjustment or not to grant any price adjustment.

## 26. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

### 26.1 Contract Administration

26.1.1 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.

26.1.2 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.

### 26.2 Contract Performance Management

26.2.1 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.

26.2.2 The details of how end-user State institutions should do contract performance management will be provided post award.

26.2.3 End-user State institutions are required to report to National Treasury on quarterly orders including values of the orders to ascertain if the hospital furniture and ward requirements are being fulfilled by the transversal contract.

### 26.3 Breach of Contract

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

### 26.4 Post Award Monitoring and Reporting

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

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

### 26.5 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

End



Initials_____