SPECIAL CONDITIONS OF CONTRACT

RT51

SUPPLY, DELIVERY, AND INSTALLATION OF LIQUEFIED PETROLEUM GASES (LPG) TO THE STATE FOR THE PERIOD THE OF SIXTY (60) MONTHS

NON-COMPULSORY BRIEFING SESSION TO BE HELD ON THE 23 SEPTEMBER 2022 ON MICROSOFT TEAMS:

RT51-2022 Briefing Session Link

CLOSING DATE AND TIME OF BID

14 OCTOBER 2022 AT 11H00

BID VALIDITY PERIOD: 180 DAYS

National Treasury

Transversal Contracting

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LIST OF ABBREVIATIONS

Abb	Full Name
BAC	Bid Adjudication Committee
B-BBEE	Broad-Based Black Economic Empowerment
CPA	Contract Price Adjustment
LPG	Liquified Petroleum Gas
OCPO	Office of the Chief Procurement Officer
PSA	Pressure Swing Adsorption
QC	Quality Control
SABS	South African Bureau of Standards
SANAS	South African National Accreditation System
SBD	Standard Bidding Document
STATS SA	Statistics South Africa
TCD	Transversal Contract Bidding Document
VAT	Value- Added Tax

LIST OF ANNEXURES

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DEFINITIONS

Accounting Officer	bears the same meaning as defined in the Public Finance Management Act (PFMA) or the Municipal Finance Management Act (PFMA/MFMA)
Consortium / Joint Venture	an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract
Distributor	A company that is not the manufacturer of the product or the owner of the product but procures the products from the manufacturer
State Institutions	any organ of State that have been approved to utilize this contract and have signed the required mandatory documents with the National Treasury
Merchant / Supplier / Third Party	any legal entity which contracts with the supplier to provide goods or services to the State.
National Department	means a department listed in Schedule 1 to the Public Service Act, Act 1 of 1994, excluding the Office of a Premier.
Supplier/Service Provider	the successful bidder who is awarded the transversal contract to maintain and administer the required and specified services to the State.

Initials_____

Table 1: Bid Document Checklist and Returnables

#	Document Name[1]	Included in the published bid document?	To be returned by bidder?	Bidder to tick Yes if document is submitted
PHASE I: PRE-QUALIFICATION CRITERIA				
1.	Valid B-BBEE status level contributor verification certificate by SANAS accredited institution **OR** valid JV B-BBEE status level contributor verification certificate by SANAS accredited institution **OR** valid sworn affidavit signed by the EME representative and attested by Commissioner of oaths or certified copies thereof **OR** valid B-BBEE affidavit issued by CIPC.	No	Yes	
PHASE II: LEGISLATIVE, MANDATORY AND OTHER BID DOCUMENTS				
LEGISLATIVE DOCUMENTS				
2.	SBD 1 Invitation to Bid	Yes	Yes	
3.	Proof of authority must be submitted as per SBD 1 e.g., company resolution for the capacity under which this bid is signed	No	Yes	
4.	SBD 4 Bidder's Disclosure	Yes	Yes	
5.	SBD 6.1 Preference Points Claim Form	Yes	Yes	
6.	Full CSD report	No	Yes	
MANDATORY DOCUMENTS				
7.	Pricing Schedule (Annexure 3)	Yes	Yes	
8.	TCD 13 Authorisation Declaration (Annexure 4)	Yes	Yes	
9.	TCD 13.1 List of goods or services offered. (Annexure 4)	Yes	Yes	
10.	TCD 13.2 Authorisation Letter (Annexure 4)	Yes	Yes	
11.	Wholesale License	No	Yes	
12.	Footprint	No	Yes	
OTHER DOCUMENTS				

[1] Table 1 is provided as guidance to assist bidders with documents that must be returned with the bid. The list is not exhaustive, and it is the responsibility of the bidder to provide all required documents as per the provision of each clause in this bid

Initials_____

#	Document Name[1]	Included in the published bid document?	To be returned by bidder?	Bidder to tick Yes if document is submitted
13.	Company registration documents	No	Yes	
14.	Company Profile and Organogram	No	Yes	
15.	General Condition of Contract fully Signed and initialed on every page	Yes	Yes	
16.	Special Conditions of Contract fully Signed and initialed on every page	Yes	Yes	
17.	Latest Audited Annual Financial Statements (if submitted a B-BBEE Sworn Affidavit)	No	Yes	
PHASE III: PRICE & B-BBEE				
18.	Pricing Schedule – Annexure 3	Yes	Yes	
19.	Valid B-BBEE status level contributor verification certificate by SANAS accredited institution **OR** valid JV B-BBEE status level contributor verification certificate by SANAS accredited institution **OR** valid sworn affidavit signed by the EME representative and attested by Commissioner of oaths or certified copies thereof **OR** valid B-BBEE affidavit issued by CIPC	Yes	Yes	
20.	SBD 6.1: Preferential Points Claim Form	Yes	Yes	

Initials_____

SECTION A: INTRODUCTION AND TERMS OF REFERENCE

1. DESCRIPTION AND FORMAT OF THE BID

1.1 This bid is for the supply, delivery, and installation of Liquefied Petroleum Gases (LPG) to the State for a period of sixty (60) months for the State.

1.2 This bid document is structured as follows:

1.2.1 Section A : Introduction and Technical Specification

1.2.2 Section B : Conditions of Bid

1.2.2.1 Part 1 : Evaluation Criteria

1.2.2.2 Part 2 : Additional Bid Requirements

1.2.3 Section C : Conditions of Contract

2. LEGISLATIVE AND REGULATORY FRAMEWORK

2.1 This bid and all contracts emanating there from will be subject to General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) as well as the Preferential Procurement Policy Framework Act 2000 (PPPFA) with its latest 2017 regulations.

2.2 The Special Conditions of Contract (SCC) are supplementary to that of General Conditions of Contract (GCC). However, where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

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

2.3.1 National Road Traffic Act,1996 (No. 93 of 1996)

2.3.2 National Road Traffic Regulations,2000;

2.3.3 The Petroleum Product Amendment Act, 2005 (Act No 2 of 2005)

2.3.4 Occupational Health and Safety Act 1993 (Act No.85 of 1993)

2.3.4.1 Regulations 17(3) of the Pressure Equipment Regulations,2009

2.3.4.2 Regulation 8(2) of the Pressure Equipment Regulations, 2009

2.3.5 Gas Act, Act 48 of 2001;

2.3.6 National Regulator for Compulsory Specification Act, No. 5 of 200.

2.3.7 National Environmental Management: Waste Act No.59 of 2008.

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2.4 Legislative Documents

Bidders are required to submit the legislative documents to comply to the policy to guide uniformity in procurement reform processes in Government as per section 2 of Practice Note No SCM 1 of 2003 regarding bid documentation for supply chain management. It is also a requirement for bidders to submit the other legislative documents as detailed below:

2.4.1 **SBD 1** invitation form to bid.

2.4.2 **SBD 4** bidder's disclosure.

2.4.3 **SBD 6.1** preference points claim form.

2.5 Tax Compliance Requirements

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

2.5.2 The Tax Compliance status requirements are also applicable to potential foreign bidders / individuals who wish to submit a bid.

2.5.3 It is a requirement that bidders grant a **written confirmation** when submitting this bid response that SARS may on an on-going basis during the tenure of the transversal contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.

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

2.5.5 Where Consortia / Joint Ventures / Sub-Contractors are involved, each party must be registered on the CSD, and their tax compliance status will be verified through the CSD or through SARS.

3. DURATION OF TRANSVERSAL CONTRACT

3.1 The transversal contract shall be for a period of sixty (60) months.

4. BRIEFING SESSION

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

Venue : Microsoft Teams. The link to register and attend the briefing session is attached as: RT51-2022 Briefing Session Link

Date : 23 September 2022

Time : 10h30am – 12h00am

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4.2 The bid information 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.

4.3 The National Treasury reserves the right to answer questions at the briefing session and/or to respond formally after the briefing session.

5. TECHNICAL SPECIFICATION

5.1 TECHNICAL SPECIFICATIONS AND SCOPE OF SERVICE

5.1.1 The bid for the supply, delivery, and installation of Liquified Petroleum Gases (LPG) has four (4) line items as summarized below.

5.1.2 A bid that does not address the technical specifications will be disqualified and will be considered as non-responsive. A bid will be considered responsive if it addresses the technical specifications below:

Table 2: Summary of Technical Specifications and Scope of Service

Product	Technical Specification
Gas: Liquid Petroleum	Grade: Industrial, Specification: SANS 1774, Contractor's Cylinder
Gas: Liquid Petroleum	Grade: Industrial, Specification: SANS 1774, Department's Cylinder
Bulk Tank; Installed Gas: Liquid Petroleum	Grade: Industrial, Specification: SANS 1774 –
Rental Equipment: Liquid Petroleum	Grade: Industrial, Specification: SANAS certification from a SANAS accredited institution must be submitted to confirm compliance with standard specified at the closing date and time of bid. SANS 1774, Bulk, Per Month

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SECTION B: CONDITIONS OF BID

6. PART 1: EVALUATION CRITERIA

6.1 The bid shall be evaluated in three (3) phases, the details of the evaluation phases are outlined below:

Table 3: Evaluation Criteria

Phase I	Phase II	Phase III
Pre-Qualification Criteria	**Legislative, Mandatory, and other bid documents**	**Price and B-BBEE**
Minimum B-BBEE status level of contributor: Level 1 to 4 as per Regulation 4(1)(a) of PPR,2017	Compliance with mandatory and other bid requirements	Bids evaluated in terms of the 90/10 preference system

6.2 PHASE I: PRE-QUALIFICATION CRITERIA FOR PREFERENTIAL PROCUREMENT

6.2.1 Pre-qualification criteria for preferential procurement is set according to Regulation 4(1)(a) of the Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, (PPR) 2017.

6.2.2 Bidders must be a minimum B-BBEE status level contributor from level 1(one) to 4(four) as per regulation 4(a) of Preferential Procurement Regulations, 2017.

6.2.3 Bidders must submit a valid B-BBEE status level contributor verification certificate by SANAS accreditation institution OR valid JV B-BBEE status level contributor verification certificate by SANAS accreditation institution OR valid sworn-affidavit signed by the EME representative and attested by Commissioner of oaths or certified copies thereof OR valid B-BBEE affidavit issued by CIPC.

6.2.4 A bid that fails to meet prescribed pre-qualifying criteria will be disqualified.

6.2.5 In order to proceed to Phase II, bidders must meet the pre-qualifying criteria, failing which the bid will be disqualified.

6.3 PHASE II: LEGISLATIVE, MANDATORY, AND OTHER BID DOCUMENTS

6.3.1 Only bidders who have complied with Phase I pre-qualification requirements will be evaluated on Phase II. Bidder responses will be evaluated based on the documents submitted under mandatory and standard bid requirements. Any bid that does not meet these mandatory requirements will be considered

as non-responsive and disqualified.

6.3.2 **Legislative Compliance Documents**

6.3.2.1 All Standard bidding documents as listed above on Table 1 must be completed in full, signed and submitted with the bid at the closing date and time of the bid. Failure to comply may invalid the bid.

6.3.2.2 SBD 1 – Invitation to bid.

6.3.2.3 Proof of authority must be submitted as per SBD 1 e.g., company resolution for the capacity under which this bid is signed

6.3.2.4 SBD 4 – Bidders Disclosure; and

6.3.2.5 SBD 6.1 – Preference Points Claimed (B-BBEE).

6.3.2.6 Full CSD report

6.3.3 **MANDATORY DOCUMENT/S**

6.3.3.1 **Wholesale Licence Certificate**

a) Bidders must submit wholesale licence certificate to confirm compliance with the petroleum Act: 1977 (Act no120 of 1977) at the closing date and time of the bid; or

b) An approval letter for the wholesale licence from the Department of minerals and energy.

6.3.3.2 **Office/Depot Footprint**

a) Bidders must submit proof of office/depot such as a copy of municipal rate and taxes, not older than six (6) months, in the province for which a bid is submitted or where the business will be conducted from.

b) The proof must indicate the name of a bidder and those who are partnering with in the address of the respective proof of office / depot.

c) Bidders to note that they may submit the bid for all provinces or only the province the are willing to bid for.

6.3.3.3 **Authorisation Declaration**

a) All bidders must complete the “Authorisation Declaration” (TCD 13) for all relevant goods or services in full, sign it and submit it together with the bid response at the closing date and time of the bid invitation.

b) 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

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services offered.

c) Any bidder/s who is sourcing from a Third Party must complete TCD 13.1 and TCD 13.2 in full for all relevant goods and/or services. The letter of undertaking from the Third Party must include but not limited to the following:

i) List of item(s) number and item description.

ii) Letter must be on the Third-Party letter head, dated and originally signed.

iii) Have the contact's name, physical and postal address, telephone, and email details and the capacity which a person is signing the letter.

iv) All the information on the letter must be in English.

v) The principal manufacturer should underwrite the warrantees for all items offered under the transversal contract.

vi) TCD 13.2 must be completed for all items offered by the bidder.

d) 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 reserves its right to exercise any of the remedies available to it, including disqualifying the bidder and or restricting the bidder.

e) 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. Failure to render the service in line with the contractual terms of this transversal contract may lead to the contract being terminated and the bidder being restricted from doing business with the State.

f) Failure by a bidder, other than a manufacturer or licensed importer to provide the letter confirming supply arrangements as per the specifications above, will invalidate the bid.

g) The authorisation declaration (TCD 13) and the letter from the manufacturer confirming supply arrangements as set out in paragraphs 6.3.3.3(c) must be applicable and cover the full transversal contract period.

6.3.4 **Pricing structure and schedule**

6.3.4.1 It is a requirement of this bid that bidders fill out and submit the pricing schedule issued with the bid at the closing date and time of the bid.

6.3.4.2 Please note that the spot date for pricing is Wednesday, 07 September 2022.

6.3.4.3 The following items will be evaluated as a group series: 151111510-00000, 151111510-00001 and 151111510-00002.

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6.3.4.4 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**.

6.3.4.5 All prices must be furnished in RSA (Rand) currency.

6.3.4.6 Bidders are required to submit responsive bids by completing all the prices as contained in the pricing schedule, mandatory response fields and item questionnaires on the provided pricing schedule for the individual items.

6.3.4.7 Bidders must complete the excel version of the price schedule and **submit it as soft copy in a memory stick**. Over and above the submission of the price schedule in active excel format the bidder must submit a signed hard copy together with their bid.

6.3.4.8 The excel pricing spreadsheet must also be converted into a Portable Document Format (PDF) and submitted with the bid at the closing date and time. This PDF document must be similar to the soft copy active excel pricing spreadsheet submitted on the memory stick.

6.3.4.9 The prices as requested in the Price Schedule must not include any settlement discounts or conditional discount to prompt for early payments. The State will not pay any amounts to the appointed supplier that is not reflected on the pricing schedule at the time of bid submission or that is provided for as an optional extra or accessories.

6.3.4.10 Prices submitted for this bid must be completed on the fields provided on the price schedule supplied with the bid.

6.3.4.11 All prices for gas must be quoted per unit of measure for each item indicate on the pricing schedule provided and the be furnished on a basis of delivered to the purchasing institution per province.

6.3.4.12 Bidders are required to quote a once off deposit fee for the LPG on the space provided on the “Pricing Schedule. Rental fee is not applicable on LPG cylinders.

6.3.4.13 All the equipment (LPG cylinders, cylinders, bulk vessel) must be quoted ready for use.

6.3.4.14 Prices to be offered by bidders shall not exceed the maximum regulated price.

6.3.4.15 Once a bid has complied with mandatory requirements and other bid requirements as state on Phase II, it would further be evaluated on Phase III.

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6.4 OTHER BID DOCUMENTS

6.4.1 Company Registration

6.4.1.1 Shareholding portfolio by **proof of registration of the company** with Companies Intellectual Property Commission

6.4.2 Conditions of Contract

6.4.2.1 **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.

6.4.2.2 **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.

6.4.3 Company Profile and Organogram

6.4.3.1 The bidder shall submit a company profile as well as those of sub-contractor's that it intends using, which includes but is not limited to the following:

6.4.3.2 Details of the bidder's directors/owners (full names and surnames and ID or passport number) this information will be verified using the CSD; and

6.4.3.3 The company profile must further include a shareholding portfolio with valid proof of registration of the company with CIPC. If by law registration with CIPC is not required, proof of ownership/shareholding must be provided.

6.4.3.4 An additional document detailing the shareholding of the bidder in an **organogram** format in support of the proof of company registration must be submitted by bidders at the closing date and time.

6.4.4 Latest Audited Annual Financial Statements (if submitted a B-BBEE Sworn Affidavit) or management accounts.

6.5 PHASE III: PRICE AND B-BBEE (90/10 Criteria)

6.5.1 Pricing Schedule

6.5.2 Applicable taxes

6.5.2.1 All bid prices must be inclusive of all applicable taxes

6.5.2.2 Failure to comply with this condition will invalidate the bid or affected items.

6.5.3 Value added tax

6.5.3.1 All prices must be inclusive of 15% Value Added Vat.

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

6.5.4 Preference point system

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6.5.4.1 In terms of regulation 7 of the Preferential Procurement Regulations (2017) 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 based on:

6.5.4.2 The bid price (maximum 90 points)

6.5.4.3 B-BBEE status level of contributor (maximum 10 points)

6.5.4.4 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

6.5.4.5 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:

Table 4: B-BBEE Status Level of Contributor

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

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Non- compliant contributor	0

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

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

6.5.4.8 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 from an accredited verification agency, or a sworn-affidavit will be considered for preference points.

6.5.4.9 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).

6.5.4.10 The State may, before a bid is adjudicated, require a bidder to substantiate claims it has made regarding preference.

6.5.4.11 The points scored will be rounded off to the nearest 2 decimals. In the event that two or more bids have scored equal total points, the transversal contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.

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

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

6.5.5 Response field

6.5.5.1 Bidders are required to submit responsive bids by completing all the prices per line item they are bidding for, mandatory response fields and item questionnaires on the provided pricing schedule for the individual items

6.5.5.2 Non-compliance with this condition will result in the bidder being disqualified for that item(s) concerned.

6.5.6 RECOMMENDATION AND APPOINTMENT OF BIDDERS

6.5.6.1 The Bid Evaluation Committee will recommend a preferred responsive bidders based on Phase I, Phase II, and Phase III.

6.5.6.2 The award of the transversal contract is subject to meeting all the requirements of the bid.

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7. PART 2: ADDITIONAL BID REQUIREMENTS

7.1 NEGOTIATIONS

7.1.1 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 negotiations. This phase is meant to ensure value for money is achieved through the measure of quality that will assess the monetary cost of the items or services against the quality and or benefits of that item or services.

7.2 DUE DILIGENCE

7.2.1 The State reserves the right to conduct 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.

7.3 MULTIPLE AWARD

7.3.1 The State further reserves its right to issue multiple awards, to ensure availability of the service.

7.3.2 The State reserves the right to limit the number of suppliers per line item.

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

7.3.3.1 Capacity to meet expected demand according to the End User requirements.

7.3.3.2 Specific End-user requirements; and

7.3.3.3 Mitigation of Risk if the item is unavailable.

7.4 TERMS AND CONDITIONS

7.4.1 **Counter Conditions**

7.4.1.1 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.

7.4.1.2 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 National Treasury and its officers, employees and advisors will not be liable in connection with either the exercise of, or failure to exercise this right.

7.4.1.3 If the National Treasury exercises its right to change or supplement information in terms of the above

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clause, it may seek amended bid documents from all bidders.

7.4.2 **Fronting**

7.4.2.1 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 does not support any form of fronting.

7.4.2.2 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 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, Industry and Competition, be established during such enquiry / investigation, the onus will be on the bidder to prove that fronting does not exist.

7.4.2.3 Failure to do so by the bidder within a period of fourteen (14) days from date of notification by National Treasury 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 National Treasury may have against the bidder concerned.

7.4.3 **Right Of Award**

7.4.3.1 The State reserves its following rights -

a) To award the bid in part or in full,

b) Not to make any award in this bid or accept any bids submitted,

c) Award the bid to more than one bidder for the same line item,

d) Request further technical information from any bidder after the closing date,

e) Verify information and documentation of the bidder(s),

f) Not to accept any of the bids submitted,

g) 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

h) If an incorrect award has been made to remedy the matter in any lawful manner it may deem fit.

7.5 **SUBMISSION OF BIDS**

7.5.1 **PHYSICAL AND HARDCOPY BID SUBMISSION**

7.5.1.1 Bidders must submit the bid to Tender Information Centre (TIC) situated at corner 240 Thabo Sehume and Madiba Streets, Pretoria in the following format in the following format:

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a) One (1) original hard copy clearly marked as ''original''.

b) One (1) memory stick or USB with all the documents on the original hard copy and a soft copy of the pricing schedule in excel format to the National Treasury (NT): TIC by the closing date and time of the bid.

c) Bidders must ensure that the USB is properly secured.

7.5.1.2 All electronic data submitted must be an exact copy of the hard copy document. Any discrepancies between the electronic data and the hard copy, the hardcopy will take precedence.

7.5.1.3 After completing the pricing schedule electronically, the electronic version of the pricing schedule must be printed and submitted together with the other bid documents which will serve as the hard copy of the bid.

7.5.1.4 A bid should be submitted in a sealed envelope or sealed suitable cover on which the name and address of the bidder, the bid number and the closing date must be clearly visible.

7.5.1.5 Bidders must initial each page of the bid document on the top right-hand corner.

7.5.1.6 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.

7.5.1.7 Submit all bid queries via email to transversal.contracting6@treasury.gov.za.

7.6 LATE BIDS

7.6.1 Bids received after the closing date and time at the TIC will NOT be accepted for consideration and where practical, be returned unopened to the bidder.

7.7 COMMUNICATION AND CONFIDENTIALITY

7.7.1 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 transversal contract, or to extend the validity period of the bid, if necessary.

7.7.2 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.

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

 Initials_____

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

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

7.7.6 All communication between the bidder and the National Treasury TC office must be done in writing as per the Contact Details below.

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

7.7.8 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.

7.8 CONTACT DETAILS

7.8.1 **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

7.8.2 **Bid Enquiries:-** All enquiries should be in writing to transversal.contracting6@treasury.gov.za. The closing date for receipt of all enquiries is **06 October 2022**. All enquiries beyond the closing date will not be considered.

Initials_____

SECTION C: CONDITIONS OF CONTRACT

8. CONCLUSION OF CONTRACT

8.1 The transversal contract between National Treasury and the successful bidder/s collectively referred to as the Parties shall come into effect after the Supplier has been issued with a letter of Acceptance to their bid.

8.2 The State may enter into a Service Level Agreement, but the Special Conditions of Contract and the letter of acceptance will constitute a binding agreement.

8.3 The following will form part of the transversal contract documents between the parties in as far as this RT51-2022 is concerned:

8.3.1 Bid Documents.

8.3.2 Letter of appointment.

8.3.3 Award Documents (Contract Circular with its annexures which includes Special Conditions of Contract and General Conditions of Contract)

9. CHANGE OF THIRD-PARTY SUPPLIERS

9.1 In the event that a supplier needs to change their third-party supplier for the same make and model supplied without a change in price, an application for approval will need to be made to National Treasury.

9.2 As part of the application, the supplier will be required to submit a new letter of authorisation from the new supplier. The letter of authorisation will need to adhere to all the requirements of the authorisation letter as listed in paragraph 6.3.3.3(c)

9.3 National Treasury will issue a letter and grant approval for the change in third party supplier in the event that the requirements of the authorisation letter is fulfilled.

10. PARTICIPATING GOVERNMENT INSTITUIONS

10.1 ARMSCOR Dockyard

10.2 Department of Community Safety and Transport Management: North-West

10.3 Department of Defence

10.4 Department of Transport and Public Work: Western Cape

10.5 Department of Forestry, Fisheries, and the Environment

10.6 Department of Health: Eastern Cape

10.7 Ezemvelo KZN Wildlife

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11. POST AWARD PARTICIPATION

11.1 The State reserves the right to admit any State Institution to participate in this transversal contract post award.

12. CONTRACT PRICE ADJUSTMENTS

12.1 Prices for LPG will be adjusted according to the Maximum Refinery Gate prices issued by the Department of Minerals and Energy and will be adjusted on a monthly basis by Transversal Contracting. Unless prior approval has been obtained from Transversal Contracting, no adjustment in transversal contract prices will be made.

12.2 The state reserve the right not to approve any price adjustments applied for by suppliers.

13. PRE AND POST AWARD PRODUCT COMPLIANCE PROCEDURES

13.1 **Standards / Specifications**

13.1.1 For bulk tanks installation a certificate of compliance must be issued before the tanks may be used.

13.1.2 Where specific specifications and/ or standards are applicable for each item, the quality of products shall not be less than the requirements of the latest edition of such specifications and/or standards.

13.1.3 The State reserves the right to request a valid compliance certificate from successful suppliers during the transversal contract period.

13.2 **South African bureau of standards**

13.2.1 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:

13.2.1.1 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

13.3 **South African National Accreditation System (SANAS):**

13.3.1 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

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A list of institutions is available on the SANAS website

http://www.sanas.co.za/ or http://www.sanas.co.za/contact.php.

13.4 **Equipment Installation Requirements**

13.4.1 Bidders must familiarize themselves, inter alia, with the location, connectivity, insulating pipelines (if applicable), access restrictions or limitations, if any, of all current bulk installations for which they intend to submit bids. The successful bidder will be responsible for all signage and vaporizers at those sites. The end user is responsible for all plinths, fencing, water tap and electrical connections.

13.4.2 Bidders must take note that in cases where electricity or any other alternative source of energy is utilised to transfer gas into a bulk tanker's equipment, the cost will be for the account of the successful bidder.

13.4.3 The maintenance of the equipment for LPG cylinders, other cylinders, bulk vessel will be the sole responsibility of the successful bidder for the duration of the transversal contract.

13.4.4 The successful bidder will have to supply; install the equipment for LPG cylinders, cylinders, bulk vessel and make the necessary connection to the oxygen network where applicable.

14. ORDERS AND PAYMENT FOR SUPPLIES AND SERVICES

14.1 **General**

14.1.1 Suppliers should note that each individual participating department/institution is responsible for generating the orders as well as the payments thereof.

14.1.2 Suppliers should note that the orders will be placed as and when required during the transversal contract period and delivery points will be specified by the relevant participating department/institution.

14.1.3 The point of delivery will be as per the address specified by the end user department or for collection at the identified supplier.

14.1.4 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 participating department/institution.

14.1.5 The State is under no obligation to accept any quantity which is more than the ordered quantity.

14.1.6 The supplier shall furnish the End User with a certified correct invoice and signed proof of delivery in order to effect payment.

14.1.7 Suppliers are requested to ensure that the request for quotation is legitimate to circumvent fraudulent orders.

14.1.8 When providing quotations to participating organs of state, suppliers must ensure that the base price as it appears on the contract price list adjustment is shown on the quotation and provide other pricing costs and extras separately.

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14.1.9 All invoices submitted to the participating state institution in respect of this transversal contract and after the participating state institution has ensured that the amounts claimed are due and in accordance with the provisions of this transversal contract, be certified by the responsible participating department or his representative.

14.1.10 The State institutions may defer payment pending request for clarification and the submission of further information, if so required. Such requests for clarification shall be submitted in writing to the Department within a period of 15 (fifteen) days of receipt of the invoice and the period for clarification shall not exceed 30 (thirty) days. The end-user must furnish proper documents for audit purposes.

14.2 **Ordering Procedure**

14.2.1 Prior to placing a formal order with a supplier, the participating institution will submit a pre-order to the first ranked supplier stipulating the details of the intended order.

14.2.2 The supplier will be allowed a maximum of three (3) working days to formally respond to the pre-order, indicating how the requirements of the order will be fulfilled. The supplier must indicate whether the order will be fulfilled in full, partially fulfilled or completely declined.

14.2.3 In the event that the participating institution does not receive the written response on the pre-order within three (3) working days, the purchaser will be allowed to engage with the next highest ranked supplier.

14.2.4 Should the supplier respond with a partial acceptance or decline the request, the next highest ranked supplier on the list must be contacted to supply the balance or full requirement.

14.2.5 The participating institution may not enter into discussions to purchase from the 2nd supplier without confirmation and agreement from the original supplier to do so. Similarly, the participating institution may not enter into discussions to purchase from the next ranked supplier without confirmation and agreement from the aforementioned supplier to do so, and so forth.

14.2.6 The purchasing institution must place the formal order within five (5) working days from receiving the written response from the supplier(s).

15. DELAYS AND/OR UNSATISFACTORY PERFORMANCE

15.1 The supplier shall, at all times, ensure that it renders the services in accordance with the provisions of this transversal contract and within the delivery times or periods as agreed to between the State institutions and them.

15.2 In the event of any delay and/or failure to perform in accordance with specifications as set out in this transversal contract or where an emergency situation arises, and/or where the State Institutions deems it necessary to obtain the services in terms of this transversal contract however the said services are not readily available from the supplier, the State Institutions must obtain written approval from National Treasury to procure such services outside this transversal contract, and the State Institutions shall be

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relieved of its obligations to the supplier with regard to the services or the portion thereof so procured outside this transversal contract.

15.3 If at any time during the performance of the services, the supplier, its agents or subcontractor(s), should encounter conditions impeding specific and/or timely delivery of services, the supplier shall promptly notify the State Institutions in writing of that fact, the likely duration and/or its cause(s). As soon as practicable after receipt of the supplier notice, the State Institutions shall evaluate the situation and may, at its discretion, extend the service provider's time for performance or opportunity to comply with specifications.

15.4 Any service rendered by the supplier that differs materially from the specifications set out in the transversal contract shall not be regarded as a service in terms of this transversal contract. The State Institutions, having so indicated to the services provider in writing, shall not be liable for any consideration in relation to such service.

15.5 The End User shall be entitled to, from the fees payable for the services, withhold and/or deduct a pro rata amount in respect of the services or portion of services not performed or unsatisfactorily performed.

16. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

16.1 Contract Administration

16.1.1 The administration and facilitation of the transversal contract will be the responsibility of National Treasury within the Chief Directorate: Transversal Contracting. All correspondence in this regard must be directed to the following address:

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

16.2 Supplier Performance Management and Reporting

16.2.1 The National Treasury will ensure that meetings are held on a quarterly basis with the State Institutions and the supplier to discuss performance and compliance related issues.

16.2.2 It is the responsibility of the State Institutions to inform National Treasury: Transversal Contracting of supplier non-performance and non-compliance.

16.2.3 The service provider shall ensure that they submit all reports, as per the template to be provided as and when required, via e-mail to: OCPO, National Treasury, Transversal Contracting: Transversal.Contracting6@treasury.gov.za.

16.2.4 For this purpose, electronic templates as well as reporting schedules will be supplied to supplier by the State.

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16.2.5 Quarterly supplier reviews will be conducted to discuss non-performance, late payments, forecasted quantities for the next six months, late deliveries, quantity delivered, value, end-user, new developments, and other issues.

16.2.6 Performance and Compliance reports shall be submitted monthly by the supplier.

16.3 **Refundable Deposit for LPG Cylinders**

16.3.1 On return of empty LPG cylinders, the supplier must refund the State Institutions with the once off refundable deposit.

16.4 **Hand Over Process of Bulk and Cylinder Supply**

16.4.1 National Treasury will facilitate the hand over process between the outgoing and incoming supplier within 30 days of the commencement date of the transversal contract. The outgoing supplier is required to hand over all records to the successful bidder into a new transversal contract.

16.4.2 In the event that this bid (RT51-2022) is awarded to a bidder that is not the current supplier, all empty cylinders must be returned to the current supplier within 180 days from the effective date of the new transversal contract.

16.4.3 The outgoing supplier will be liable for any casualty/cost resulting from being non-corporative during this hand over process.

16.4.4 Where practical, unused gas or any gas that remain in cylinders must be depleted before the empty cylinders are returned to the outgoing supplier within 180 days from the effective date of the new transversal contract.

16.4.5 Cylinders which are not collected within 180 days from commencement of a new transversal contract will be returned at the owners' cost (supplier).

16.5 **Bulk Supply and Cylinder Control**

16.5.1 After the initial allocation of cylinders to a specific State Institutions has been made, gas will be supplied on a "full for empty" basis.

16.5.2 Should any State Institutions require additional cylinders or have cylinder surplus to its requirements, arrangements for allocations or returns should be made with the relevant supplier. State Institutions must always obtain receipts for cylinders returned (other than the normal "full for empty" exchange).

16.5.3 Physical cylinder counts must be done by the supplier and the State Institutions on all cylinders on hand every month for the duration of transversal contract.

16.5.4 The supplier and the State Institutions must keep accurate records showing the number of cylinders received, always returned and at hand at all times.

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16.5.5 State Institutions will be responsible for the safe custody of all cylinders, valve guards and valves under their control.

16.5.6 State Institutions are prohibited from supplying home patients, other institutions, private patients, etc, with any gases from this transversal contract.

16.5.7 Empty cylinders and returns will be collected by the supplier.

16.5.8 Should a change in vessel size become imperative during the transversal contract period, all costs involved with such a change will be for the account of the supplier. It must be noted that in such event the transversal contract period will remain unchanged i.e., no extension of the present transversal contract period will be granted.

16.5.9 Prior approval for the removal of any bulk tanks or PSA equipment from the State's premises must be obtained from National Department of Health.

17. POST AWARD SERVICE COMPLIANCE

17.1 The State Institutions shall ensure that all the certificates referred to in this document remain valid for the duration of the transversal contract.

17.2 It remains the responsibility of the supplier ensure that it provides the Contract management office with a valid certificate within 30 (thirty) days from the date of expiry of such a certificate or within the time agreed to with the State failing which the supplier shall be held to be in breach of Contract.

17.3 The State reserves its right to terminate the Contract should the supplier fail to remedy such breach as per the provisions of this transversal contract.

18. QUALITY ASSURANCE

18.1 The supplier must ensure that the product and/or services always comply with all applicable legislation with particular reference to paragraph 3.1 during the transversal contract period.

19. PRODUCT ADHERANCE /BRAND CHANGE

19.1 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 continue to supply the brand awarded throughout the transversal contract period.

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

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

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20. INSPECTION, AUDIT OF BULK TANKS AND CYLINDERS

20.1 The State reserves the right to inspect the premises or audit any document pertaining to this transversal contract at any time during the tenure of the transversal Contract.

20.2 The inspection, audit of bulk tanks and cylinders will include not limited to certificate of compliance and any other supporting documentation to validate the service rendered.

20.3 Should any audit or inspection reveal that the supplier has not complied with any of the terms of this transversal contract, the Supplier 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.

20.4 In the event referred to in paragraph iii above, the State reserves its right to terminate this transversal contract should the service provider fail to remedy such breach accordingly.

21. TERMINATION

21.1 The State shall be entitled to terminate this Agreement if one or more of the following occur:

21.1.1 the supplier decides to transfer the transversal contract or cede the transversal contract;

21.1.2 the supplier is provisionally or finally liquidated, making it impossible for the supplier to perform its functions in terms of this transversal contract;

21.1.3 the supplier enters into settlement arrangements with their creditors;

21.1.4 the supplier commits an act of insolvency;

21.1.5 in the event that the supplier is a member of an unincorporated joint venture or consortium and the membership of such joint venture or Consortium changes; and

21.1.6 the supplier failure to perform its obligation amounts to a fundamental non-performance.

21.2 The State reserves its right to terminate the transversal contract in the event that there is a change in ownership of the supplier that has the effect that the over 50% ownership of the supplier belongs to the new owner without prior written approval of the State.

21.3 Either Party may terminate this transversal contract for breach in the event that the other party fails to comply with any of its obligations in terms of this transversal contract and having failed to remedy such breach within 14 (fourteen) calendar day's written notice to remedy such non-compliance.

21.4 Notwithstanding the provisions above, either Party may terminate this transversal contract by giving the other Party 30 (thirty) days' written notice to that effect.

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