



---

**NATIONAL TREASURY  
TRANSVERSAL CONTRACTING**

**SPECIAL CONDITIONS OF CONTRACT**

**BID NUMBER: RT11-2019**

**SUPPLY, DELIVERY AND OFF-LOADING OF ANIMAL FEED TO THE STATE  
FOR THE PERIOD 1 JULY 2020 TO 30 JUNE 2023**

**CLOSING DATE AND TIME OF BID: 12 AUGUST 2019 @ 11H00**

**NON- COMPULSORY BRIEFING SESSION: 15 JULY @10:00  
to 11:00 and 12:00 to 13:00**

**BID VALIDITY PERIOD: 120 DAYS**

---



## TABLE OF CONTENTS

ABBREVIATIONS .....	3
<b>BID DOCUMENT CHECK LIST</b> .....	4
SECTION A .....	6
1. LEGISLATIVE AND REGULATORY FRAMEWORK .....	6
2. BID INFORMATION/BRIEFING SESSION .....	6
3. EVALUATION CRITERIA .....	6
4. MANUFACTURING CAPABILITY AND INFORMATION .....	17
5. RESPONSIVE BIDS .....	17
6. SUBMISSION OF BIDS .....	18
7. LATE BIDS .....	19
8. COUNTER CONDITIONS .....	19
9. FRONTING .....	19
10. SUPPLIER DUE DILIGENCE .....	19
11. COMMUNICATION .....	20
12. CONTACT DETAILS .....	20
SECTION B .....	21
13. CONTRACT PERIOD .....	21
14. PARTICIPATING GOVERNMENT DEPARTMENTS / INSTITUTIONS .....	21
15. AWARD CONDITIONS .....	21
16. NEGOTIATIONS .....	23
17. NON-COMMITMENT .....	23
SECTION C .....	24
18. ROLES AND RESPONSIBILITIES .....	24
19. ORDERS AND DELIVERY .....	24
20. QUANTITIES AND MINIMUM ORDERS .....	25
21. CONTINUITY OF SUPPLY .....	26
22. QUALITY .....	26
23. PRODUCT ADHERANCE / BRAND CHANGE .....	26
24. CONTRACT PRICE ADJUSTMENT .....	27
25. PACKAGING .....	31
26. LABELLING .....	32
27. MERGERS, TAKE OVERS AND CHANGES IN SUPPLIER DETAILS .....	33
28. THIRD PARTIES .....	33
29. BREACH OF CONTRACT .....	33
30. POST AWARD REPORTING AND SUPPLIER PERFORMANCE REVIEWS .....	34



## ABBREVIATIONS

BAC	: Bid Adjudication Committee
B-BBEE	: Broad-Based Black Economic Empowerment
CPA	: Contract Price Adjustment
ISO	: International Organisation for Standardisation
OCPO	: Office of the Chief Procurement Officer
QC	: Quality Control
ROE	: Rate of Exchange
SABS	: South African Bureau of Standards
SANAS	: South African National Accreditation System
SBD	: Standard Bidding Document
STATS SA	: Statistics South Africa
TCBD	: Transversal Contract Bidding Document
VAT	: Value- Added Tax
WHO	: World Health Organisation
PPI	: Producer Price Index
CPI	: Consumer Price Index

**BID DOCUMENT CHECK LIST**

The table below indicates the documents that are included in the published bid document as well as the documents that must be returned and or submitted by the bidder with the bid at the closing date and time.

The bidder can use this checklist to ensure that all required documents are duly filled in, signed and returned.

NO.	DOCUMENT NAME	Included in the published bid document?	To be returned by bidder?
1	SBD 1 Invitation to bid	Y	Y
2	Central Supplier Database Report		Y
3	SBD 4 Declaration of interest	Y	Y
4	SBD 6 (1): Preference Points Claimed (BBBEE)	Y	Y
5	Certified BBBEE Certificate or sworn affidavit		Y
6	SBD 5: National Industrial Participation Programme (NIPP)	Y	Y
7	SBD 8: Declaration of Past SCM Practices	Y	Y
8	SBD 9: Certificate of Independent Bid Determination	Y	Y
9	TCBD 1: Authorisation Declaration Form and Authorisation Letter from the third party	Y	Y
10	Signed Special Conditions of Contract	Y	Y
11	Signed General Conditions of Contract	Y	Y
12	Electronic and Hard Copy Pricing Schedule	Y	Y
13	Cost components as part of pricing document		Y
14	Registration Certificate(s) / Application for Renewal (Act 36)		Y
15	Composition Labels approved stamp (Act 36)		Y
16	Certificate of Analysis (SANAS)		Y
17	Sub-Contracting document ( <i>if applicable</i> )		Y



NO.	DOCUMENT NAME	Included in the published bid document?	To be returned by bidder?
18	TCBD 5 – ISS Terms and Conditions	Y	N
19	TCBD 6 – Response Field Explanation ( To be read for information purposes only)	Y	N
20	Read me – CSD Fact sheet and leaflet ( To be read for information purposes only)	Y	N
21	TCBD 4 – Procedure for electronic bidding ( To be read for information purposes only)	Y	N
22	TCBD 2 – SARB data download instructions ( To be read for information purposes only)	Y	N
23	Local Economic Development document		Y
24	Company Profile		Y
25	How to access the line items and price schedule	Y	N
26	How to bid and submit prices electronically	Y	N



## **SECTION A**

### **1. LEGISLATIVE AND REGULATORY FRAMEWORK**

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

### **2. BID INFORMATION/BRIEFING SESSION**

- 2.1. A non-compulsory information session will be held at:

**Venue:** National Treasury, 240 Madiba Street, Pretoria, 0001, Room 901, 9<sup>st</sup> Floor

**Date:** 15 July 2019

**Time:** 10:00 to 11:00, 12:00 to 13:30 and 14:00 to 15:00

- 2.2. For proper facilitation and coordination, Bidders are required to book a seat by email to [transversal.contracting1@treasury.gov.za](mailto:transversal.contracting1@treasury.gov.za) on or before 12 July 2019 @ 15:00.

### **3. EVALUATION CRITERIA**

The evaluation process will be conducted in phases as follows:

<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>	<b>Phase 4</b>
<b>Pre-qualification Criteria</b>	<b>Mandatory and other bid requirements</b>	<b>Technical Compliance</b>	<b>Price and B-BBEE</b>
Compliance with pre-qualification criteria	Compliance with mandatory and other bid requirements. SBD forms must be completed and signed.	Compliance to technical requirements	Bids evaluated in terms of the 90/10 preference system



### **3.1. PHASE 1: PREQUALIFICATION CRITERIA**

**3.1.1.** It is a condition of this bid that only one or more of the following bidders may respond to this bid:

**3.1.1.1.** A bidder having a B-BBEE status level of contributor 1 to 8. 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 prove compliance.; or

**3.1.1.2.** A bidder subcontracting a minimum of 30% to an EME or QSE which is at least 51% owned by black people.

- i) Bidders are required to provide the details of sub-contractor(s) in line with SBD 6.1 which include the activities/business to be provided by the subcontractor(s). Furthermore, to indicate the measure of how the 30% of sub-contracting is calculated to substantiate the option of subcontracting a minimum of 30%.
- ii) The State reserves the right to accept or reject the detailed measure referred to in paragraph 3.1.1 (b) (i) above.
- iii) In a case where the state reject the detailed measure referred to in paragraph 3.1.1 (b) (i) above, non-compliant contributors in terms of B-BBEE status level will automatically be regarded as an unacceptable bid,
- iv) In the event that a bidder is successful, additional documents will be required for submission prior to award. E.g. Bidders are required to submit a formal signed memorandum of understanding, subcontracting agreements, B-BBEE certificates, CSD numbers, etc,

**3.1.2.** All sub-contracted suppliers must be registered on the Central Supplier Database.

**3.1.3.** Failure to meet the pre-qualification criteria will invalidate the bid submitted.

**3.1.4.** The State reserves the right to accept a bid from a bidder who does not meet the pre-qualification criteria, this will only take place in instances where security of supply is negatively affected and the bidder in question is the only viable option. This provision will only apply on a line item level.

**3.1.5.** Once a bid has complied with the pre-qualification criteria, it would further be evaluated on **PHASE 2: Mandatory requirements and other bid conditions.**

### **3.2. PHASE 2: MANDATORY AND OTHER BID REQUIREMENTS**

**3.2.1.** Bidders must submit all requirements indicated hereunder with the bid documents at the closing date and time of the bid. During this evaluation phase, bidder's responses will be evaluated based on the



documents submitted under mandatory requirements. Bidders who fail to comply with any of the mandatory requirements may be disqualified.

### 3.2.2. RETURNABLE DOCUMENTS AND MANDATORY REQUIREMENTS

Name of the document that must be submitted	Non-submission and incomplete returnable documents may result in disqualification?
Invitation to Bid – SBD 1	<b>YES</b> – complete and sign the supplied form.
Pricing Schedule	<b>YES</b> – complete the price schedule electronically and submit a hard copy with the bid at the closing date and time.
Declaration of Interest – SBD 4	<b>YES</b> – complete and sign the supplied form.
National Industrial Participation Programme- SBD 5	<b>YES</b> – complete and sign the supplied form.
Preference Point Claim Form – SBD 6.1	<b>YES</b> – Generally non-submission will lead to a zero score for B-BBEE, however, due to pre-qualification criteria it is a requirement that this document is provided to prove the B-BBEE status level contributor.
Declaration of Bidder's Past Supply Chain Management Practices – SBD 8	<b>YES</b> – complete and sign the supplied form.
Certificate of Independent Bid Determination – SBD 9	<b>YES</b> – complete and sign the supplied form.
TCBD 1 – Authorisation Declaration	<b>YES</b> – Bidders sourcing products from a third party must submit the authorisation declaration form and the letter of authorisation from the third party.
Name of the document that must be submitted	Non-submission of mandatory documents will result in immediate disqualification?
Valid Product Registration Certificate/ Product Registration Renewal issued in terms of Act 36 of 1947	<b>YES</b> – Please submit the valid registration certificate on each line item.
Composition labels for all the items tendered for in terms of Act 36 of 1947	<b>YES</b> – Please submit the composition label on each line item.
Certificate of analysis (SANAS)	<b>YES</b> – Please submit the valid certificate of analysis on each line item ( <b>ONLY Dogs and Horse Feeds</b> ).



### **3.2.3. TAX COMPLIANCE REQUIREMENTS**

- 3.2.3.1.** It is a condition of this bid that the tax matters of a successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
- 3.2.3.2.** The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 3.2.3.3.** It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may on an on-going basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted;
- 3.2.3.4.** Bidders are required to be registered on the Central Supplier Database and the State shall verify the bidder's tax compliance status through the Central Supplier Database.
- 3.2.3.5.** Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database.
- 3.2.3.6.** The state will not award a bid to any bidder whose tax matters are not in order once a bid has complied with all mandatory and other bid requirements; it will further be evaluated on **PHASE 3: Technical compliance**.

### **3.3. PHASE 3: TECHNICAL COMPLIANCE**

This phase entails the evaluation of bids for technical compliance by validating the following documents on a line item level.

#### **3.3.1. The following documentation must be submitted with the bid document**

- 3.3.1.1** Animal feed offered must be registered in terms of the Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act No. 36 of 1947), as amended and all further regulations issued in terms of the said Act.
- 3.3.1.2** Bidders must submit a valid certificate of registration for each feed formulation offered or an approved application for renewal of agricultural feeds issued by the Department of Agriculture, Forestry and fisheries on or before the closing date and time of bid.



- 3.3.1.3 The bidder must submit the composition labels for all items offered at the closing date and time of bid.
- 3.3.1.4 All product packaging and labelling must comply with the requirements of the Act 36 of 1947.
- 3.3.1.5 The product registration number must be indicated against each item that is offered.
- 3.3.1.6 Products that are not registered will not be considered for further evaluation.
- 3.3.1.7 Successful bidders must ensure that valid product registration renewals are available for scrutiny throughout the contract period, for item/s awarded to them. Failure to do so will result in the cancellation of the contract for such item/s awarded.
- 3.3.1.8 Bidders must submit a copy of the certificate of analysis for chemical composition of the product (i.e. dog food and horse feed) or proof of submission of sample for testing must be submitted at closing date and time of the tender. The valid certificate of analysis must be submitted within 14 days after the closing date.
- 3.3.1.9 The analyses and testing should be performed by any SANAS accredited institutions. See the appendix to the dog and horse feed specifications for the list of chemical analysis to be conducted.
- 3.3.1.10 Cost of complying with the above requirements shall be for the bidder's own account.
- 3.3.1.11 Non-compliance with the abovementioned conditions will invalidate the bid for such item/s offered.

### **3.3.2. AUTHORISATION DECLARATION**

- 3.3.2.1. Any bidder who is sourcing goods or services from a third party must complete the "Authorisation Declaration" (TCBD 1) in full for all relevant items/goods or services, sign it and submit it together with the bid documents at the closing date and time of the bid.
- 3.3.2.2. The "Authorisation Declaration" (TCBD 1) form must be supported by the signed third party's authorisation declaration letter in the third party's letter head.
- 3.3.2.3. The State reserves the right to verify any information supplied by the bidder in the Authorisation Declaration and should the information be found to be false or incorrect, the State will exercise any of the remedies available to it in the bid documents.
- 3.3.2.4. The bidder must ensure that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party. No agreement between the bidder and the third party will be binding on the State.
- 3.3.2.5. An authorisation declaration with conditional arrangements will not be accepted. Bidders must ensure that all arrangements are agreed to before submitting a bid.
- 3.3.2.6. Failure to submit a duly completed and signed Authorisation Declaration form and third party's



authorisation declaration letter, with all the required annexure(s), in accordance with the above provisions may invalidate the bid for such goods or services offered.

**3.3.2.7.** The bidders who have satisfied all the requirements in the phase of evaluation will proceed for further evaluation in **Phase 4: Price and BBBEE.**

### **3.4. PHASE 4: PREFERENCE POINT SYSTEM AND PRICE**

#### **3.4.1. Preference points system**

**3.4.1.1.** 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 in terms of which points are awarded to bidders on the basis of:

- The bid price (maximum 90 points)
- B-BBEE status level of contributor (maximum 10 points)

**3.4.1.2.** The following formula will be used to calculate the points for price:

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

Where

$P_s$  = Points scored for comparative price of bid under consideration

$P_t$  = Comparative price of bid under consideration

$P_{\min}$  = Comparative price of lowest acceptable bid

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

<b>B-BBEE Status Level of Contributor</b>	<b>Number of Points</b>
1	10
2	9
3	6
4	5
5	4
6	3
7	2



B-BBEE Status Level of Contributor	Number of Points
8	1
Non- compliant contributor	0

- 3.4.1.4.** Bidders are required to complete the preference claim form (SBD 6.1), and submit their original and valid B-BBEE status level verification certificate or a **certified copy** thereof or a sworn affidavit at the closing date and time of the bid in order to claim the B-BBEE status level point. **Failure to submit the valid original or certified copy will result in zero score/non-compliant contributor.**
- 3.4.1.5.** The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- 3.4.1.6.** Only bidders who have completed and signed the declaration part of the preference claim form and who have submitted a B-BBEE status level certificate issued by a registered auditor, accounting officer (as contemplated in section 60(4) of the Close Corporation Act, 1984 (Act no. 69 of 1984)) or an accredited verification agency or a sworn affidavit will be considered for preference points.
- 3.4.1.7.** Failure on the part of the bidder to comply with the paragraphs above will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).
- 3.4.1.8.** The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.
- 3.4.1.9.** The points scored will be rounded off to the nearest 2 decimals.
- 3.4.1.10.** In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.
- 3.4.1.11.** However, when functionality is part of the evaluation process and two or more bidders have scored equal points including equal preference points for B-BBEE, the contract will be awarded to the bidder scoring the highest for functionality
- 3.4.1.12.** Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- 3.4.1.13.** A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

**3.4.2. APPLICABLE TAXES**

All bid prices must be inclusive of all applicable taxes. Failure to comply with this condition will invalidate the bid.



### 3.4.3. VALUE ADDED TAX (VAT)

All bid prices must be inclusive of 15% VAT. Failure to comply with this condition will invalidate the bid.

### 3.4.4. PRICING STRUCTURE AND SCHEDULE

#### 3.4.4.1. Pricing Structure

- a. Department of Correctional Services have indicated the delivery points, therefore bidders must price accordingly and prices quoted must be furnished on the basis of supply and delivery including Value Added Tax.
- b. However, other provincial users who do not have delivery points must have one price per province per item and prices quoted must be furnished on the basis of supply and delivery including Value Added Tax.
- c. The below table indicates the district and must be used as a guideline to provide pricing per province. The contract is structured per province and therefore bidders must use the guide in the table below to determine costing per province. The table must not be used as a pricing schedule and it will not be evaluated.

Province	District
Eastern Cape	Alfred Nzo District Municipality
	Sarah Baartman District Municipality
	Amathole District Municipality
	Buffalo City Metropolitan Municipality
	Chris Hani District Municipality
	OR Tambo District Municipality
	Joe Gqabi District Municipality
	Nelson Mandela Bay Metropolitan Municipality
Free State	Fezile Dabi
	Thabo Mofutsanyana
	Lejweleputswa
	Mangaung
	Xhariep
Gauteng	City of Tshwane
	Ekurhuleni
	City of Johannesburg
	Sedibeng
	West Rand
KwaZulu-Natal	Amajuba
	Zululand
	Umkhanya-Kude
	Umzinyathi



Province	District
	King Cetshwayo
	Ukhukela
	Ilembe
	Umgungundlovu
	Ethekwini
	Harry Gwala
	Ugu
Limpopo	Vhembe
	Mopani
	Capricorn
	Sekhukhune
	Waterberg
Mpumalanga	Ehlanzeni
	Nkangala
	Gert Sibande
Northern Cape	John Taolo Gaetsewe
	Frances Baard
	ZF Mgcawa
	Namakwa
	Pixley Ka Seme
North West	Bojanala Platinum
	Ngaka Modiri Molema
	Dr Kenneth Kaunda
	Dr Ruth Segomotsi Mompati
Western Cape	West Coast
	Cape Winelands
	City of Cape Town
	Overberg
	Garden Route
	Central Karoo

- d. The pricing schedule will be accessible from the e-procurement system. All prices must be submitted online by the closing date and time of the bid.
- e. Prices submitted for this bid will be regarded as firm and subject only to review in terms of the price adjustment clause in paragraph 24. Bidders who source from third parties (manufactures) must negotiate with the third parties and align with the special conditions of contract in order to avoid unregulated price increases.
- f. Bidders must quote a final delivered price inclusive of all related costs and applicable taxes.
- g. Conditional discounts offered will not be used for evaluation purposes.



#### 3.4.4.2. Pricing Schedule

- i) Bidders must submit price schedule electronically via the electronic response system to facilitate the speedy evaluation of bid responses. Electronic bids must be submitted on or before the closing date and time of bid on the National Treasury's Transversal contracting supplier portal accessed on the following link:  
[https://ww1.gcommerce.gov.za/NT\\_PROD/ISS/Portaldefault.aspx](https://ww1.gcommerce.gov.za/NT_PROD/ISS/Portaldefault.aspx)
- ii) After completing the pricing schedule electronically, the electronic version of the pricing schedule must be printed and submitted together with the remaining bid documents which will serve as the hard copy of the bid.
- iii) Bidders are required to inform National Treasury of any problems experienced regarding electronic submission prior to closing date and time of bid.
- i) Failure to adhere to the above conditions may invalidate your bid.

#### 3.4.4.3. Support on electronic submission of bids and technical assistance

- ii) Training sessions are provided every Monday and Thursday at National Treasury, 240 Madiba Street, Pretoria. Time will be communicated when bookings are confirmed.
- iii) Bidders must send an e-mail to [transversal.contracting1@treasury.gov.za](mailto:transversal.contracting1@treasury.gov.za) to book their seats and confirm availability.
- iv) The manual with detailed instructions on how to access the detailed pricing schedule and how to bid electronically can be downloaded from this link:  
<https://etenders.treasury.gov.za/content/advertised-tenders> OR  
<http://www.treasury.gov.za/divisions/ocpo/ostb/CurrentTenders.aspx>
- v) Bidders who are not registered on eProcurement for Government must contact SITA at the following details for assistance:  
  
Tel: 0800 611 201  
  
Email: [gcommerce@sita.co.za](mailto:gcommerce@sita.co.za) and Include CSD MAAA number, company name and registration)
- vi) Bidders who are struggling to get the login details should forward the email sent to SITA to [transversal.contracting1@treasury.gov.za](mailto:transversal.contracting1@treasury.gov.za)



### 3.4.5. COST COMPONENTS AND PROPORTIONS

**3.4.5.1.** The cost components of the contract price usually constitute the cost of materials (raw material or finished product), cost of direct labour, cost of transport and those other costs which are inclined to change. The proportions are the contribution to the contract price of each of these cost components.

**3.4.5.2.** Bidders are requested to submit the cost breakdown of their 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 by submitting the cost components document issued with the bid. Bidders will not be allowed to change the cost breakdown of bid prices during the tenure of the contract.

Cost Component	% Contribution	Indices
Imported Raw Material / Finished product (if applicable)		Supplier/Manufacturer invoice(s) and remittance advice.
Local Raw Material / Finished product (if applicable)		Stats SA P0142.1 (PPI) Table 8 – Domestic Output
Labour		Stats SA P0141 (CPI) OR Labour agreement
Transport		Stats SA P0141 (CPI) Table E
Other		
<b>TOTAL (Cost components must add up to 100%)</b>	<b>100 %</b>	

**3.4.5.3.** Percentage weighted contribution – List % weighted contribution for each cost element must add up to 100%. Cost components document must be used in a case where the cost components are the same for all items in the bid

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

**3.4.5.5.** All prices are subject to negotiation prior to signing on an anniversary of the contract



#### 4. LOCAL ECONOMIC DEVELOPMENT

- 4.1. Local economic development forms part of main agenda of the State particularly in the agriculture sector. The firm's capacity and individual skills, and economic transformation, are critical elements of sustainable economic growth.
- 4.2. Bidders to submit their bids at the closing date and time with documentation that clearly demonstrates their strategic plan to support local economic development imperatives and socio-economic objectives. Such objectives may include:
- a) SMME development,
  - b) Transfer of skills
  - c) Broad Based Black Economic Empowerment,
  - d) Employment creation, and
  - e) Support for, and participation of locally owned and operated firms in the supply chain (particularly QSE and EME's).
- 4.3. Bidders ensure that the plans are implementable and sustainable for the duration of the contract.
- Bidders are required to report periodically on the success, challenges and opportunities of the initiative with the intention of ensuring meaningful interventions. The state will monitor the progress during the contract life cycle.
- 4.4. Bidders should propose to the state how the sector can be improved and enhanced to ensure achievement of socio economic objectives within the industry. Indicate achievable initiatives that the state can consider particularly empowering black and small medium enterprises and micro enterprises.
- 4.5. Bidders who will use third party suppliers are encouraged to share these requirements with their third parties and respond on this initiative.

#### 5. MANUFACTURING CAPABILITY AND INFORMATION

- 5.1. Bidders are to disclose if they have manufacturing capability on **company classification** on SBD 6.1 and through an annexure provide information regarding their sites and products produced per site.

#### 6. RESPONSIVE BIDS

- 6.1. Bidders are required to submit responsive bids by completing all the prices, mandatory response



fields and item questionnaires on the provided pricing schedule for the individual items. In this regard bidder's attention is drawn to the response field and price structure explanations and examples supplied in the bid document (TCBD 6 – Response Field Explanations).

**6.2.** Bidders must submit price electronically and also an exact physical hard copy document.

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

## **7. SUBMISSION OF BIDS**

### **7.1. RETURNABLE DOCUMENTS**

**7.1.1.** All returnable documents (SBDs, Registration Certificate, etc.) must be submitted with the bid at the closing date and time of the bid in a hard copy format.

**7.1.2.** Besides submitting a price schedule electronically through the electronic response system, bidders must still submit a hard copy of the bid document on or before the closing date and time to National Treasury: Tender Information Centre. The hard copy of the bid response will serve as the legal bid document.

**7.1.3.** In the event that a hard copy of the bid document and/or the electronic response are not received on or before the closing date and time, the bid will not be accepted.

### **7.2. FORMAT AND SUBMISSION OF BIDS**

**7.2.1.** In order to simplify the evaluation process, Bidders are required to submit their bids in the following manner: -

SECTION	REQUIRED DOCUMENTS
Section 1	Standard bidding documents, GCC, SCC and CSD reports Original BBBEE Certificate or sworn affidavit
Section 2	Registration Certificate or Renewal letter and Composition label of products in terms of Act 36
Section 3	Proof of Certificate of analysis (SANAS)
Section 4	Authorisation Declaration form, item list and authorisation declaration letter (s)
Section 5	Pricing Schedule and Item Questionnaire
Section 6	Any other information (e.g. Cost Components, Local economic development submission, company profile, etc



## **8. LATE BIDS**

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

## **9. COUNTER CONDITIONS**

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

## **10. FRONTING**

- 10.1.** The National Treasury supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the National Treasury condemn any form of fronting.
- 10.2.** The National Treasury, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents.
- 10.3.** Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the bidder / contractor to prove that fronting does not exist.
- 10.4.** Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the National Treasury may have against the bidder / contractor concerned.

## **11. SUPPLIER DUE DILIGENCE**

- 11.1.** The State reserves the right to conduct supplier due diligence prior to award or at any time during the evaluation process. During the due diligence process the information submitted by the bidder will be verified and any misrepresentation thereof may disqualify the bid
- 11.2.** The State also reserves a right to conduct supplier due diligence during the contract period. Information submitted by the contractor will be verified and any misrepresentation thereof the state reserves a right to institute remedial actions available.



- 11.3.** Due diligence may include preannounced or no-announce site visits.

## **12. COMMUNICATION**

- 12.1.** Transversal Contracting may communicate with bidders where clarity is sought after the closing date of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary.
- 12.2.** Any communication to any other government official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.
- 12.3.** All communication between the bidder and the Transversal Contracting Office must be done in writing.

## **13. CONTACT DETAILS**

### **13.1. GENERAL**

Chief Directorate: Transversal Contracting, National Treasury, Private Bag x115, Pretoria, 0001

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

### **13.2. BID ENQUIRIES**

Contract Manager: Sithembiso Mahlalela

Transversal Contracting, Office of the Chief Procurement Officer, National Treasury

Tel: (012) 395 6680

E-mail: [transversal.contracting1@treasury.gov.za](mailto:transversal.contracting1@treasury.gov.za)



## **SECTION B**

### **14. CONTRACT PERIOD**

The contract period shall be for a period of 36 months commencing on 1 July 2020 to 30 June 2023.

### **15. PARTICIPATING GOVERNMENT DEPARTMENTS / INSTITUTIONS**

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

<b>Government Departments / Institutions</b>
Agriculture Research Council
Correctional Service
City of Cape Town Metropolitan Municipality
Eastern Cape Rural Development Agency
South African Police Service
South African Navy
South African Defence force
South African Revenue Services
Mpumalanga Department of Agriculture and Rural Development
Limpopo Department of Agriculture and Rural Development
Northern Cape Department of Agriculture and Rural Development
Gauteng Department of Agriculture and Rural Development

### **15.2. Post award participation**

15.2.1. In terms of Treasury Regulation 16A6.6 the accounting officer or accounting authority may, on behalf of the department, constitutional institution or public entity, participate in any bidding process by any other organ of state, subject to the written approval of such organ of state and the relevant contractors.

### **16. AWARD CONDITIONS**

The State reserves the right to award contracts to more than one contractor for the same item.

#### **16.1. Items Group as a Series**

16.1.1. Only the following items are grouped together and shall be evaluated and accepted as such



ITEM NUMBER	GROUP NUMBER
DOG FEED CATEGORY	
10121801-0003	GROUP 1
10121801-0004	
10121801-0005	
10121801-0006	
GROWING PIGS FEED CATEGORY	
10122101-0001, 10122101-0001	GROUP 2
10122101-0002, 10122101-0002	
10122101-0003, 10122101-0004	
BROILER CHICKENS FEED CATEGORY	
10121604-0002, 10121604-0001	GROUP 3
10121604-0004, 10121604-0003	
10121604-0006, 10121604-0005	
HORSE FEED CATEGORY	
10121500-0001	GROUP 4
10121500-0002	

**16.1.2.** All items that are grouped as a series in specification shall be regarded as group series and be evaluated and awarded accordingly.

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

**16.1.4.** Bidders must take note that all allocation of points will be per category (group award).

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

## **16.2. Multiple Award**

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

**16.2.2.** The maximum number of bidders to be awarded will be at the discretion of the Bid Evaluation Committee.

**16.2.3.** The following will be taken into consideration when awarding through a multiple award:

- Capacity to meet volume demand as per bid requirements
- Estimated volume to be supplied
- Risk to user departments if the item is not available



- d) Source of the finished product, raw material and manufacturing site
- e) Previous performance of the bidder

## **17. NEGOTIATIONS**

The State reserves the right to negotiate with the shortlisted bidders prior to award and with the successful bidder(s) post award.

## **18. NON-COMMITMENT**

**18.1.** The State reserves the right:

**18.1.1.** Not to award, to award in part or in full.

**18.1.2.** Not to accept any of the bids submitted.

**18.1.3.** 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.

**18.1.4.** To cancel and/or terminate the bid process at any stage, including after the closing date and/or after presentations have been made, and/or after bids have been evaluated and/or after the preferred bidder(s) have been notified of their status as such

**18.1.5.** To cancel and/or terminate the contract or part thereof, post the awards with consultation with the service provider if is deemed necessary.

**18.1.6.** To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).

**18.1.7.** To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the bid.

**18.1.8.** To award a bid based on which bidder is offering the best value for money, even if such bid is not the lowest price.

**18.1.9.** In the event that an incorrect award has been made or an error occurred during evaluation and adjudication phase, the State reserves the right to remedy the matter in any manner it may deem fit.



## **SECTION C**

### **19. ROLES AND RESPONSIBILITIES**

#### **19.1. CONTRACT ADMINISTRATION**

- 19.1.1. The administration and facilitation of the contract will be the responsibility of National Treasury, Transversal Contracting and all correspondence in this regard must be directed to the following address:

The Chief Director: Transversal Contracting, National Treasury, Private Bag X115, Pretoria, 0001,  
Attention: Sithembiso Mahlalela – [transversal.contracting1@treasury.gov.za](mailto:transversal.contracting1@treasury.gov.za)

- 19.1.2. Contractors must advise the Chief Directorate: Transversal Contracting, National Treasury immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished to Sithembiso Mahlalela – email: [transversal.contracting1@treasury.gov.za](mailto:transversal.contracting1@treasury.gov.za) and Tel: 012 395 6680

#### **19.2. SUPPLIER PERFORMANCE MANAGEMENT**

Supplier performance management will be the responsibility of end-user departments and where supplier performance disputes cannot be resolved between the contractor and the relevant purchasing institution, National Treasury: Transversal Contracting must be informed for corrective action.

#### **19.3. PLACEMENT OF ORDERS AND PAYMENTS**

Orders will be placed by participating departments who will be responsible for the payment to contractors for goods delivered and/or services rendered.

### **20. ORDERS AND DELIVERY**

#### **20.1. ORDERS**

- 20.1.1. Contractors should note that each individual purchasing institution is responsible for generating the order(s) as well as the payment(s) thereof.
- 20.1.2. Contractors should note that the order(s) will be placed as and when required during the contract period and delivery points will be specified by the relevant purchasing institution(s).
- 20.1.3. 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 contractor deviate



from the orders issued by the purchasing institutions.

**20.1.4.** Purchasing institution may request that a contractor submit a sample to the purchasing institution for approval before mass production related to that order is finalised. The cost of this sample is for the contractor.

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

## **20.2. DELIVERY**

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

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

**20.2.3.** In respect of items awarded to them, contractors must adhere strictly to the delivery lead times quoted in their bids.

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

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

**20.2.6.** Transit and storage conditions applicable to the relevant products must be adhered to.

## **21. QUANTITIES AND MINIMUM ORDERS**

### **21.1. QUANTITIES**

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

**21.1.2.** If quantities substantially increase during the year due to new participation request from user departments, the state reserves the rights to renegotiate the prices.

### **21.2. MINIMUM ORDER QUANTITY**

**21.2.1.** Bidders are required to indicate the **minimum order quantity** that is allowable per order. In the event that the end user department requires less than the stipulated minimum order quantity, acceptable resolution should be found between all parties including National Treasury.

**21.2.2.** Proposed minimum order quantities should facilitate delivery directly to facilities. The state reserves



the right to negotiate minimum order quantities where they are deemed unfavourable. Where consensus regarding minimum order quantities cannot be reached the bid may not be awarded

## **22. CONTINUITY OF SUPPLY**

### **22.1. Contracted suppliers must:**

#### **22.1.1. Maintain sufficient stock to meet demand throughout the duration of the contract;**

#### **22.1.2. Inform the User Department at first knowledge of any circumstances that may result in interrupted supply, including but not limited to:**

- a) industrial action,
- b) manufacturing pipeline
- c) any other supply challenges.

#### **22.1.3. Official communication relating to continuity of supply must be directed to the National Treasury, Transversal Contracting as well as affected user department;**

#### **22.1.4. This official communication must include detail of corrective actions taken by contracted supplier to ensure continuity of supply.**

## **23. QUALITY**

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

## **24. PRODUCT ADHERANCE / BRAND CHANGE**

### **24.1. In the event where a bidder offers a specific brand against an item and the item is subsequently awarded to the bidder, it is required of the successful bidder to continue to supply the brand awarded throughout the contract period.**

### **24.2. In the event that the brand is discontinued and or replaced with a new product, National Treasury, Transversal Contracting must be notified of such an occurrence and upon approval, an official amendment will be issued. The contractor is required to submit supporting documents from the manufacturer substantiating the changes**

### **24.3. It must be noted that the new brand will be required to undergo the evaluation process prior to receiving approval of the brand change issued by National Treasury. The new brand must adhere to the technical specification for the item. The quality of the product must not be lower than the initial awarded product.**



- 24.4. Furthermore, contractors are to take note that the price of the new brand should not be higher than the current contract price of the original product.
- 24.5. Contractors 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.

## 25. CONTRACT 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).

$Pa = (1 - V)Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + ..... + Dn \frac{Rnt}{Rno} \right) + VPt$		
Pa	=	The new adjusted price to be calculated
V	=	Fixed portion of the bid price (15% or 0.15)
Pt	=	Original bid price. Note that Pt must always be the original bid price and not an adjusted price
(1-V)Pt	=	Adjustable portion of the bid price (85% or 0.85). .
D1 – Dn	=	Each factor (or percentage) of the bid price, e.g., material, labour, transport, overheads, etc. The total of the various factors (or percentages) D1 – Dn must add up to 1 (or 100%).
R1t – Rnt	=	End Index. Index figure obtained from the index at the end of each adjustment period.
R1o–Rno	=	Base Index. Index figure at the time of bidding.
VPt	=	15% (or 0.15) of the original bid price. This portion of the bid price remains fixed, i.e. it is not subject to price adjustment.



## 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 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 represent the profit margin. In this bid the fixed portion is 15% of the original bid price. Using the same example as above, it would amount to R150 which will remain fixed over the contract period.

### 25.2.3. Cost components and proportions

- a) The cost components of the contract price usually constitute the cost of materials (raw material or finished product), cost of direct labour, cost of transport and those other costs which are inclined to change. The proportions are the contribution to the contract price of each of these cost components. In this bid the following cost components will be used to calculate contract price adjustments.
- b) 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. Successful bidders will not be allowed to change the cost breakdown of bid prices during the tenure of the contract.
- c) In a case where the same cost components are applicable to all items offered please fill out the Cost components document attached with the bid other than that cost components must be indicated on each line item when finalising pricing schedule.

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

**25.2.4. Applicable indices / references**

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

Cost component	Index Publication	Index Reference
D1 - Imported Raw Material / Finished product (if applicable)	Supplier / Manufacturer invoice(s) and remittance advice. <sup>1</sup>	Documentary evidence to accompany claim.
D2 - Local Raw Material / Finished product (if applicable)	STATS SA P0142.1 (PPI) Table 1	Basic chemicals, fertilizers and pesticides OR Documentary evidence to accompany claim
D3 - Labour	STATS SA P0141 (CPI), Table E OR Labour agreement <sup>2</sup>	Table E - All Items 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 application

**25.2.5. Base Index Date**

The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date is **July 2019**.

**25.2.6. End Index Date**

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

**25.2.7. Price Adjustment Periods**

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

Adjustment	CPA application to reach the office at the following dates	End Index Date	Dates from which adjusted prices will become effective
1 <sup>st</sup> Adjustment	1 November 2020	August 2020	1 January 2021
2 <sup>nd</sup> Adjustment	1 May 2021	March 2021	1 July 2021
3 <sup>rd</sup> Adjustment	1 November 2021	August 2021	1 January 2022

<sup>1</sup> 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.

<sup>2</sup> In the absence of a labour agreement, the labour cost component will be adjusted with CPI Headline inflation.



Adjustment	CPA application to reach the office at the following dates	End Index Date	Dates from which adjusted prices will become effective
4 <sup>th</sup> Adjustment	1 May 2022	March 2022	1 July 2022
5 <sup>th</sup> Adjustment	1 November 2022	August 2022	1 January 2023

### 25.3. Rates of Exchange (RoE) – Base and Average rates

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

- 25.3.1.** The formula described above will be used and the imported cost component of the bid price (D1) will be adjusted taking into account the base RoE rate (refer paragraph 24.2.5) and the average RoE rate over the period under review indicated in paragraph 24.3.5 below.
- 25.3.2.** In the event where the RoE adjustment goes hand in hand with a material/product price increase, the material/product price (in foreign currency) will be converted to South African currency using the base rate (paragraph 24.2.5) for the earlier invoice and the average RoE rate for the period under review as indicated in paragraph 24.3.4 below for the later invoice.
- 25.3.3.** The imported cost component (D1) will be adjusted together with all the other cost components indicated in paragraph 24.2.4 above and at the predetermined dates indicated in paragraph 24.3.6 above.
- 25.3.4.** Rate(s) of exchange to be used in this bid in the conversion of the bid price of the item(s) to South African currency is indicated in the table below.

Currency	Rates of exchange 6 months average for the period 05 January 2019 to 05 July 2019
US Dollar	14.19
Pound Sterling	18.35
Euro	16.02
Yuan	0.48

- 25.3.5.** Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period **05 January 2019 to 05 July 2019** using the Reserve Bank published rates for the specific currency. Visit [www.reservebank.co.za](http://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.



- 25.3.6.** Contract price adjustments due to rate of exchange variations are based on average exchange rates as published by the Reserve Bank for the periods indicated hereunder:

Adjustment	Average exchange rates for the period:
1 <sup>st</sup> Adjustment	1 June 2019 To 30 November 2019
2 <sup>nd</sup> Adjustment	1 December 2019 To 31 May 2020
3 <sup>rd</sup> Adjustment	1 June 2020 To 30 November 2020
4 <sup>th</sup> Adjustment	1 December 2020 To 31 May 2021
5 <sup>th</sup> Adjustment	1 June 2021 To 30 November 2021

**25.4. General**

- 25.4.1.** Unless prior approval has been obtained from Transversal Contracting, no adjustment in contract prices will be made.
- 25.4.2.** Applications for price adjustment must be accompanied by documentary evidence in support of any adjustment.
- 25.4.3.** CPA applications will be applied strictly according to the specified formula and parameters above as well as the cost breakdown supplied by bidders in their bid documents.
- 25.4.4.** In the event where the supplier's CPA application, based on the above formula and parameters, differs from Transversal Contracting's verification, Transversal Contracting will consult with the supplier to resolve the differences. The state reserves the right to negotiate amended contract prices at any stage prior to the final notification to end users.
- 25.4.5.** An electronic price adjustment calculator will be available on request from Transversal Contracting.

**26. PACKAGING**

- 26.1.** All deliveries made against this contract, in all modes of transport, are to be packed in suitable containers and bags.
- 26.2.** The function of the container is to maintain the quality, safety and stability of its contents. Container(s) should withstand the mechanical hazards of handling and transport, prevent leakage and provide appropriate level of protection from environmental conditions, and Good Distribution Practice.
- 26.3.** Packaging must comply with the requirements set out in section 3.3.1 of the Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act No. 36 of 1947 whichever applicable).



- 26.4. Packaging must be suitable for transportation and should prevent exposure to conditions that could adversely affect the stability and integrity of the product.
- 26.5. The packing must be uniform for the duration of the contract period. All products must be packed in acceptable containers, specifically developed for the product.
- 26.6. The number of units in the unit pack, shelf pack and shipper pack must be completed in the Bid Response Document.
- 26.7. Where a particular stacking and storage configuration is recommended by the supplier, this should be clearly illustrated on the outer packaging.
- 26.8. Where the contents of a shipper pack represents a non-standard supply quantity, the following must be adhered to:
- 26.9. Suppliers must ensure that products delivered are received in good order at the point of delivery.

## **27. LABELLING**

- 27.1. Labels and package must comply with the requirements of the Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act No. 36 of 1947) whichever applicable.
- 27.2. The following information must be clearly and indelibly printed on all shelf and shipper packs, including any part boxes:
  - a) Proprietary name (if applicable)
  - b) Number of units in pack (e.g. for bulk packs 20 administration sets)
  - c) Batch number
  - d) Expiry date
  - e) Storage conditions
  - f) Barcode
- 27.3. Where the contents of the shipper pack requires special attention in terms of storage or handling, e.g. thermo labile, fragile, etc., such instructions must be clearly and visibly indicated on the outer packaging on a brightly coloured background.
- 27.4. The following information must be clearly and indelibly printed, in letters not less than 10pt in height, on all individual inner packing or on a suitable label which must be securely adhered (permanently attached) onto the inner packing:
  - a) Product detail e.g. proprietary name, item description, size, etc.
  - b) A product code where relevant.



- c) Batch number.
- d) Date of manufacture.
- e) Expiry date if applicable.
- f) Trade name or trade mark of the manufacturer.
- g) Name and address of importer/distributor where applicable.
- h) Where applicable, the word “sterile” or “non-sterile” in prominent form as well as the sterilisation method and sterilisation expiry date.
- i) Special storage conditions, if applicable.
- j) All other information prescribed in the item specification, e.g. latex free, and/or relevant SANS/ISO standard.
- k) The label must include a barcode.

**27.5.** Peel apart packs: Material and design of peel apart packs shall ensure:

**27.5.1.** Easy opening with fingers, clean tearing without formation of loose paper shreds, fluff or fibres.

**27.5.2.** The product is tamper proof and non re-sealable.

**27.5.3.** Minimum risk of contamination of contents during opening and removal from the package.

**27.5.4.** Maintenance of sterility of the contents under the prescribed storage conditions.

## **28. MERGERS, TAKE OVERS AND CHANGES IN SUPPLIER DETAILS**

**28.1.** Where a contracted supplier plans to merge with or is going to be acquired by another entity, the contracted supplier must inform the National Treasury writing 30 days prior to such event of relevant details.

**28.2.** The state reserves the right to agree to the transfer of contractual obligations to the new supplier under the prevailing conditions of contract or to cancel the contract.

**28.3.** A contracted supplier must inform the National treasury within 14 days of any changes of address, name, contact or banking details.

## **29. THIRD PARTIES**

**29.1.** User departments will not make a payment to or consult with a third party.

**29.2.** No third party is entitled to put an account of a user department on hold.

## **30. BREACH OF CONTRACT**

The State reserves the right to terminate the contract(s) if the contractor does not honour contract(s) obligations including submission of information.



### **31. POST AWARD REPORTING AND SUPPLIER PERFORMANCE REVIEWS**

National Treasury will conduct meetings with the end users and contractors to discuss Transversal Contracting issues.

#### **31.1. Supplier performance**

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

**31.1.2.** The National Treasury, in collaboration with the other Participating end-use departments, will monitor the performance of contracted suppliers and maintain a scorecard for compliance to the terms of this contract as follows:

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

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

#### **31.2. Historical data**

All successful bidders are required to submit historical value and volume reports via e-mail on a six (6) monthly basis to Sithembiso Mahlalela and email to: [transversal.contracting1@treasury.gov.za](mailto:transversal.contracting1@treasury.gov.za)

Period	Period for which information must be submitted	Dates at which reports must be submitted
1	1 July 2020 – 31 December 2020	15 January 2021
2	1 January 2021 – 30 June 2021	15 July 2021
3	1 July 2021 – 31 December 2021	15 January 2022
4	1 January 2022 – 30 June 2022	15 July 2022
5	1 July 2022 – 31 December 2022	15 January 2023
6	1 January 2023 – 30 June 2023	30 June 2023

**END**