



SPECIAL CONDITIONS OF CONTRACT

BID NUMBER RT14

**THE SUPPLY AND DELIVERY OF TOILET PAPERS, PAPER TOWELS,
FACIAL TISSUES, DISPOSABLE WIPES AND PAPER SERVIETTES TO
THE STATE**

FOR THE PERIOD OF 36 MONTHS

CLOSING DATE AND TIME OF BID: 24 NOVEMBER 2022 @ 11h00

BID VALIDITY PERIOD: 180 DAYS

NATIONAL TREASURY

TRANSVERSAL CONTRACTING



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LIST OF ABBREVIATIONS

B-BBEE	Broad-Based Black Economic Empowerment
BEC	Bid Evaluation Committee
CIPC	Companies and Intellectual Property Commission
CPA	Contract Price Adjustment
CPI	Consumer Price Index
CSD	Central Supplier Database
EME	Exempt Micro Enterprises
ISO	International Organization for Standardization
NT	National Treasury
OCPO	Office of the Chief Procurement Officer
PPPFA	Preferential Procurement Policy Framework Act
PPR	Preferential Procurement Regulations
QSE	Qualifying Small Enterprise
RoE	Rate of Exchange
SA	South Africa
SANAS	South African National Accreditation System
SANS	South African National Standards
SARB	South African Reserve Bank
SARS	South African Revenue Service
SBD	Standard Bidding Document
SCC	Special Conditions of Contract
TCC	Tax Clearance Certificate
TC	Transversal Contracting
TCD	Transversal Contracting Document



TIC	Tender Information Centre
VAT	Value Added Tax



DEFINITIONS

Customer	A participant on the transversal contract who procures goods and/or services from the appointed Supplier(s).
Delivery	The process of transporting goods from a bidder's source location to a predefined destination by the participants.
Due Diligence	The investigation or exercise of care that the State conducts before entering into an agreement with the bidders to validate the bid responses.
Mandatory	A mandatory document in terms of the bid is a document that is required, obligatory, or compulsory. Non-submission means no further evaluation of the bidder.



LIST OF ANNEXURES

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Table 1: Returnable Bid Documents

#	Document Name	Included in the published bid document?	To be returned by bidder
PHASE 1: PRE-QUALIFICATION REQUIREMENTS			
1	Valid Broad-Based Black Economic Empowerment (B-BBEE) status level verification certificate OR certified copy of the B-BBEE certificate OR Valid signed sworn affidavit OR (Company Intellectual Property Commission)	No	Yes
PHASE 2: LEGISLATIVE REQUIREMENTS			
2	SBD 1: Invitation to Bid	Yes	Yes
3	Letter of Authority (As per SBD1)	Yes	Yes
4	Central Supplier Database Report (CSD report)	No	Yes
5	Tax Clearance Certificates Requirements	Yes	Yes
6	SBD 4 Bidder's Disclosure	Yes	Yes
7	SBD 6.1 Preference Points Claim Form	Yes	Yes
8	SBD 6.2 Declaration certificate for local production and content for designated sectors	Yes	Yes
OTHER DOCUMENTS			
9	Special Conditions of Contract	Yes	Yes
10	General Condition of Contract	Yes	Yes
11	Company Profile	No	Yes
MANDATORY REQUIREMENTS			
12	Annexure B - Pricing Schedule - Soft Copy (Excel Format) and Hard Copy Pricing Schedule	Yes	Yes (only items offered)
PHASE 3: TECHNICAL SPECIFICATION AND SAMPLES EVALUATION			
13	Test Reports (where applicable)	Yes	Yes
14	Technical Specification and Sample Evaluation	Yes	Yes
15	TCD 13 Authorisation Declaration Form	Yes	Yes
16	TCD 13.1 (List of goods or services offered)	Yes	Yes
17	TCD 13.2 Letter of undertaking/authorisation	Yes	Yes
PHASE 4: PRICE AND BBBEE			
18	Annexure A- Pricing Schedule - Soft Copy (Excel Format) and Hard Copy Pricing Schedule	Yes	Yes (only items offered)



#	Document Name	Included in the published bid document?	To be returned by bidder
19	Valid Broad-Based Black Economic Empowerment (B-BBEE) status level verification certificate OR Valid certified copy of the B-BBEE certificate OR an Valid sworn affidavit OR (Company Intellectual Property Commission) affidavit	Yes	Yes
20	TCD 14 Historical Exchange Rates	Yes	No
21	SBD 6.1 Preference Points Claim Form	Yes	Yes
22	Cost breakdown	Yes	Yes

#NB 1: All the prospective bidders are required to return these documents as per above sequence.

#NB 2: The above table for returnable documents is a guide only on how and which documents must be submitted.

#NB 3: It is the responsibility of the bidder to ensure that they read each paragraph in the Special Conditions of Contract and Bid to determine all documents required and templates must be completed and submitted accordingly.



SECTION A

1. INTRODUCTION

This bid is for the supply and delivery of toilet papers, paper towels, facial tissues, disposal wipes and paper serviettes to the State for the period of thirty-six (36) months.

This bid document is divided as follows:

- 1.1 Section A : Introduction and Scope of Work
- 1.2 Section B : Conditions of Bid
 - 1.2.1 Part 1 : Evaluation criteria consisting of 4 phases.
 - 1.2.2 Part 2 : Other bid requirements
- 1.3 Section C : Conditions of Contract

2. LEGISLATIVE AND REGULATORY FRAMEWORK

2.1 This bid and all contract documents emanating thereof will be subjected 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) as well as the Preferential Procurement Policy Framework Act 2000 (PPFPA) with its latest 2017 Regulations. The Special Conditions of Contract (SCC) are supplementary to that of General Conditions of Contract. However, where the Special Conditions of Contract conflict with the General Conditions of Contract (GCC), the Special Conditions of Contract prevail.

2.2 **Standard Bidding 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 3.6.3.1 regarding standardisation of bid policies and procedures. It is also a requirement for bidders to submit the other legislative documents as detailed below.

- 2.2.1 **SBD 1** Invitation to bid form.
- 2.2.2 **SBD 4** Bidder's Disclosure.
- 2.2.3 **SBD 5** National Industrial Participation Programme which is applicable to all government procurement contracts that have an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million.
- 2.2.4 **SBD 6.1** Preference points claim form.
- 2.2.5 **SBD 6.2** Declaration certificate for local production and content for designated sectors.
- 2.2.6 **Proof of authority** Company Resolution for the capacity under which this bid is signed as per SBD 1.



2.3 Tax Compliance Requirements

- 2.4.1. 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.
- 2.4.2. The Tax Compliance status requirements are also applicable to potential foreign bidders / individuals who wish to submit a bid.
- 2.4.3. 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.
- 2.4.4. Bidders are required to be registered on the CSD and National Treasury shall verify the bidder's tax compliance status through the CSD or through SARS.
- 2.4.5. 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.
- 2.4.6. **Central Supplier Database.** A full report and not summarized preferably as at the last week prior to closing date and time being 24 October 2022 to 23 November 2022 must be submitted by bidders.

3. DURATION OF TRANSVERSAL CONTRACT

The transversal contract shall be for a period of thirty-six (36) months.

4. BID INFORMATION 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 [RT14-2022 Briefing Session](#)

Date : 10 November 2022

Time : 10h00 to 12h00

- 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.
- 4.4 All bid enquiries must be communicated via email to Transversal.contracting1@treasury.gov.za by no later than 21 November 2022. Any enquiry communicated after the date indicated may not be responded to.

5. TECHNICAL SPECIFICATIONS

- 5.1 Bidders must be able to supply and deliver the toilet papers, paper towels, facial tissues, disposal wipes



and paper serviettes to the state for the period of thirty-six (36) months as per the attached **Annexure A -Technical Specifications**. All items are supported by detailed specifications and/or South African National Standards. The categories for the items on the bid are laid out as follows:

Table 2: Items Categories

CATEGORY NAME	Number of Items
Cleaning Cloth	5
Dispensers Toilet Papers	4
Toilet Papers	3
Dispensers Paper Towels	5
Paper Towels	6
Facial Tissue	1
Disposal Wipes	2
Paper Serviettes	1
Stands	2



SECTION B

CONDITIONS OF BID

6. PART 1: EVALUATION CRITERIA

The bid shall be evaluated in four (4) phases as per the table below:

Table 3: Evaluation Criteria

Phase 1	PHASE 2	PHASE 3	PHASE 4
Pre -Qualifying Criteria	Legislative Requirements and Mandatory Bid Requirements	Technical Specification and Samples Evaluation	Price and B-BBEE
Regulation 4(1) (a) Level 1-5	Compliance with Legislative and Mandatory requirements	Compliance with technical specifications and Samples Evaluation	Bids evaluated in terms of the 90/10 preference system

6.1 PHASE 1: PRE- QUALIFYING CRITERIA FOR PREFERENTIAL PROCUREMENT

6.1.1 It is a condition of this bid that pre-qualification criteria for preferential procurement is set according to Regulation 4(1)(a) of Preferential Procurement Policy Framework Act, 2000; Preferential Procurement Regulations, (PPR) 2017 that any one or two following bidders may respond to this bid:

a) A bidder having a B-BBEE status level contributor 1 to 5. In order to prove compliance, bidders are required to complete the preference claim form (SBD 6.1) and submit their **Valid B-BBEE status level verification certificate OR Valid certified copy of the B-BBEE certificate OR valid signed sworn affidavit** by the EME or QSE representative and attested by Commissioner of oaths. The BBBEE verification document must be submitted at the closing date and time of the bid; OR

6.1.2 A trust, consortium, or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level verification certificate. Bidders who submit individual BBBEE certificates or Sworn affidavit will be disqualified.

6.1.3 Non-compliance with the requirement for pre-qualification will invalidate the bid submitted.



6.2 PHASE 2: LEGISLATIVE, OTHER RETURNABLE AND MANDATORY BID REQUIREMENTS

6.2.1 Legislative (Standard Bidding Documents) and Other Returnable Bid Requirements

6.2.1.1 In this stage of evaluation, the process includes the verification of completeness of administrative compliance documents (standard bidding documents).

6.2.2 Mandatory Bid Requirements

6.2.2.1 In this stage of evaluation, the process includes verification of mandatory bid requirements. Bidders are required to take cognisance of the mandatory bid requirements as clarification on this documents will not be allowed. Bidders who fail to comply with any of the following mandatory criteria will be disqualified.

6.2.2.2 Bidders' must submit all required documents indicated hereunder with the bid documents at the closing date and time of the bid.

Table 4: Pricing Schedule

Name of the document that must be submitted	Non-submission will result in disqualification?
Pricing Schedule (Returnable document)	YES – Please complete the price schedule in excel format and submit both excel copy and hard copy with the bid at the closing date and time.

6.2.3 PRICING STRUCTURE REQUIREMENTS

6.2.3.1 The pricing schedule (**see Annexure B**) 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. All pricing offered must be on a national level.

6.2.3.2 Bidders are required to complete a mandatory Pricing Schedule **Annexure B** as a response on how much the items offered will be charged. Bids which the pricing schedule is not submitted will be disqualified.

6.2.3.3 Due diligence of market related pricing reasonability will be conducted. The State Reserve the right to disqualify bid offers in which there is no reasonable doubt that the bid offered is under quoted. In this case, the bidder will be required to submit supporting documentations.

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



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

6.2.3.6 Once a bid has complied with administrative/standard bid documents and mandatory and other returnable documents, it would further be evaluated on PHASE III: Technical Requirements

6.3 PHASE 3 EVALUATION: TECHNICAL COMPLIANCE AND SAMPLE EVALUATION

This phase entails the evaluation of bids for technical compliance with reference to line-item requirements. Non-compliance to all the evaluation criteria below will result in disqualification of line-item level. All items offered are verified for compliance in line with the following:

6.3.1 AUTHORISATION DECLARATION

6.3.1.1 All bidders **must** complete the "Authorisation Declaration" (TCD 13 and TCD 13.1) in full for all relevant goods or services they are offering, irrespective of whether third party is used or not. Bidders must sign and submit together with the bid response at the closing date and time of the bid invitation.

6.3.1.2 Any bidder who is not an original manufacturer of the items offered, must submit at the closing date and time of bid, a valid third-party **Letter of Undertaking/authorisation** (see template provided as TCD 13.2) in full for all relevant goods or services. The letter of undertaking must include but not limited to the following:

- List of items indicating, item description and brand/model name and or number.
- Letter must be on the manufacturer's or third party's letter head, dated and signed.
- Have contact person's name, physical address, telephone, and email details.
- All information on the letter must be in English.

6.3.1.3 The State reserves the right to verify any information supplied by the bidder in the Authorisation Declaration and its Annexures 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 and or disqualify the bid.

6.3.1.4 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.

6.3.1.5 An authorisation declaration with conditional arrangements will not be accepted. Bidders must ensure that all arrangements are agreed to before submitting a bid and are in line with the special conditions of contract.



- 6.3.1.6 Failure to submit a duly completed and signed Authorisation Declaration forms with the required annexure(s) in accordance with the above provisions will invalidate the bid for such goods or services offered.
- 6.3.2 **TEST REPORTS**
- 6.3.2.1 **ONLY SHORTLISTED** bidders will be required to submit Test Reports from SANAS accredited institutions for the items offered. The Test reports must not be older than twelve (12) months at the closing date of the bid. In the event that supplementary bid may be issued during the life cycle of the contract, the test report of the existing appointed service providers (main contract) may be more than twelve (12) months but not exceeding 24 months.
- 6.3.2.2 In the event that a test report cannot be obtained from the testing institution prior to the closing date and time of the bid, the bidder must obtain proof (issued by the testing institution) that the sample had been submitted to the testing institution for testing before or on the closing date and time of the bid. Such proof must be submitted with the bid at closing date and time of the bid. In this case, the test report must be submitted to National Treasury before evaluation by the Bid Evaluation Committee of which is normally two (2) week after the closing date of the bid.
- 6.3.2.3 Bids not supported by test reports at time of evaluation may be disregarded in respect of the item (s) for which test reports are not submitted.
- 6.3.2.4 Procedures for sampling and testing for product compliance may differ and should be obtained from the relevant testing institution. The cost of compliance testing will be for the account of the prospective bidder.
- 6.3.2.5 All bidders, including current contractors are required to submit samples at a testing institution.
- 6.3.2.6 Bidders must ensure that items that requires test report are supported by a valid test report. All items offered will be verified against this requirement. Bidders must submit valid test reports from SANAS/equivalent accredited institutions for all the items offered that requires test report as per paragraph 5.1. Bidders are required to pay attention to specification list **Annexure A** as not all items require test report.
- 6.3.2.7 If bidder will submit an offer for item that requires test and fail to submit the test report for the applicable item will result in the disqualification of the item offered.



6.3.3 **SAMPLE SUBMISSION FOR VISUAL SCREENING**

- 6.3.3.1 Samples must be submitted with the bid at closing time and date of bid proving that the relevant item(s) complies with the specification after inspection and testing of the samples by a SANAS accredited or recognized institution.
- 6.3.3.2 Samples must be submitted for the purpose of visual screening for the products offered for compliance to specification during the evaluation phase.
- 6.3.3.3 Bidders must submit the samples for each item offered for visual screening.
- 6.3.3.4 Representative sample should be submitted where different sizes and colour of the same product are called for against different item numbers, only one sample must be submitted but recorded/labelled accordingly to indicate all the item numbers represented.
- 6.3.3.5 Shortlisted bidders, including current contractors, are required to submit samples for visual screening.
- 6.3.3.6 All samples submitted for visual screening must be a true representation of the product which will be supplied. Samples of all items awarded against this bid will be retained for the duration of the contract period
- 6.3.3.7 Bids not supported by samples will invalidate the bid for the item(s) for which samples are not submitted.
- 6.3.3.8 Bidders will be required to submit the samples. Samples will ONLY be accepted on the stipulated date and time to be communicated by the office. No late samples will be accepted.
- 6.3.3.9 SAMPLES must be submitted to:

Venue: National Treasury. 240 Madiba Street, Pretoria

Date: **24 November 2022 (Bidders must schedule for time slot for submission)**

Time: **08:00am to 17:00pm**

Contact Person: Ngwato Nkuna

6.3.3.10 **Marking of samples to be submitted for Visual Screen Evaluation**

The following requirements for the marking and submission of samples are applicable to samples that are submitted for visual screening as well as for samples submitted to testing institutions.

- a. Samples must be placed in suitable containers and be clearly marked with a **HANG TAG(S)** on the outside with the bid number, item number(s), and the bidder's name. This detail must appear on a label attached to each individual item package. **For ease of handling during evaluation process, laminating stickers or lose papers should not be submitted with the sample as the identity of**



the sample can be misplaced.

- b. All samples, including the labelling requirements, must be a true representation of the product that will be supplied during the contract period.
- c. Failure to comply with this condition may invalidate the bid against the relevant item.

6.3.3.11 Collection of all samples –

- a. If practical for samples to be collected, bidders will be informed of the date, time, and place where samples may be collected. If samples have not been collected by the bidder after National Treasury have issued a request to bidders to collect the samples, the samples will be disposed of at the discretion of National Treasury.

6.3.3.12 Once a bidder has complied with technical compliance (sample evaluation on item level), it would further be evaluated on PHASE 4: Price and B-BBEE

6.3.4 SOUTH AFRICAN NATIONAL STANDARDS AND PRIVATE SPECIFICATIONS

6.3.4.1 Items must comply with standards and/or specification as stated in the bid document of each item. The specification as per the **Annexure A** is a summary description and the attached Private Specifications are detailed technical specification of all the items.

6.3.4.2 The state reserves the right to consider products which has a reasonable deviation to the specification subject to the deviation not damaging the brand of Participating State Institutions and pre-production sample. This will therefore be decided upon based on the visual sample screening and expertise of the Bid Evaluation Committee.

6.3.4.3 Bidders must enquire at the SANAS accredited institutions for the relevant standards. A list of accredited institutions is available on the SANAS website or <http://www.sanas.co.za/contact.php>

6.3.5 SOUTH AFRICAN BUREAU OF STANDARDS (SABS):

6.3.5.1 SANS, SABS, ISO AND CKS specifications are available from South African Bureau of Standards Office's countrywide. Obtaining of such standards 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:

6.3.5.2 Email: 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

6.3.6 SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS):



6.3.6.1 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 3726, Fax: 012-3940526.

6.4 PHASE 4: PRICE AND B-BBEE (90/10 PREFERENCE POINT SYSTEM)

6.4.1 RESPONSIVE BIDS

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

6.4.2 APPLICABLE TAXES

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

6.4.3 VALUE ADDED TAX

All bid prices must be inclusive of fifteen percent (15%) Value Added Tax. Failure to comply with this condition may invalidate the bid.

6.4.4 PRICING STRUCTURE

6.4.4.1 The Pricing Schedule (see Annexure B attached) must be submitted in two forms, as **hardcopy** which must be included in the bid document and in an **excel spreadsheet saved in a USB/memory stick at** the closing date and time of bid.

6.4.4.2 The pricing schedule will be accessible from the e-tender portal and National Treasury website. All prices must be submitted as **soft copies (excel spreadsheet using USB and hard copy in the file)**. All price submitted as soft copy (excel – USB) and hardcopy in file must contain the same information. **NO PDF price schedule will be accepted.**

6.4.4.3 In a case where there is a legal dispute, the hardcopy version of the pricing schedule will be the legal document.

6.4.4.4 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.

6.4.4.5 Price structures that do not comply with the requirements of the above paragraph may invalidate the bid.



- 6.4.4.6 One National price is required per item and prices quoted must be furnished based on the supply and delivery including Value Added Tax. This is also applicable to same item that are used by more than one end user department irrespective of colour.
- 6.4.4.7 Conditional discounts offered will not be used for evaluation purposes.
- 6.4.4.8 Prices submitted for this bid must be filled in on the field provided on the pricing schedules supplied with the bid. Price structures that do not comply with this requirement may invalidate the bid. Please refer to the attached full item description specification.

6.4.5 **PREFERENTIAL POINT SYSTEM**

6.4.5.1 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 based on:

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

6.4.5.2 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

6.4.5.3 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:

Table 5: Preference Point System

B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	6
4	5
5	4



B-BBEE Status Level of Contributor	Number of Points
6	3
7	2
8	1

- 6.4.5.4 Bidders are required to complete the preference claim form (SBD 6.1), and submit their **valid B-BBEE status level verification certificate** or a **certified copy** thereof or **valid 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 or certified copy** will result in zero score/non-compliant contributor.
- 6.4.5.5 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- 6.4.5.6 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 an accredited verification agency or a sworn affidavit will be considered for preference points.
- 6.4.5.7 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).
- 6.4.5.8 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.
- 6.4.5.9 The points scored will be rounded off to the nearest two (2) decimals.
- 6.4.5.10 In the event that two (2) or more bids have scored equal total points, the award will be to the bidder scoring the highest number of preference points for B-BBEE.
- 6.4.5.11 However, when functionality is part of the evaluation process and two (2) or more bidders have scored equal points including equal preference points for B-BBEE, the awarded will be to the bidder scoring the highest for functionality.
- 6.4.5.12 Should two (2) or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- 6.4.5.13 A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.
- 6.4.6 **COST COMPONENTS AND PROPORTIONS**
- 6.4.6.1 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.



6.4.6.2 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 with the pricing schedule. Bidders will not be allowed to change the cost breakdown of bid prices during the tenure of the contract.

6.4.6.3

Table 6: Cost Component

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		
TOTAL(Cost components must add up to 100%)	100 %	

6.4.6.4 Percentage weighted contribution – List % weighted contribution for each cost element must add up to 100%.

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

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

7. PART 2: ADDITIONAL BID REQUIREMENT

All bidders must comply with the requirements below as well as submit all required documents referred below. Unless the requirements specifically provide for mandatory compliance, the National Treasury reserves the right to disqualify a bid that does not comply with any of the requirements in clause 5.



6.1. COMPANY PROFILE

- 6.1.1. Bidders are requested to submit company profile which includes, but is not limited, to the following: -
- a) Business structure and strategies; and
 - b) Details of the bidder's directors/owners (Full name and surname and ID or passport number)
 - c) Years of company existence and experience relevant to this bid.
- 6.1.2. 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.

6.2. SUPPLIER DUE DILIGENCE

- 6.2.1. The State reserves the right to conduct supplier due diligence prior to final award or at any time during the transversal contract period and this may include pre-announced/ non-announced site visits. During the due diligence process the information submitted by the bidder will be verified and any misrepresentation thereof may disqualify the bid in whole or parts thereof.

6.3. COUNTER CONDITIONS

- 6.3.1. 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.

6.4. FRONTING

- 6.4.1. The NT supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the NT does not support any form of fronting.
- 6.4.2. The NT, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct, or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in this bid document. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the DTI, be established during such enquiry / investigation, the onus will be on the bidder to prove that fronting does not exist. Failure to do so by the bidder within a period of fourteen (14) days from date of notification by NT may invalidate the bid / contract and may also result in the restriction of the bidder to conduct business with the public sector for a period not exceeding ten (10) years, in addition to any other remedies the NT may have against the bidder concerned.



6.5. RIGHT OF AWARD/NON COMMITMENT

The State reserves its following rights:

- 6.5.1. To award in part or in full.
- 6.5.2. Not to accept any of the bids submitted. Not to make any award of this bid.
- 6.5.3. 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.
- 6.5.4. 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
- 6.5.5. 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).
- 6.5.6. To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the bid.
- 6.5.7. To award a bid based on which bidder is offering the best value for money, even if such bid is not the lowest price.
- 6.5.8. 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.
- 6.5.9. To cancel and/or terminate the contract or part thereof, post the awards with consultation with the service provider if is deemed necessary.
- 6.5.10. Request further technical information from any bidder after the closing date.
- 6.5.11. Verify information and documentation of the service provider

6.6. NEGOTIATION

The State reserves the right to negotiate with the preferred bidders in line with the legislative requirements.

6.7. MULTIPLE AWARD

- 6.7.1. The State reserves the right to award the same line item to more than one bidder to address product availability, compatibility and to provide to for various ranges in equipment's. Due diligence will be applied to ensure that pricing is affordable, market related and aligned to end-user requirements.
- 6.7.2. The maximum number of bidders to be awarded will be at the discretion of the Bid Evaluation Committee.
- 6.7.3. The following will be taken into consideration when awarding through a multiple award:



- a. Capacity to meet volume demand as per bid requirements
- b. Estimated volume to be supplied
- c. Risk to departments if the item is not available
- d. Source of the finished product, raw material and manufacturing site
- e. Previous performance of the bidder

6.8. RECOMMENDATION AND APPOINTMENT OF BIDDERS

- 6.8.1. The Bid Evaluation Committee will recommend a preferred responsive bidder based on the evaluation criteria stipulated above.
- 6.8.2. The award of the Contract is subject to meeting all the requirements of the bid.

6.9. SUBMISSION OF BIDS

- 6.9.1. Bidders must respond to the bid with returnable documents as follows:
- 6.9.2. All returnable documents (SBDs, capability report, etc.) must be submitted with the bid at the closing date and time of the bid in a hard copy format.
- 6.9.3. Bidders must submit an **exact replica of both the soft copy (USB only) and hard copy** of the bid document on or before the closing date and time to National Treasury: Tender Information Centre 240 Madiba Street, Pretoria 0001.
 - a. One (1) original hard copy
 - b. One (1) memory stick or USB with all the documents of the original hard copy and an excel version of the pricing schedule. Bidders must ensure that the USB is marked with the bidder's name.
 - c. The hard copy of the bid response will serve as the legal bid document and must be accompanied by USB including the exact replica of the hard copy. Any discrepancies between the USB document and the original hard copy, the hard copy will take precedence. The exact replica of the hard copy will serve as duplicate of the entire bid document submission that assist with handling and evaluation of documents or if disputes may arise.
- 6.9.4. Bidders **must not PDF the pricing schedule** to allow easy evaluation process.
- 6.9.5. In order to simplify the evaluation process, Bidders are required to neatly subdivide their bid documents and submit in the following manner: -
- 6.9.6. 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.
- 6.9.7. **#NB:** Bid document are required to be submitted in the order as indicated on Table 1 – Returnable Documents Check list



6.10. LATE BIDS

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

6.11. COMMUNICATION AND CONFIDENTIALITY

- 6.11.1. The Chief Directorate: Transversal Contracting (TC) within the Office of the Chief Procurement Officer (OCPO) may communicate with bidders where clarity is sought after the closing date and time of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary.
- 6.11.2. If a bidder finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the NT (other than minor clerical matters), the bidder must promptly notify the NT in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the NT an opportunity to consider what corrective action is necessary (if any).
- 6.11.3. Any actual discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the NT will, if possible, be corrected and provided to all bidders without attribution to the bidder who provided the written notice.
- 6.11.4. All communication between the bidder and the National Treasury Transversal Contracting office must be done in writing.

6.12. CONTACT DETAILS

6.12.1. 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.

6.12.2. Bid Enquiries

All enquiries should be in writing to the Contract Manager: Ngwato Nkuna Transversal.Contracting1@treasury.gov.za. The closing date for receipt of all enquiries is 21 November 2022 at 16h00. All enquiries beyond the closing date will not be considered.



SECTION B:

CONDITIONS OF CONTRACT

7. CONCLUSION OF CONTRACT

- 7.1. The Contract between National Treasury and the preferred bidder/s (Service Provider) collectively referred to as the Parties shall come into effect after the service provider has been issued with an unconditional letter of acceptance to their bid.
- 7.2. The Service Provider (s) shall be appointed in terms of this bid. The following will form part of the contract documents between the Parties in as far this RT14 is concerned:
- a) Bid Documents;
 - b) Letter of Appointment;
 - c) Award Documents;
 - d) Acknowledgement letter
- 7.3. In the event that there is any contradiction between the abovementioned documents, the special conditions of contract shall take precedent. For purpose of Section B, the term "service provider" shall refer to the preferred bidder appointed in terms of RT14 transversal contract.
- 7.4. The contract period will be for thirty-six (36) months.

8. PARTICIPATING ORGAN OF STATE

- 8.1. Organ of State who will participate in this contract are:

NATIONAL DEPARTMENTS
Department of Woman, Youth and Person with Disabilities
Department of Cooperative Governance
National Department of Health
Department of Higher Education and Training
Department of Home Affairs
Department of Defence
National Department of Health
PROVINCIAL DEPARTMENTS
Eastern Cape Department of Health
Gauteng Department of Health



Limpopo Department of Health
North-West Department of Education
Western Cape Department of Transport and Public Works
OTHER ORGANS OF STATE
City of Tshwane
City of Johannesburg Property
Gateway Airports and Authority Limited SOC
International Frontier Technologies SOC Ltd t/a Interfront

9. POST AWARD PARTICIPATION

- 9.1. In terms of Treasury Regulation 16A6.5 the Accounting Authority may opt to participate in transversal contract facilitated by the relevant treasury. Should the accounting officer or accounting authority opt to participate in a transversal contract facilitated by the relevant treasury, the accounting officer or accounting authority may not solicit bids for the same or similar product or services during the tenure of the transversal term contract.
- 9.2. The participating letter will be customised to allow participation on completion and signing thereof as the transversal contract is arranged by means of a competitive bidding process by NT, subject to an electronic (e.g. e-mail, NOT written approval/consent) acceptance by the Contract Manager or a delegate from TC.
- 9.3. Bidder(s) will be notified of new participants and the list of participants will be published on the website together with any model changes, price adjustments and any other transversal contract information for the benefit of bidder(s) and participants.
- 9.4. The contracts allow for minor adjustments in line with the original approved items in order to cater for new participants/ State Institutions requirements. E.g. Logo, embroidery etc.

10. DELIVERY BASIS

- 10.1. Firm lead times for delivery must be quoted for the duration of the contract period.
- 10.2. Transit and storage conditions applicable to the relevant products must be adhered to.



11. QUANTITIES

- 11.1. 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.
- 11.2. The quantity indicated against each item represents the total estimated off-take of all participating departments and however not guaranteed. The numbers may increase or decrease in a particular year.
- 11.3. If quantities substantially increase during the year due to new participation request from user departments, the state reserves the rights to renegotiate the prices.

12. MINIMUM ORDER QUANTITY

- 12.1. 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.

13. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

13.1. CONTRACT ADMINISTRATION

- 13.1.1. 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:
- 13.1.2. The Chief Directorate: Transversal Contracting, National Treasury, Private Bag X115, Pretoria, 0001, Attention: Ngwato Nkuna – Transversal.Contracting1@treasury.gov.za .
- 13.1.3. 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 Ngwato Nkuna – email: Transversal.Contracting1@treasury.gov.za .

13.2. SUPPLIER PERFORMANCE MANAGEMENT

- 13.2.1. Supplier performance management will be the responsibility of the Participating State Institutions and where supplier performance disputes cannot be resolved between the Supplier and the relevant Participating Institution, National Treasury: Transversal Contracting must be contacted for corrective actions.
- 13.2.2. A Supplier performance rating form will be instituted, issued to bidders continuously from the commencement of the contract until expiry and every contractor must complete it to ensure good performance.



- 13.2.3. End-user/Participating State Institutions are required to report to National Treasury on where supplier's performance is not satisfactory.
- 13.2.4. Successful suppliers will have their performance scored. National Treasury will provide a template which will be used to measure overall performance in terms of the contract. Services providers who score the unacceptable performance rating may not be awarded future contract of the same bid and may have the contract terminated prior to the end of contract period.
- 13.2.5. Service Providers Performance is based on the roles stipulated on the scope of work and as well as the service level agreement.

13.3. PLACEMENT OF ORDERS AND PAYMENTS

- 13.3.1. Orders will be placed by participating organ of state who will be responsible for the payment to contractors for goods delivered and/or services rendered.

13.4. ORDERS

- 13.4.1. Contractors should note that each individual purchasing institution is responsible for generating the order(s) as well as the payment(s) thereof.
- 13.4.2. 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).
- 13.4.3. 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.
- 13.4.4. 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.
- 13.4.5. The State is under no obligation to accept any quantity which is in excess of the ordered quantity.

13.5. DELIVERY

- 13.5.1. Delivery of goods must be made in accordance with the instructions appearing on the official order forms issued by purchasing institutions.
- 13.5.2. All deliveries or dispatches must be accompanied by a delivery note stating the official order number against which the delivery has been effected.
- 13.5.3. In respect of items awarded to them, contractors must adhere strictly to the delivery lead times quoted in their bids.
- 13.5.4. Deliveries not complying with the order forms will be returned to the contractor at the contractor's expense.



14. PRODUCT ADHERANCE / BRAND CHANGE

- 14.1.1. 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 pbrand awarded throughout the contract period.
- 14.1.2. In the event that the brand is discontinued and or replaced with a new brand, National Treasury, Transversal Contracting must be notified by both the appointed supplier and participating state institution 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.
- 14.1.3. 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.
- 14.1.4. Furthermore, contractors are to take note that the price of the new brand should not be higher from the current contract price of the original product.
- 14.1.5. 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.
- 14.2. National Treasury reserve the right not to approve any change of specification/brand.

15. QUALITY ADHERANCE

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

16. PACKAGING

- 16.1. All deliveries made against this transversal contract, in all modes of transport, are to be packed in suitable packaging before distribution to end users as per their requirements.

17. POST AWARD REPORTING

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



18. CONTRACT PRICE ADJUSTMENT

18.1. Formula

- 18.1.1. Prices submitted for this bid will be regarded as non-firm and may be subject to adjustment(s) in terms of the following formula, defined areas of cost and defined periods of time.
- 18.1.2. Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.
- 18.1.3. The following price adjustment formula will be applicable for calculating contract price adjustments (CPA).

Table 7: Contract Price Adjustment Formula

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

18.2. Formula component definitions

18.2.1. 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.

18.2.2. 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 periods.

18.2.3. Cost components and proportions

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

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

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

Table 8: Contract Price Adjustment Cost Components

Cost Component	% Contribution
D1 – Imported Raw Material / Finished product	
D2 - Local Raw Material / Finished product (if applicable)	
D3 – Labour	
D4 – Transport	
D5 – Overheads	
D6 – Other	
TOTAL (Cost components must add up to 100%)	100

18.2.4. 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:

Table 9: Applicable Indices/References

Cost component	Index Publication	Index Reference
D1 – Imported Finished product (if applicable);	Reserve bank ROE publication/ Supplier / Manufacturer invoice(s) and	Documentary evidence to accompany claim and ROE.



	remittance advice. ¹	
D2 - Local Finished product (if applicable):	Table 1 (STATS SA Index)	Paper & Paper Products or Documentary Evidence to accompany claim.
D3 – Labour	STATS SA P0141 (CPI), Table E; OR Labour agreement ²	Table E - All Items (CPI Headline) OR Labour agreement to be provided/ Regulated Pricing Adjustment.
D4 – Transport	Stats SA P0141 (CPI) Table E	Transport – Other Running Cost
D5 – Overheads	Specify (STATS SA Index)	STATS SA Table (Specify)
D6 – Other	Specify (STATS SA Index)	STATS SA Table (Specify)

18.2.5. 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 **October 2022**.

18.2.6. 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).

18.2.7. Price adjustment periods

Price adjustment shall be applied on an annual basis at the anniversary of the transversal contract from closing date of bid date.

Table 10: Price Adjustment Period

Adjustment Period	CPA application to reach the office by the following dates	End Index	Dates from which adjusted prices will become effective
1st Adjustment	01 February 2024	March 2024	01 April 2024
2nd Adjustment	01 February 2025	March 2025	01 April 2025

¹ 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.

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



18.2.8. Rates of exchange (RoE) – Base and average rates

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

18.2.8.1. 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 in below paragraph and the average RoE rate over the period under review indicated in below paragraph.

18.2.8.2. 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 for the earlier invoice and the average RoE rate for the period under review as indicated in paragraph below for the later invoice.

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

18.2.8.4. Rate(s) of exchange to be used in this bid in the conversion of the bid price of the item (s) to South Africa currency is indicated in the table below.

Table 11: CPA Rate of Exchange

Currency Name	Spot Rates of exchange on 20 October 2022
US Dollar	18,32
Pound Sterling	20,73
Yen	8,15
Euro	18,00
Yaun	0,39

18.2.8.5. Should the bidder make use of any other currency not mentioned above, the bidder must stipulate the currency they have used on RoE on the **24th October 2022** using the South African Reserve Bank published rates for that specific currency. Visit www.reservebank.co.za to obtain the relevant rates. Please refer to TCBD 2 (Procedure to download historical exchange rates from the South African Reserve Bank website) for instructions.

18.2.8.6. 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:

**Table 12: Rate of Exchange Average Period**

Adjustment	Average exchange rates for the period:
1st Adjustment	1 October 2023 to 30 September 2024
2nd Adjustment	1 October 2024 to 30 September 2025

18.2.9. General

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

18.2.9.2. Application for price adjustment must be accompanied by documentary evidence in support of any adjustment.

18.2.9.3. CPA application 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.

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

18.2.9.5. Bidders are referred to the paragraph regarding counter conditions.

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

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

19. DELIVERY BASIS

19.1. Firm lead times for delivery must be quoted for the duration of the contract period. Lead times for delivery of all products on transversal contract shall not exceed eight (3) weeks. Delivery period exceeding the prescribed maximum eight (3) weeks may be cancelled without notice.

19.2. Lead times for delivery of all items offered on transversal contract shall not exceed three (3) weeks/ 21 days.

20. ESTIMATED QUANTITIES

20.1. No guarantee is given or implied as to the actual quantity/quantities which will be procured during the transversal contract period are estimated.

20.2. Orders will be placed by participating State institutions and they will also be responsible for the payment to Suppliers for the products delivered and/or services rendered.



21. CONTINUITY OF SUPPLY

- 21.1. The contractor must maintain sufficient stock to meet demand throughout the duration of the contract and inform the National Treasury at first knowledge of any circumstances that may result in interrupted supply, including but not limited to:
- Industrial action,
 - Manufacturing pipeline
 - Any other supply challenges.
- 21.2. In terms of the General Conditions of Contract and Special Requirements and Conditions of Contract, the National Treasury reserves the right to purchase outside of the contract in order to meet its requirements if:
- The contracted supplier fails to perform in terms of the contract.
 - The item(s) are urgently required and not immediately available; in the case of an emergency.

22. MERGERS, TAKE OVERS AND CHANGES IN SUPPLIER DETAILS

- 22.1. 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 in writing 90 days prior to such event of relevant details.
- 22.2. National Treasury 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
- 22.3. A contracted supplier must inform the National Treasury within 7 days of any changes of address, name, contact or banking details.

23. POST AWARD PRODUCT COMPLIANCE PROCEDURES

- 23.1. Successful bidders must ensure that the product conforms to the specification and its relevant quality standards throughout the contract period. Where there is a justified concern regarding the quality of the product, the State reserves the right to request the bidder (at own cost) to submit product for testing to confirm compliance to the relevant item specification and requirements at the SANAS accredited institution.
- 23.2. 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.
- 23.3. The State reserves the right to conduct any sample or site inspection directly or through a third party appointed by the state.



24. REGISTRATION ON DATABASES OF PARTICIPATING AUTHORITIES

- 24.1. Successful bidders must ensure continuous compliance with all statutory requirements which may affect their complying status on Central Supplier Database managed by National Treasury.
- 24.2. All contracted suppliers must ensure registration on all participating institutions/department's supplier databases within 30 days of accepting the award and submit proof thereof to the National Treasury.
- 24.3. Failure to meet this requirement will result in inability to process orders and payments for goods.

25. MONITORING

- 25.1. Monitoring audits may be conducted periodically and randomly by the National Treasury, Participating Institutions or by a service provider appointed to determine continuous compliance to the product and terms of contract. The National Treasury, in collaboration with the other Participating Authorities, 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: The National Treasury may hold quarterly meetings with suppliers to review the next quarter's demand, as well as supplier performance.
- 25.2. The state may conduct random audit(s) with or without prior appointment arrangements with the appointed Supplier(s).
- 25.3. National Treasury will conduct meetings with the participating State institutions and Suppliers to discuss transversal contracting issues.
- 25.4. The National Treasury may request Participating Authorities to impose penalties, where deemed necessary, as per Section 21 and 22 of the General Conditions of Contract.
- 25.5. 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 National Treasury.
- 25.6. Reporting and Supplier(s) meetings will be on a six-monthly basis and will be scheduled post award.
- 25.7. All successful Suppliers are required to submit historical value and volume reports via e-mail on a quarterly basis to: Transversal.Contracting1@treasury.gov.za
- 25.8. Detailed reporting requirements from successful bidders will be provided by National Treasury.



26. TERMINATION

- 26.1. The State shall be entitled to terminate this agreement if one or more of the following occur: –
- a. The service provider decides to transfer the contract or cede the contract;
 - b. The service provider does not honour contractual obligations including submission of information;
 - c. The service provider is provisionally or finally liquidated, making it impossible for the service provider to perform its functions in terms of this Contract;
 - d. The service provider enters into settlement arrangements with their creditors;
 - e. The service provider commits an act of insolvency;
 - f. In the event that the service provider is a member of an unincorporated joint venture or consortium and the membership of such joint venture or Consortium changes;
 - g. There is a change in ownership of the service provider that has the effect that over 50% ownership of the service provider belongs to the new owner without prior written approval of the State;
 - h. Overall poor performance rating during the contract period.

27. POST AWARD MONITORING AND REPORTING

- 27.1. National Treasury will conduct meetings with the end users and Suppliers to discuss transversal contract issues related to RT14.
- 27.2. All successful bidders are required to submit historical value and volume reports via e-mail on a **quarterly** basis to: Transversal.Contracting1@treasury.gov.za.

Period	Period for which information must be submitted	Duration
1	1 April 2023 – 30 June 2023	1 st Report
2	1 July 2023 – 30 September 2023	2 nd Report
3	1 October 2023 – 31 December 2023	3 rd Report
4	1 January 2024 – 31 March 2024	4 th Report
5	1 April 2024 – 30 June 2024	5 th Report
6	1 July 2024 – 30 September 2024	6 th Report
7	1 October 2024 – 31 December 2024	7 th Report
8	1 January 2025 – 31 March 2025	8 th Report



Period	Period for which information must be submitted	Duration
9	1 April 2025 – 30 June 2025	9 th Report
10	1 July 2025 – 30 September 2025	10 th Report
11	1 October 2025 – 31 December 2025	11 th Report
12	1 January 2026 – 31 March 2026	12 th Report

THE END