



SPECIAL CONDITIONS OF THE CONTRACT

RT2-2025

**SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING, TRAINING AND
MAINTENANCE OF MEDICAL EQUIPMENT FOR A FORTY-EIGHT (48)
MONTH PERIOD TO THE STATE**

**NON-COMPULSORY BRIEFING SESSION TO BE HELD VIRTUALLY ON
21 NOVEMBER 2024 ON THE MICROSOFT TEAMS PLATFORM**

CLOSING DATE AND TIME OF BID

17 DECEMBER 2024 AT 16H00

BID VALIDITY PERIOD: 180 DAYS

National Treasury

Transversal Contracting



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LIST OF ATTACHMENTS AND ANNEXURES

- i. Standard Bidding Documents (SBD's)
- ii. Transversal Contracting Documents (TCD's)
- iii. General Conditions of Contract (GCC)
- iv. Annexure A -Technical Specification
- v. Annexure B - Pricing Schedule

LIST OF ABBREVIATIONS

Abb	Full Name
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
CPA	Contract Price Adjustment
CE	Conformité Européenne
CSD	Central Supplier Database
ECSA	Engineering Council of South Africa
GCC	General Conditions of Contract
OCPO	Office of the Chief Procurement Officer
ICASA	Independent Communications Authority of South Africa
SBD	Standard Bidding Document
SARS	South African Revenue Services
SCC	Special Conditions of Contract
SCADA	Supervisory Control and Data Acquisition
SCM	Supply Chain Management
STS	Standard Transfer Specification
TC	Transversal Contract
TCD	Transversal Contract Document
TIC	Tender Information Centre
TID	Token Identifier
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Frame Act
QC	Quality Control
RIC	Receiver in Canal
RoE	Rate of Exchange
VAT	Value-Added Tax



DEFINITIONS

Accessory	A medical device accessory is a device "intended to support, supplement, and/or augment the performance of one or more parent devices," while a parent device is a device "whose performance is supported, supplemented, and/or augmented by one or more accessories.
Commissioning	To bring newly manufactured Medical Equipment into working condition. It includes assembly, installation, acceptance testing and initial start-up, also verifying safety and functional performance accuracy, quality assurance certificate, correction of Medical Equipment defects including those that are not readily apparent, practical training for both clinical and technical staff, and full handover of all catalogues, operation manuals, instruction leaflet, and technical (service) manual.
Comprehensive Maintenance	Refers to an extended warranty on Medical Equipment as per schedule which includes preventive maintenance, repairs and maintenance breakdowns, corrective maintenance, medical equipment spare parts replacement, quality assurance, software updates, performance and safety updates and travel & labour charges.
Consumable	A commodity that is intended to be used up relatively quickly because its end-of-life is reached after a single use.
Customer	A participant in 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
Diagnosis	The identification of the nature of an illness or other problem by examination of the symptoms by utilizing the medical equipment and early diagnosis and treatment are essential
Due Diligence	The investigation or exercise of care that the State conducts before agreeing with the bidders to validate the bid responses
Installation	The action of installing the Medical Equipment for use
Maintenance	The process of preserving the condition of the Medical Equipment in its original or existing state. It involves functional checks, servicing, repairing or replacing necessary Medical Equipment parts, consumables and/or accessories
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
Medical Equipment	Medical equipment is an article, instrument, apparatus or machine that is used in the prevention, diagnosis or treatment of illness or disease, or for detecting, measuring, restoring, correcting or modifying the structure or function of the human body for some health purpose as defined by Medicines and Related Substances Act.
Original Equipment Manufacturer	An OEM in the context of Medical Equipment is a company that produces components for itself or for use by another company (sometimes referred to as a distributor or reseller) to sell or incorporate into another product for resale
Recall	An item recall is the process of retrieving defective and/or potentially unsafe goods (Medical Equipment) from participants while providing those participants with compensation. Recalls



	often occur because of safety concerns over a manufacturing defect in Medical Equipment that may harm its user
Single Market	An association of countries trading with each other without restrictions or tariffs
Spare Part	Is a part that can be procured separately to replace old or broken parts in a piece of Medical Equipment. It is usually a part that is designed to be easily removed or fitted
Starter Pack	An OEM accessory and consumable that is supplied with a piece of Medical Equipment upon procurement
Supply	A supply of Medical Equipment includes the transfer of ownership thereof by agreement to the participant
Third-Party	In the context of this bid, it is an alternative company to OEM for support of the Medical Equipment. The maintenance is delivered outside of the OEM system and can include a variety of services and solutions to keep the Medical Equipment functioning day-to-day
Warranty	An assurance by the Original Equipment Manufacturer to accept the risk to maintain, repair or replace a product if it fails or malfunctions within two years.



BID DOCUMENT CHECKLIST AND RETURNABLE

Table 1: Bid Document Checklist and Returnable

#	Document Name ¹	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
PHASE 1: ADMINISTRATIVE REQUIREMENTS EVALUATION				
1.	SBD 1 Invitation to Bid	Yes	Yes	
2.	Proof of authority must be submitted as per SBD 1	No	Yes	
3.	SBD 4 Bidder's Disclosure	Yes	Yes	
4.	SBD 5 National Industrial Participation Program	Yes	Yes	
5.	SBD 6.1 – Preference points claim form.	Yes	Yes	
6.	TCD 13 Authorization Declaration	Yes	Yes	
7.	TCD 13.1 List of goods or services offered	Yes	Yes	
8.	Written confirmation for disclosing tax status by SARS	No	Yes	
9.	Central Supplier Database Report	No	Yes	
10.	CIPC Company Registration Documents	No	Yes	
11.	Copy of Identity Documents of the Owners and Directors	No	Yes	
PHASE 2: MANDATORY REQUIREMENTS EVALUATION				
12.	Pricing Schedule (Annexure B)	Yes	Yes	
13.	SAHPRA License	No	Yes	
PHASE 3: FUNCTIONALITY EVALUATION				
14.	Operational Management Plan: Supply and Delivery (all relevant documentation)	No	Yes	
15.	Operational Management Plan: Maintenance Service (all relevant documentation)	No	Yes	
16.	Previous Work Experience: Installation and Commissioning (all relevant documentation)	No	Yes	
17.	Risk Management Plan (all relevant documentation)	No	Yes	

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



#	Document Name ¹	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
PHASE 4: TECHNICAL COMPLIANCE EVALUATION				
18.	Detailed Technical Specifications (Annexure A)	Yes	Yes	
19.	Clinical and Technician Specialists	No	Yes	
20.	List of Tools of Trade	No	Yes	
21.	Workshop(s) requirements and footprint	No	Yes	
22.	Quality Assurance Certificate	Yes	Yes	
23.	ISO Certification/ SANS Test Report	No	Yes	
24.	CE Certification	No	Yes	
25.	Radiation Control License	No	Yes	
26.	TCD 13.2 Authorization Letter of Undertaking	No	Yes	
27.	Manufacturers Technical Specification Brochures	No	Yes	
28.	Sample submission Requirements	No	Yes	
PHASE 5: PRICE & SPECIFIC GOALS EVALUATION				
29.	Pricing Schedule (Annexure B)	Yes	Yes	
30.	Declaration of Product Discontinuity	No	Yes	
31.	Local Content and Production Documents	No	Yes	
32.	Sub-Contracting Documentation Requirements	No	Yes	



SECTION A: INTRODUCTION AND TERMS OF REFERENCE

1. DESCRIPTION AND FORMAT OF THE BID

- 1.1 This bid is for the supply, delivery, installation, commissioning, training and maintenance of medical equipment for a forty-eight (48) month period.
- 1.2 This bid document is structured as follows:
 - 1.2.1 Section A: Introduction and Terms of Reference
 - 1.2.2 Section B: Conditions of Bid
 - 1.2.2.1 Part 1: Evaluation Criteria
 - 1.2.2.2 Part 2: Additional Bid Requirements
 - 1.2.2.3 Part 3: Recommendation and Appointment of Bidders
 - 1.2.3 Section C: Conditions of Contract

2. LEGISLATIVE AND REGULATORY FRAMEWORK

- 2.1 This bid and all contracts emanating therefrom will be subject to General Conditions of Contract issued per Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) as well as the Preferential Procurement Policy Framework Act 2000 (PPPFA) with its latest 2022 regulations.
- 2.2 The Special Conditions of Contract (SCC) are supplementary to that of the General Conditions of Contract (GCC). However, where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.
- 2.3 This bid is subject to all applicable industry-related legislation, particularly the legislation stated below:
 - a. Medicines and Related Substances Amendment Act, No 72 of 2008 (Amendment Act) read together with a further Amendment Act, Medicines and Related Substances Act No. 14 of 2015 and its Regulations and Guidelines;
 - b. Patents Act, 1978 (Act 57 of 1978) and the Trademarks Act, 1993 (Act 194 of 1993)
 - c. Occupational Health and Safety Act No 85 of 1993 and
 - d. Hazardous Substances Act No. 15 of 1973



3. OBJECTIVE OF THE BID

- 3.1 To arrange the RT2-2025 transversal contract for the supply, delivery, installation, commissioning, training and maintenance of medical equipment for a forty-eight (48) month contract period.
- 3.2 For the promotion of historically disadvantaged individuals and local Content and Production in terms of Preferential Procurement Regulations 2022 issued according to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000).
- 3.3 As per section 2(1) (f) of the PPPFA Act, give preference to bids offering goods with local content and/or local value added according to the objective criteria set.
- 3.4 As per section 2(1) (f) of the PPPFA Act, give preference to bids that sub-contract a portion of the contract (service part) to a Small Medium Micro Enterprises (SMMEs) company which is at least 51% ownership from historically disadvantaged Individuals.

4. BRIEFING SESSION

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

Venue: Microsoft Teams. The link to register and attend the briefing session is included in the National Treasury website and e-tenders. Bidders can click on this link below to access the briefing session:

[RT2-2025 Briefing Session](#)

Date: 21 November 2024

Time: 10h00 am

- 4.2 The bid information session is not compulsory. Still, it will allow bidders to obtain clarity on certain aspects of the procurement process as set out in this bid document. The National Treasury reserves the right to answer questions at the briefing session and to respond formally after the briefing session.

5. TERMS OF REFERENCE

- 5.1.1 The RT2-2025 bid is for the supply, delivery, installation, commissioning, training and maintenance of medical equipment to the State for a forty-eight (48) month period
- 5.1.2 The purpose of procuring medical equipment by the State is to equip the health institution with tools that will assist the clinical professional in the diagnosis, treatment, monitoring, and management of a patient's health conditions.



5.2 **SCOPE OF WORK**

5.2.1 **SUPPLY, DELIVERY AND INSTALLATION**

- 5.2.1.1 The successful bidder is expected to deliver the goods at the indicated facility on the purchasing order sent by the state institution.
- 5.2.2 The successful bidder must conduct a pre-site inspection where applicable to ensure that the requested item is suitable for the site.
 - 5.2.2.1 Conduct a site assessment - Service providers are expected to inspect the physical space, electrical requirements, and environmental conditions to confirm that the facility can accommodate the new equipment where installation is a requirement.
 - 5.2.2.2 The successful bidder must work with the healthcare facility's staff to schedule the installation and ensure that all necessary personnel are available. Communicate a detailed plan that outlines the installation process, including timelines and potential risks or challenges
 - 5.2.2.3 Where required, provide pre-installation training sessions for healthcare personnel to familiarize them with the equipment's operation and safety protocols before installation.

5.2.3 **COMMISSIONING OF EQUIPMENT**

- 5.2.3.1 Commissioning of medical equipment includes assembly, installation, acceptance testing and initial start-up, verifying safety and functional performance accuracy, quality assurance calibration, correction of equipment defects including those that are not readily apparent, practical training for both clinical and technical staff, and full handover of all catalogues, operating manuals, instruction leaflet.
- 5.2.3.2 Commissioning shall include on-field user training on medical equipment for clinical staff and shall be performed by a qualified and competent Clinical application specialist.
- 5.2.3.3 The Contractor shall test, calibrate and commission the goods as appropriate in a way that, on installation completion, they are fully operational and can be used. The Purchasing institution reserves the right to witness the Contractor's testing and commissioning without thereby relieving the Contractor of his obligation to provide goods in a fully operable condition.
- 5.2.3.4 A complete set of commissioning forms with the entire set of tests run and the results obtained will be given to the Purchasing institution after the final reception of the equipment.
- 5.2.3.5 The contractor must supply the equipment, the standard accessories and consumables, quality assurance (QA) measurement and calibration test sheets after commissioning the equipment.
- 5.2.3.6 User Care: Information to be provided by manufacturer/supplier, e.g. cleaning, disinfection/ sterilization method (for reusable devices).



5.2.3.7 Commissioning shall also include practical training for technical service personnel on first-line repairs and inspection maintenance by a qualified and competent clinical engineering professional.

5.2.3.8 Frequency of training – pro bono, nature of our operations, for the duration of the contract, ensure competency / operational efficiency of end-user

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

5.2.4 **TRAINING AND SUPPORT**

5.2.4.1 The successful bidder must provide formal advanced first-line technical maintenance training to the institution's technical personnel at no extra cost.

5.2.4.2 The successful bidder must provide formal user training (clinical) regarding the operation and application of the equipment to the institution's clinical personnel at no extra cost.

5.2.5 It is required that the contractor(s) should provide product demonstration training support at no additional cost to all end users through the duration of the contract period relating to the following:

- a) Versatility and adjustability including size ranges: this should also include design quirks that impact the type of accessories that can be used, (e.g. a 14" SAM uses a 12" back system, because of the way the backrest arms are set up)
- b) Troubleshooting problems and potential solutions
- c) The standard basic setup of the device as it should be upon delivery, what the device comes with and what needs to be ordered, (e.g. wheelchair will need a back and a cushion ordered separately)
- d) Indicate the available accessories for the devices

5.2.5.2 These demonstrations are not to replace the formal training courses but purely to highlight the features of the various devices, the end-user is to still attend the appropriate level of formal training for the service they intend to provide (basic-intermediate-advanced).

5.2.5.3 Product information documents (e.g. catalogues, operating manuals, instruction leaflets, etc.), in at least the English language, must be provided with the products.

5.2.6 **MAINTENANCE - SERVICE LEVEL AGREEMENT**

5.2.6.1 The purchasing institution must sign a service-level agreement (SLA) for medical equipment where the purchasing institution requires the maintenance service. The SLA should not be above 60 months from the date of signature.



5.2.7 **CUSTOMER SUPPORT SERVICES:**

- 5.2.8 All equipment, accessories, consumables spare parts for repairs delivery must be made during official state working time (8h00 to 16h00) Monday to Friday. In case of emergency, there must be a formal arrangement between the successful bidder and the user institution, in this case, Proof of Delivery must be signed between the parties for recording.
- 5.2.9 Any damages, shortages, over deliveries and duplicated orders shall be reported to the Service Provider within a reasonable time of signed receipt. The Service Provider shall collect deliveries and replace all damaged items as well as any outstanding items or refund the institution.
- 5.2.10 A loan device must be despatched to institutions with prolonged corrective maintenance for equipment under a 2-year warranty and/or 5-year extended warranty.
- 5.2.11 To ensure equipment uptime of more than 98%, all spare parts, accessories & consumables must be delivered as per agreed lead times (between 08h00 and 16h00) with high-demand items as ex-stock.
- 5.2.12 **Repair call-outs response time**
- 5.2.13 Normal callout must be resolved **within 48 hours**, or an assessment report provided
- 5.2.14 Emergency callout must be resolved **within 4 hours**.
- 5.2.15 A call centre facility or standby line must be established by the bidder at no additional cost to the State for the logging of enquiries, callouts and the answering and resolution of queries. The call centre facility needs to fulfil at least the following:
- 5.2.16 Operated 24 hours a day, 7 days a week
- 5.2.17 A dedicated telephone number must be made available to all end users of the contract to place orders.

5.3 **TECHNICAL SPECIFICATIONS REQUIREMENTS**

- 5.3.1 The detailed technical specification requirements are as per Annexure A for the supply, delivery, installation, commissioning, training and maintenance of medical equipment. The bid consists of fourteen (14) categories with a total of 184-line items (number of equipment).
- 5.3.2 The summary details are as follows:

Table 2: Summary of Technical Specifications Categories

CATEGORY #	CATEGORY DESCRIPTION	# EQUIPMENTS	TECHNICAL SPECIFICATION GROUP
RT2-01	Anesthesia Equipment	23	Annexure A - Group A
RT2-02	Ventilation and Respiratory Equipment	19	Annexure A - Group A
RT2-03	Pediatric Care Equipment	16	Annexure A - Group F



CATEGORY #	CATEGORY DESCRIPTION	# EQUIPMENTS	TECHNICAL SPECIFICATION GROUP
RT2-04	Obstetrics and Gynecology Equipment	8	Annexure A - Group F
RT2-05	General Medical Equipment	37	Annexure A - Group C
RT2-06	General Surgery Equipment	5	Annexure A - Group D
RT2-07	Orthopedic Equipment	11	Annexure A - Group E
RT2-08	Ophthalmology Equipment	12	Annexure A - Group E
RT2-09	Neuro Equipment	7	Annexure A - Group E
RT2-10	Sterilization, Disinfection Equipment	9	Annexure A - Group B
RT2-11	Cold Chain and Warm Storage Equipment	12	Annexure A - Group B
RT2-12	Microscopes Technology	8	Annexure A - Group E
RT2-13	Installation alterations Required	11	Annexure A - Group B
RT2-14	Multi-Disciplinary Specialized Equipment	6	Annexure A - Group E
TOTAL NUMBER OF EQUIPMENT ON RT2-2025		184	

5.3.3 Only OEM parts, accessories and consumables must be supplied

5.3.3.1 All products must be supplied new; second-hand or refurbished products or parts will not be accepted.



SECTION B: CONDITIONS OF BID

6. PART 1: EVALUATION CRITERIA

6.1 The details of the evaluation phases are outlined below:

Table 3: Evaluation Criteria

Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
Administration Requirements	Mandatory requirements	Functional Evaluations	Technical Compliance	Price and Specific Goals
Compliance with the Administration documents requirements	Compliance with mandatory requirements	Compliance with functional evaluation requirements	Compliance with the technical specifications and requirements	Bids evaluated in terms of the 90/10 preference system

6.1.0 **DUE DILIGENCE:** The State may conduct due diligence during any of the evaluation phases to confirm the information submitted by the bidder and any misrepresentation by the bidder may disqualify the bid thereof.

6.2 PHASE 1: ADMINISTRATION AND LEGISLATION REQUIREMENTS EVALUATION

6.2.1 Bidders must submit the following documents below to comply with the policy to guide uniformity in procurement reform processes.

6.2.1.1 **SBD 1** – Invitation form to bid.

6.2.1.2 **Proof of Authority** – This is proof that the company representative has been given authority by the company to sign bid documents on their behalf as required on SBD 1.

6.2.1.3 **SBD 4** – Bidders Disclosure

6.2.1.4 **SBD 5** – The National Industrial Participation Programme

6.2.1.5 **SBD 6.1** - Preference points claim form.

6.2.1.6 **TCD 13 and 13.1 - Authorization Declaration** - All bidders are required to complete the “Authorisation Declaration” (TCD 13 and TCD 13.1) for all relevant goods or services in full, sign it, and submit it together with the bid response. at the closing date and time of the bid invitation.

6.2.1.7 **Central Supplier Database** – Bidders are required to submit their Central Supplier Database report.

6.2.1.8 **Written Confirmation to disclose tax status** – Bidders must submit a Tax Pin issued by SARS. This tax pin is deemed as a confirmation that on an ongoing basis during the bid evaluation and the tenure of the transversal contract, the State may access the bidder’s tax compliance status.



- 6.2.1.9 **Company registration documents issued by CIPC** - Bidder must submit proof of registration with the Companies Intellectual Property Commission (CIPC). In a case where the shareholding percentage is not indicated on the CIPC registration documents, an additional shareholding certificate issued by the relevant authority detailing the shareholding of the bidder must be submitted.
- 6.2.1.10 **Copy of Identity Document (Directors/Owners)** – Bidders are required to submit a copy of an identity document of the directors and/or owners.
- 6.2.2 Failure to submit the documents indicated above even after the bidder has been notified and given a maximum of seven calendar days to rectify will invalidate the bid.
- 6.3 **PHASE 2: MANDATORY REQUIREMENTS**
- 6.3.1 Bidders' must submit all required documents indicated hereunder with the bid documents at the closing date and time of the bid. During this phase bidders' responses will be evaluated against the mandatory requirements for compliance. Bidders who fail to comply with all the mandatory criteria will be disqualified.
- 6.3.2 **Pricing Schedule**
- 6.3.2.1 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 in full without changing the structure thereof.
- 6.3.2.2 Bidders are required to complete a mandatory Pricing Schedule Annexure B as a response to how much the items offered will be charged. Failure to submit the Pricing Schedule will invalidate the bid response.
- 6.3.2.3 The pricing for this bid is required to be on a national level
- 6.3.3 **South African Health Products Regulatory Authority (SAHPRA): Medical Devices and In Vitro Diagnostic Regulation Licence**
- 6.3.3.0 Bidders must submit a Manufacturers, distributors and or wholesalers' licence as per the Medical Devices and In Vitro Diagnostic Regulations as referred to in Section 22C(1)(b) of the Medicines and Related Substances Act, 1965 (Act No. 101 of 1965), must submit a licence for the manufacturing, importing, exporting, distribution and or wholesaling of medical devices and IVDs, as issued by the South African Regulatory Authority at the closing date and time of bid. The licence must be valid at the closing date and time of bid.
- 6.3.3.1 Upon such time that medical devices and In Vitro Diagnostic products are called up for registration, via publication in the Government Gazette, bidders, who have been licensed as medical device establishments will be required to comply with the requirement by submitting a licence/registration certificate of the said medical device and IVDs products



6.4 PHASE 3: FUNCTIONALITY EVALUATION REQUIREMENTS

- 6.4.1 During Phase 3, bidders must illustrate the capacity and capability to provide the medical equipment and its relevant services. Bidders' responses will be evaluated for functionality based on achieving a minimum total score of 66% for the functional requirements. Only bidders who have complied with mandatory requirements will be evaluated for functionality.
- 6.4.2 Bidders must, as part of their bid documents, submit supportive documentation for all functional requirements as indicated hereunder. The Bid Evaluation Committee (BEC) will evaluate and score the respective bids based on their submissions and the information provided.
- 6.4.3 The value scored for each criterion will be multiplied by the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These marks will be added and expressed as a fraction of the best possible score for all criteria.
- 6.4.4 Bidders who have achieved the minimum qualifying score of 66% for functionality will be evaluated further in the next evaluation phase. Functionality will be evaluated based on the responses and supporting documentation supplied by the bidders as follows:

Table 4 - Maximum weight for each criterion

No	Functional Requirements	Weighting
1.	Operational Management Plan: Supply and delivery of Equipment, Consumables and Spare	30
2	Operational Management Plan: Maintenance Service	30
3	Previous Work Experience	20
4	Risk Management Plan	20
Total		100

- 6.4.5 Each BEC member will rate each criterion on the score sheet using the value scale. The scores for functionality will be calculated as follows:

Table 5: Value Scale

Performance	Description	Score
Very good	Response addresses and exceeds the functionality requirements	3
Compliant	The response addresses all functionality requirements	2
Partially compliant	The Response partially addresses the functionality requirements	1
Inadequate	The response <u>did not address</u> the functionality requirements	0



6.4.6 Operational Management Plan: supply and delivery of Equipment, Consumables and Spare Parts (30 points)

6.4.6.1 Bidders must submit an **Operational Management Plan (OMP)** for the **supply and delivery of equipment, consumables and spare parts for repairs**. As a customer, the State must access products effectively and efficiently. The bidder's OMP must outline how goods will be delivered from the manufacturer to the end user, ensuring that products are available when and where they are needed. Bidders are required to submit an OMP that is practically implementable and addresses the following elements:

- a) **Inventory Management:** Where the warehousing of stock is located and systems in place to track stock levels and manage replenishment
- b) **Distribution Coverage Area:** Geographic regions/ provinces served by the distribution transport owned by the bidder and regions/ provinces in which the distribution is outsourced.
- c) **Lead Times:** Timeframes from the time an order is received from the customer, order processing, delivery to customers, installation, commissioning and training for the equipment.
- d) **Customer Service:** Support mechanisms for handling inquiries and issues related to distribution.
- e) Training plan on the equipment usage provided by the bidder's clinical application specialist to the state institution's personnel
- f) **Pre-site Inspection plan before installation and commissioning**

6.4.6.2 The scoring will be as follows:

Table 6: OMP - Supply and Delivery

Performance	Description	Score
Very good	The operational plan submitted practically addresses all 6 elements indicated relevant to medical equipment offered	3
Compliant	The operational plan submitted practically addresses only 5 elements indicated relevant to medical equipment offered	2
Partially compliant	The operational plan submitted practically addresses 4 elements indicated relevant to medical equipment offered	1
Inadequate	The operational plan submitted practically addresses 3 or fewer elements indicated relevant to medical equipment offered	0



6.4.7 Operational Management Plan: Maintenance Service (30 points)

6.4.7.1 An operational management plan for maintenance service for medical equipment is required in two parts., workshop locations (10 points) and other requirements for maintenance (20 points).

6.4.7.2 Workshop Locations (10 points)

- a) As part of the operational management plan for maintenance service, bidders must indicate the location of the main and satellite workshops where the medical equipment will be serviced. The bidder must elaborate and indicate how each workshop will service the offered equipment or participating institutions from various provinces.
- b) The bidder must indicate if the workshop is owned or outsourced (information as provided in TCD 13.1 as per paragraph 6.2.1.6 and TCD 13.2 as per paragraph 6.5.12 will be used as supporting documents.
- c) Proof of address must be submitted in this regard for all the workshops indicated in the form of a municipal account. Where the workshop is outsourced, it must be in the name of the third party where the workshop is sourced as per TCD 13.2.
- d) **The scoring for the workshop requirements will be as follows:**

Performance	Description	Score
Very good	The bidder has 3 workshops in different provinces and provided all the information and supporting documents indicated above	3
Compliant	The bidder has 2 workshops in different provinces and provided all the information and supporting documents indicated above	2
Partially compliant	The bidder has 1 workshop in different provinces and provided all the information and supporting documents indicated above	1
Inadequate	The bidder has no workshop in different provinces and did not provide all the information and supporting documents indicated above	0

6.4.7.3 **Other Requirements for Maintenance (20 points)** - As part of the operational plan for maintenance service, bidders must submit the OMP for maintenance that includes the following information relevant to the medical equipment offered:

- a) **System for documentation and recording for Inventory management:** What system is used to record a detailed list of all medical equipment, including model numbers, serial numbers, and locations for medical equipment already distributed, system used to record maintenance activities, issues identified, and actions are taken.
- b) **Maintenance Schedule:** A timeline for routine maintenance tasks, including daily, weekly,



monthly, and annual checks

- c) **Procedures and Protocols:** Step-by-step instructions for performing maintenance tasks, including safety protocols and standard operating procedures (SOPs).
- d) **Responsible Technical Personnel:** A summary list of technical personnel with names, locations, tertiary qualification certificates and factory training certificates for items bidding for the personnel responsible for each maintenance task. **An organogram** of the technical division must be included. The technical personnel who are part of the sub-contracted partners must be indicated.
- e) **Tools and Materials:** A list of tools and materials required for maintenance tasks.
- f) **Compliance and Standards:** Information on relevant regulatory requirements and industry standards that must be adhered to.
- g) **Emergency Procedures:** Protocols for handling equipment failures and emergencies.
- h) **Training Requirements:** Information on training programs for bidders' maintenance personnel to ensure they are qualified and up to date with the latest procedures.
- i) **Performance Metrics:** Key performance indicators (KPIs) to measure the effectiveness of the maintenance program.
- j) **Training for technical personnel (state institutions)-** Technical personnel training is offered as a skill transfer to conduct the above maintenance for the relevant equipment offered by the bidder.

6.4.7.4 The scoring is as follows:

Table 7: OPM for Maintenance Service Scoring

Performance	Description	Score
Very good	The operational plan submitted addresses all 10 elements indicated relevant to medical equipment offered	3
Compliant	The operational plan submitted practically addresses at least 7 elements indicated relevant to medical equipment offered (including the responsible technical personnel and tools of trade elements)	2
Partially compliant	The operational plan submitted practically addresses at least 5 elements indicated relevant to the medical equipment offered.	1
Inadequate	The operational plan submitted practically addresses 4 or fewer elements indicated relevant to medical equipment offered	0



6.4.8 Previous Work Experience: Installation and Commissioning (20 points)

6.4.8.1 Bidders to provide a comprehensive illustration of the company's experience in the medical equipment field in the public and or private sector.

6.4.8.2 Bidders must submit at least three (3) reference letters to demonstrate previous work experience relevant to medical equipment. The demonstration should include information regarding the pre-site inspection conducted, supply and delivery of the equipment as per the agreed period, installation, commissioning, training, and maintenance of the medical equipment.

6.4.8.3 Bidders are therefore required to submit a minimum of **three (3) reference letters** which indicate a proven track record of the bidders for the above. To consider the reference letter valid, the letter must comply with the following:

- a) Letters must be from previous clients in the last five years (between 2019 and 2024), from health institutions in the public or private health institution.
- b) The letter must be on the letterhead of the client, with contactable details (name of institution/ company, physical address, email, cell/telephone number).
- c) Each reference letter must be accompanied by a **purchasing order** and a **delivery note** from the relevant institution.
- d) The letter must include the type of medical equipment, the brands/ models supplied to the client
- e) The letter must include the following elements:
 - i) The letter must indicate if **pre-inspections** were conducted,
 - ii) The letter must indicate If the **lead time to deliver** the equipment at the specified location was adhered to.
 - iii) The letter must indicate if the equipment was effectively and successfully **installed and commissioned** within the prescribed time.
 - iv) Indicate if **maintenance schedules** were adhered to.
 - v) The letter must indicate if the **training was conducted** as scheduled, summarize the details of the training in terms of dates, and indicate how many officials were trained. As a supporting document for this element, the bidder must submit the **attendance register for the training provided**, signed by the attendees and the trainer, the register must indicate the date, location and time when the training was conducted, and the contact details of trainees be on the register.



6.4.8.4 The scoring will be as follows:

Table 8: Previous Work Experience Scoring

Performance	Description	Score
Very good	4 and above valid reference letters are submitted and address all relevant elements for the medical equipment offered	3
Compliant	3 valid reference letters are submitted and address all relevant elements for the medical equipment offered	2
Requires attention	2 valid reference letters are submitted and address all relevant elements for the medical equipment offered	1
Inadequate	1 or no valid reference letter with or without addressing the listed elements	0

6.4.9 Risk Management Plan (20 Points)

6.4.9.1 Bidders must submit a risk management strategy plan to mitigate against any supply risk and equipment uptime such as equipment callouts, loan units' availability, stock availability, insurance etc that might arise within the duration of the contract period and life span of the equipment offered.

6.4.9.2 Any classification of medical devices in this section or document, must be as per the Medicines and Related Substance Act, 1965 as amended. Bidders are required to indicate how they mitigate against downtime of different risk classifications of items offered.

6.4.9.3 Bidders are required to submit risk management plans which address the following elements for each equipment offered on the bid:

a) Risk Identification:

- i) With the list of equipment offered on the bid, list the potential risks for each equipment (e.g., equipment failure, equipment re-calls, supply chain disruptions, regulatory changes).
- ii) Probability of each risk occurring.
- iii) Impact of each risk on operations and patient safety.
- iv) A process for recall of equipment, parts and/or related consumables.

b) Risk Mitigation Strategies:

- i) Preventive measures such as e.g., regular maintenance schedules, supplier vetting
- ii) Contingency plans (e.g., backup suppliers, loan units, safety stock levels emergency repair protocols,).
- iii) Plans to protect against the risk of rates of exchange (ROE) and inflation fluctuations

c) Communication Plan:

- i) How risks and mitigation strategies are communicated to customers.

The scoring will be as follows:



Table 9 - Risk Management Plan Scoring

Performance	Description	Score
Very good	Comprehensive plans covering all 8 elements indicated relevant to medical equipment	3
Compliant	Comprehensive plans covering at least 7 elements indicated relevant to medical equipment	2
Requires attention	Comprehensive plans covering 5-6 elements indicated relevant to medical equipment	1
Inadequate	Comprehensive plans covering 4 or fewer elements indicated relevant to medical equipment, or no plan submitted.	0



6.5 PHASE 4: TECHNICAL SPECIFICATION REQUIREMENTS

6.5.1 During this phase bidders' responses will be evaluated based on technical requirements for each item offered on the pricing schedule. Non-compliance to the applicable requirements for each item below will result in disqualification of the relevant line item being evaluated.

6.5.2 The technical specification requirements evaluation is in two parts, **Part A and Part B**. Only items which comply with **Part A** of the evaluation requirements will be evaluated further in **Part B** of Phase 4 evaluation.

6.5.3 Compliant with Item Standards/Specifications Requirements

6.5.3.1 Items must comply with technical specifications (**Annexure A**) as stated in the bid document of each item. The technical specification as per the pricing schedule is a summary description and the attached **Annexure A** is the detailed technical Specification of all the items. Non-compliance to the technical specification requirement will invalidate the items to which the compliance is not adhered.

6.5.3.2 Where specific technical specifications and/ or standards, e.g., SABS, SANS, EU, ADA, CKS, BP, BPC, USP, USNE, EP, ISO, or DIN, are applicable on the item offered, the quality of products shall not be less than the requirements of the latest edition of such technical specifications and/or standard.

6.5.3.3 The State reserves the right to consider products that have a reasonable deviation from the technical specification. This is subject to the deviation providing a better output and provided that the deviation not causing functional harm to the target population and users that the product is aimed at and that the functional output of the item's technical specification is achieved. This will therefore be decided upon based on the expertise judgement provided for by the Bid Evaluation Committee

6.5.3.4 All products must be supplied new; second-hand or refurbished products or parts will not be accepted.

6.5.4 SUBMISSION OF ANNEXURE A - TECHNICAL SPECIFICATION SHEET (ALL GROUPS) FOR EACH ITEM OFFERED

6.5.4.1 Bidders must submit a completed **RT2-2025 Annexure A Technical Specification Documents** for relevant items offered only including also the alternative equipment offered on the bid. The technical Sheets must be submitted for all items offered at the closing date and time of the Bid.

6.5.4.2 Bidders must comment correctly in terms of compliance with the technical specifications indicated for each item. Where there is a deviation from the technical specification, bidders must indicate the deviation in relation to the specification concern.

**6.5.5 Workshop(s) requirements and footprint**

6.5.5.1 This bid requires that a bidder must have a workshop which is situated within South Africa to service all types of equipment offered to be procured by State institutions in different provinces. This should consist of the main workshop (s) and may include satellite workshops.

6.5.5.2 At least one workshop should be owned by the bidder. Where a bidder is outsourcing or having arrangements for workshops to service the Medical Equipment, an arrangement document (agreement) must be submitted at the closing date and time of the bid.

6.5.5.3 Bidders must submit proof of physical address (s) which is a municipal account(s) statement which is not older than three months from the bid closing date. The account holder should be the bidder.

6.5.5.4 Where there is an agreement with a third party, and the bidder is not the holder of the municipal account, the following documents must be submitted:

- a) A copy of the lease agreement signed by the third party and the bidder
- b) Proof of physical address (s) which is a municipal account(s) statement, not older than three months from the bid closing date. The municipal account holder should be the relevant third party.
- c) The rental invoice not older than three months (3) from the bid closing date.

6.5.6 The following are the minimum requirements for a workshop:

- a) **Space and Layout:** Adequate space for different workstations (e.g. testing, repair, calibration). Proper layout to ensure smooth workflow and avoid cross-contamination.
- b) **Infection Prevention and Control (IPC):** Separation of clean and dirty areas, including entrance. Proven substance used to decontaminate. IPC Standard operating procedures (SOPs) to ensure everyone adheres to protocol.
- c) **Safety and Compliance:** Compulsory wall charts (e.g. Summary of Basic Condition of Employment Act), Certificate of Compliance (e.g. Gas installation, Electricity). A copy of the Occupational Health and Safety Act. Proper disposal methods for hazardous materials. Safety apparel.
- d) **Documentation and Record Keeping:** Detailed records of all quality assurance tests and repairs. Maintenance logs for each piece of equipment including service manuals.
- e) **Quality Control:** Standard operating procedures (SOPs) for all processes and Regular audits and inspections to ensure compliance with quality standards.



6.5.7 Clinical Application Specialist

6.5.7.1 **The Clinical Application Specialist (CAS)** is a professional who will provide expertise and support for medical equipment, ensuring that healthcare providers effectively utilize the technology to improve patient outcomes. Their role is crucial in bridging the gap between the manufacturer and the end-user. It is required that the Clinical Application Specialist provide training during the installation and commissioning of the Medical Equipment on site.

6.5.7.2 The bidder must submit with the bid, curriculum vitae (CV), qualifications, and ID copy of the clinical application specialist for each equipment offered. The personnel must meet the below minimum requirements. Failure to submit the CV of the clinical application specialist for each item offered will disqualify the relevant item for which information is not submitted, or the personnel do not meet the minimum requirements.

6.5.7.3 The minimum requirements include the following:

- a) **Education:** A degree or National Diploma in a relevant field such as Nursing, Clinical Engineering, Clinical Technology, Medicine or equivalent.
- b) **Training Certifications** – Training Certification from the manufacturer for each equipment offered (The State reserve the right to verify that there was an assessment and competence certification for the relevant individuals)
- c) **Skill:** Ability to train healthcare staff on proper equipment usage.
- d) **Experience:** In-depth knowledge of medical equipment and its clinical applications in specific medical fields (e.g., for ventilators, a Professional Nurse with ICU background, and for Anaesthetic Machines, an Anaesthetist or Technical personnel or Clinical Technologist), Familiarity with regulatory standards compliance requirements and clinical protocol, Proficiency in using data/trends analytics to assess equipment performance, and Capacity to provide ongoing support and consultation post-installation.

6.5.8 Technical Personnel

6.5.8.1 It is required that formal advanced first-line technical maintenance training for the institution's technical personnel is offered at no extra cost by the bidder.

6.5.8.2 Bidder must submit with the bid, curriculum vitae (CV), qualifications, and ID copy of the technicians for each equipment offered. The personnel must meet the below requirements. Failure to submit the CV of the technician for each item offered will disqualify the relevant item for which information is not submitted, or the personnel do not meet the minimum requirements



6.5.8.3 The technician is responsible for maintaining, repairing, and ensuring the proper functioning of medical equipment used in healthcare settings. The requirements for a medical equipment technician include academic education, skills, and training certifications.

- a) **Education:** - Must have an associate's qualification in Clinical Engineering or engineering field or a related field.
- b) **Training Certifications** – Training Certification from the manufacturer for each equipment offered (The State reserve the right to verify that there was an assessment and competence certification for the relevant individuals)
- c) **Skills** - Technical skills in device troubleshooting and usage of different technical tools of trade.
- d) **Experience:** Internship or hands-on training in medical device maintenance, Previous experience in electronics or medical equipment is advantageous. Must have a specialization focus on specific types of equipment

6.5.9 **Quality Assurance Requirements**

6.5.9.1 Bidders are required to submit a valid compliance certificate at the closing date and time of bid relevant for each type of equipment offered on the bid. Failure to submit will invalidate your bid for the relevant item which the certificate is not submitted.

- a) **ISO / SANS 13485:2016** – Applicable to relevant equipment as indicated on the technical specification.
- b) **ISO/SANS 9001** - Applicable to relevant equipment as indicated on the technical specification

6.5.9.2 The holder of the certificates must be the original equipment manufacturer for the relevant items offered as indicated in the pricing schedule. Where a bidder is offering items from various manufacturers, certificates from all the manufacturers must be submitted. Failure to submit these documents will invalidate the item for which the certificate is not submitted.

6.5.10 All certificates submitted must be valid at the closing date of the bid. The State reserves the right to request a valid compliance certificate from the successful bidders in a case where the certificate expires during the transversal contract period. Should there be no valid certificate when requested, the State reserve the right to suspend any procurement of such item until a valid certificate is produced.

6.5.11 **Equipment /Product Certification**

6.5.11.1 Where the item technical specification indicates a requirement for SANS/ ISO, EN and IEC product certification, or European Union Medical Device Regulation (EU) 2017/745 (or equivalent from SAHPRA recognized jurisdictions), bidders are required to submit a certificate/ test report issued by an accredited institution (accredited by the relevant authority to conduct testing for the relevant standard) to prove compliance with the relevant standard indicated on the item technical specification.



6.5.11.2 The certification or test report scope must include the device model on offer. The holder of the certificates must be the original equipment manufacturer for the relevant items offered as indicated in the pricing schedule. The test report must be in the bidder's name or the original equipment manufacturer as indicated on the pricing schedule.

6.5.11.3 The certificate must be valid at the closing date of the bid. The SANS-related test reports must not be older than twenty-four (24) months at the closing date of the bid. All product certification and test reports must be in English.

6.5.11.4 Failure to submit a certificate/ test report will result in disqualification for the relevant item.

6.5.12 **Radiation Control Licence**

6.5.12.1 Where required on the technical specification, bidders are required to comply with the Hazardous Substance Act (Act 15/1973) for the equipment offered. In this regard, bidders must submit the Radiation Control licence for all relevant equipment as indicated on the item specification.

6.5.12.2 The licence must be registered under the bidder's name. Where the bidder is a joint venture, the license holder must be in the name of one of the parties in the joint venture.

6.5.12.3 Failure to comply with the above compliance requirements will result in the disqualification of the bid for such relevant item/s.

6.5.13 **Third-Party Authorization Letter of Undertaking**

6.5.13.1 Any bidder who is not an original Equipment Manufacturer (OEM) and who will be a Sub-Contracting partner (outsourcing) maintenance service must submit a valid Third-Party Undertaking letter (template provided as TCBD 13.2) in full for all relevant goods or services. The letter of undertaking from the manufacturer or sub-contracted partner must include but not be limited to the following:

- a) **In terms of equipment:** The letter must list the Item(s) number, item description, and brand/model name offered by the third-party manufacturer.
- b) **In terms of services offered by a third party (sub-contracted partners) –** the letter must list the type of service to be offered by the relevant sub-contractor partner for each item offered.
- c) The letter must be on the original service provider's letterhead, dated and signed.
- d) The letter must not be older than the date of the bid advertisement.
- e) The letter must have the third-party contact person's name, physical and postal address, telephone, and email details, and the capacity with which a person is signing the letter.
- f) All the information on the letter must be in English.

6.5.13.2 **In terms of the Equipment –** Only a letter of undertaking from an Original Equipment Manufacturer (OEM) will be considered. Therefore, any other authorization will not be accepted including



authorization from the local subsidiary of the OEM. Non-OEM parts, accessories and consumables will not be accepted.

- 6.5.13.3 **In terms of the Service (Maintenance)** – A letter of undertaking must be from the Subcontracting partner that the service for the product offered. The service partners must be the same as in paragraph 6.5.3 and the partners listed on paragraph 6.4.7.2.
- 6.5.13.4 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 bidder will be disqualified for all items and further, the State may exercise additional legal remedies available.
- 6.5.13.5 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.
- 6.5.14 **Tools of trade (testing equipment)**
- 6.5.14.1 Bidders should indicate on the pricing schedule provided the test equipment related to Medical Equipment that they are bidding for. In addition, a calibration certificate for each test equipment must be submitted as a supporting document. The calibration certificate must be in the bidder's name or that of the maintenance contracted third party.

PART B

- 6.5.15 **NB:** Only items that complied with **Phase 4 Part A** above will be evaluated in **Phase 4 Part B** of the technical specification requirements evaluation. The requirements for **Phase 4 Part B** are as follows:
- 6.5.16 **MANUFACTURERS TECHNICAL SPECIFICATION-BROCHURES –**
- 6.5.16.1 Only bidders who comply with Phase 4 Part A will be required to submit Manufactures Technical Specification Brochures. The date, time and method of submission of the brochures will be communicated only to the short-listed bidders for the relevant items.
- 6.5.16.2 Bidders must supply the original OEM brochure for each item requested, in colour and identifiable with the OEM's original logo and model number. Supplied brochures must provide details on the operation and functional description of the item offered. The technical sheet must have fully comprehensive technical characteristics outlined for each item offered. The brochure must not be self-made by the bidder.
- 6.5.16.3 Any contradiction between the brochure information and the physical sample submitted may disqualify the relevant item.

**6.5.17 SAMPLES SUBMISSION FOR VISUAL SCREENING EVALUATION**

- 6.5.17.1 All items must comply with technical specifications as provided in this bid as stated in the technical specification detail of each item. Failure to comply will invalidate the items concerned.
- 6.5.17.2 Bidders are required to submit samples for visual screening evaluation for all items offered to verify compliance with technical specifications. Failure to submit the samples as required will invalidate the bid for the items for which samples are not submitted.
- 6.5.17.3 The submitted sample must match the exact brand and manufacturer specified in the pricing schedule. Any samples that do not meet this requirement, including those from different manufacturers or brands, will be disqualified.
- 6.5.18 The state reserves the right to subject any of the required samples to clinical evaluations, applications, or tests at any State facility during the evaluation process to verify compliance with the technical specifications' requirements. In this case, this will be arranged with the relevant bidder.

6.5.18.1 Sample Submission –

- a) The National Treasury will send a schedule indicating the date, time, place, and venue to short-listed bidders to submit samples for evaluation. Bidders' attention is drawn to the fact that a schedule for sample submission may be forwarded to bidders at short notice of at least two weeks before the date of sample submission. The request to submit samples may be immediately after the closing date and therefore bidders are required to be ready to submit the samples from the closing date of the bid.
- b) It is the responsibility of the bidder to ensure that correct contact details are provided in the bid document and to ensure that samples are submitted on time, at the correct venue.
- c) Where different sizes of the same item are called for against different item numbers, samples of each size must be submitted.
- d) All samples submitted must be a true representation of the product that will be supplied during the contract period.

6.5.18.2 Marking of samples to be submitted for Visual Screen Evaluation

- a) Samples must be marked on the outside with the bid number, bid item number, and the bidder's name. This detail must appear on a label attached to each box.
- b) Failure to comply with this condition may invalidate the bid against the relevant item.

6.5.18.3 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 the National Treasury has issued a request to bidders to collect the samples, the samples will be



disposed of at the discretion of the National Treasury.

6.6 PHASE 5: PRICE AND SPECIFIC GOALS

6.6.1 Pricing Schedule and Structure Requirements

- 6.6.1.0 Prices quoted must be furnished based on “delivered to State facility” country-wide inclusive of VAT.
- 6.6.1.1 Prices quoted must be all-inclusive considering supply, delivery, installation, commission, training and maintenance including all warranties.
- 6.6.1.2 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. Bidders are required to complete a mandatory Pricing Schedule as a response to how much the items offered will be charged.
- 6.6.1.3 All Medical Equipment should be supplied with standard accessories including the starter pack for consumables enabling the Medical Equipment to function upon commissioning.
- 6.6.1.4 The cost of the standard accessories including the starter pack for consumables items should be included in the price of each item offered.
- 6.6.1.5 Minimum requirements for the standard accessories including the starter pack for consumables is indicated but not limited to the provided detailed technical specifications.
- 6.6.1.6 The bid price must be inclusive of the warranty period of twenty-four (24) months which will be effective from the date of commissioning and should cover all applicable maintenances.
- 6.6.1.7 Replacement accessories must be quoted separately on the provided pricing schedule without changing the unit of measure.
- 6.6.1.8 The cost of maintenance will be evaluated. Failure to include the maintenance cost price for relevant items which the maintenance is required may invalidate the items concerned.
- 6.6.1.9 Prices submitted 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.
- 6.6.1.10 Conditional discounts offered will not be taken into consideration during evaluation.
- 6.6.1.11 Due diligence on market-related pricing reasonability may be conducted. The State reserves the right to disqualify bid offers that are under-quoted and or are above market value. In this case, the bidder may be required to submit supporting documentation to the State to prove that the pricing is not under-quoted or above market value.
- 6.6.1.12 The Pricing Schedule (**Annexure B**) must be submitted online via E-tenders Portal which must be included in the bid document and in an Excel, at the closing date and time of the bid



- 6.6.1.13 All units offered must be of the latest model – bidders should state the date of initial manufacture of the model range offered in the pricing schedule response field. All parts must be supplied new; no second-hand or refurbished parts will be accepted.
- 6.6.1.14 Outright Purchases - The equipment price quoted must be an all-inclusive amount with the following cost included:
- a) The equipment amounts.
 - b) Pre-installation inspection Cost
 - c) Delivery Cost
 - d) Installation Cost (where applicable)
 - e) Commissioning of the equipment to be in a working condition after installation.
 - f) Training
 - g) Minimum 24-month warranty and guarantee.
 - h) Starter-pack consumables enabling the Equipment to function upon delivering and or commissioning.
- 6.6.1.15 The cost of the standard accessories including the starter pack for accessories and consumables items indicated on the item technical specifications must be included in the price of each equipment.
- 6.6.1.16 Minimum requirements for the standard accessories including the starter pack for consumables are indicated but are not limited to the provided detailed technical specifications. Bidder must offer all starter
- 6.6.2 **Maintenance Cost Post 24 months Warranty (Annual Fee)**
- a) Where Maintenance is indicated as required, bidders must offer a maintenance fee each year for five (5) years. The year cost of maintenance will be evaluated.
 - b) Failure to include the maintenance cost price for relevant items for which the maintenance is required may invalidate the items concerned.
- 6.6.3 **Warranty / Guarantee Periods and Repair of Equipment**
- 6.6.3.1 A minimum warranty/guarantee of 24 months is required on all equipment purchased outright.
- 6.6.3.2 Bidders must confirm in the pricing schedule for each equipment, the warranty/guarantee period.
- 6.6.3.3 Sufficient spare parts for electronic equipment must be available for a minimum period of seven (7) years from when the equipment has been procured.
- 6.6.4 **Declaration Of Product Discontinuation**
- 6.6.5 Bidders are required to complete in full the– **Declaration form Annexure C for any** product offered that is in the process or is planned to be discontinued by the original equipment manufacturer. The state



reserves the right not to consider any item offered that is currently or is planned within the first 18 months of the contract to be Discontinued.

- 6.6.6 Failure to disclose the above and the item is subsequently awarded, may result in the state terminating the contract for the relevant item for which a declaration was not made. The State reserve the right to institute penalty costs associated with the State having to instate alternative sourcing methods for the relevant item.

6.6.7 **Preferential Point System**

- 6.6.7.1 The pricing evaluation will be in terms of the Preferential Procurement Regulations as per 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 based on:

- a) The bid price (Maximum of 90 points)
- b) Historically disadvantaged individuals as well as specific goals (maximum 10 points)

- 6.6.7.2 The following formula will be used to calculate the points for the price out 90:

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

Where,

P_s = Points scored for the comparative price of a bid under consideration

P_t = Comparative price of a bid under consideration

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

6.6.7.3 **The Objective Criteria –**

- a) As per section 2(1) (f) of the PPPFA Act, it is the objective criterion to give preference to bids offering goods with local content and/or local value added of at least 30%.
- b) As per section 2(1) (f) of the PPPFA Act, it is the objective criterion to give preference to bids offers that Sub-Contract at least 30% of the contract (service part) to an EME or QSE company which is at least 51% ownership from historically disadvantaged Individuals.

6.6.7.4 **The following goals will be used to calculate the points for**

Table 10: Specific Goals Allocation Points

GOALS	POINTS
Preference points for equity ownership by historically disadvantaged Individuals who, due to the apartheid policy that had been in place had no franchise in national elections before the introduction of the Constitution of	2



the RSA, 1983 (Act 110 of 1983) or the Constitution of the RSA, 1993 (Act 200 of 1993), ("the Interim Constitution") and or	
Goals of the RDP - Local Manufacturing (locally produced product)	4
Goals of the RDP –Promotion of SMME through Sub-Contracting of the contract (service part) to an SMME company which is at least 51% ownership from historically disadvantaged Individuals.	4

- 6.6.7.5 The points scored by a bidder in respect of the goals indicated above will be added to the points scored for price.
- 6.6.7.6 SBD 6.1: Bidders are required to complete the SBD 6.1 and 6.1(a) forms to claim preference points. Only a bidder who has completed and signed the declaration part of the SBD 6.1 and 6.1(a) preference points claim forms will be considered for preference points.
- 6.6.7.7 The bidder's Central Supplier Database (CSD) report, CIPC registration documents, and Identity Documents (ID) copies submitted will serve as proof of ownership and directorship of the company.
- 6.6.7.8 Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender will not be allocated with the points claimed.
- 6.6.7.9 The State may, before a bid is adjudicated or at any time, require a bidder to submit any relevant additional supporting documents to substantiate claims it has made about preference.
- 6.6.7.10 Points scored will be rounded off to the nearest 2 decimals.
- 6.6.7.11 If two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for the specified goals. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- 6.6.7.12 As per section 2(1) (f) of the PPPFA Act, a contract may, on reasonable and justifiable grounds be awarded to a bid that did not score the highest number of points to achieve the objective criteria of the State to consider bids that:
- a) Is offering goods with at least 30% of local content and/or local value added.
 - b) Bids that Sub-Contract at least 30% of the contract (service part) to an EME or QSE company which is at least 51% ownership from historically disadvantaged Individuals
- 6.6.7.13 Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.
- 6.6.7.14 **Specific goals with Proof of equity ownership requirements and related matters**



- a) The following formula must be applied to calculate the number of points out of 10 for specific goals:

$$\text{PSSG} = \text{MPA} \times \frac{\text{POE}}{100}$$

Where:

PSSG= Points scored for a specific goal

MPA = Maximum points allocated for a specific goal

PEO = Percentage of equity ownership by an HDI

- b) The specific goals contemplated in the paragraph above and are related to equity ownership must be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company's shares that are owned by individuals, who are actively involved in the management of the enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.
- c) If the percentage of ownership contemplated in the paragraph above changes after the closing date of the tender, the tenderer must notify the Office and such tenderer will not be eligible for any preference points.
- d) Equity in private companies must be based on the percentage of equity ownership.
- e) Preference points may not be awarded to public companies and tertiary institutions.
- f) Equity claims for a Trust may only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust.
- g) Documentation to substantiate the validity of the credentials of the trustees contemplated in the paragraph above must be submitted to the Office.
- h) A consortium or Joint Venture may claim points for specific goals, based on the percentage of the contract value managed or executed by individuals who are actively involved in the management or exercise control of the respective parties of the consortium or Joint Venture.
- i) A tenderer who does not submit proof of ownership may not be disqualified from the bidding process but will be allocated zero points for the relevant specific goals for ownership.

6.6.7.15 Specific Goals in relation to locally produced products

- a) Preference points may only be claimed for products, which will be manufactured (fabricated, processed, or assembled), in the Republic of South Africa. In cases where production has not



yet commenced at the time of bid closure, evidence shall be produced that at the time of bid closure, the bidder was irrevocably committed to local production of the product.

- b) Local content means the portion of the product represented by the costs of components, parts, or materials that have been sourced locally whether by the bidder or its supplier of the product and the portion of the product cost that is manufactured/assembled and packaged locally whether by the bidder or its supplier of the product. The packaging includes the inner and shelf packaging/ container of the product.
- c) Imported content means the portion of the product represented by the costs of components, parts, or materials that have been or are still to be imported whether by the bidder or his suppliers.
- d) Bidders must indicate in the pricing schedule (Annexure B) which product(s) [item number(s)] is/are manufactured locally and indicate the local content % of each product/item in relation to the bid price.
- e) **The following formula must be applied to calculate the number of points out of the points allocated to Local Content and Production for specific goals:**

$$\text{PSLC} = \text{MLC} \times \text{PLC} / 100$$

Where:

PSLC= Points scored for local content

MLC = Maximum points allocated for Local Content

PLC = Percentage of Local Content for product offered

- f) The definition of a locally produced product will be limited to at least the conversion process (substantiated value adds) being in the Republic of South Africa.
- g) Substantial supporting documents may be required at any point in time before and post-award of the contract. Due diligence, which includes site visits, may be conducted in this regard. In the event of a contract being awarded as a result of points claimed, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct. If the claims are found to be incorrect, the State, in addition to any other remedy it may have –
 - i) Recover all costs, losses, or damages it has incurred or suffered as a result of the bidder's conduct.
 - ii) Cancel the contract and claim any damages that it has suffered as a result of having to make less favourable arrangements due to such cancellation.
 - iii) Impose a financial penalty more severe than the theoretical financial preference



associated with the claim that was made in the bid.

6.6.7.16 Specific Goals in relation to bids that are Sub-Contracting the contract (service part) to an SMME company which is at least 51% ownership from historically disadvantaged Individuals.

- a) These preference points must be claimed by bidders who are sub-contracting a portion of the value of the contract to an **SMME** as defined below which is at least 51% owned by historically disadvantaged individuals.
- b) **The following formula must be applied to calculate the number of points out of the points allocated to bidders that sub-contract to an EME or QSE company:**

Table 11: Formular for Sub-Contracting Points

#	Allocation of Points	Points
1	Sub-Contracting to four (4) and above SMME	4
3	Sub-Contracting to three (3) SMME	3
4	Sub-Contracting to two (2) SMME	2
5	Sub-Contracting to one (1) SMME	1
6	Sub-Contracting to zero (0) SMME	0

- c) **Only bidders who have met the following requirements will be considered for the allocation of points:**
 - i) Sub-contracting partners who registered on the Central Supplier Database (CSD) and whose MAAA number or CSD report has been submitted
 - ii) Only Sub-Contracting partners that have been listed on a summary list of all sub-contracting partners (TCD13.1) as required in paragraph 6.2.1.6 will be considered.
 - iii) Only Sub-Contracting partners to the bidder that have submitted a valid letter of undertaking (TCD 13.2 authorization letter) as indicated in paragraph 6.5.13.1b) above
 - iv) Only sub-contracting partners whose workshop facilities have complied with the requirements under technical requirements (Phase 4 of the evaluation) will be considered for this criterion.
 - v) Signed agreements between the bidder and the Sub-Contracting partner and OEM training certificates (issued to the technicians of the sub-contracting partners for the relevant equipment) must be submitted within 6 months of the contract period.

6.6.8 Applicable Taxes

- a) All bid prices must be inclusive of all applicable taxes.
- b) All bid prices must be inclusive of fifteen per cent (15%) Value Added Tax.



- c) Failure to comply with this condition may invalidate the bid.

6.6.9 Cost Breakdown

6.6.9.0 Bidders are requested to submit the cost breakdown of their pricing for each item offered on the response fields allocated on the pricing schedule for each item offered. The cost breakdown submitted will be utilized during the price adjustment considerations.

6.6.9.1 Bidders should itemize the cost of each item into various components which are cost-drivers. The cost needs to be broken down into direct and indirect costs. Each cost driver should be assigned a percentage of the total cost.

6.6.9.2 Example:

Table 12: Example of Cost Breakdown

Cost-driver	% Total Cost
Imported raw material	30%
Local raw material	20%
Labour	15%
Transport	30%
Other (Indicate)	5%
The total % of the item	100%

6.6.10 TCD 14 Historical Exchange Rates

6.6.10.1 In terms of cost price adjustment, bidders should make use of any relevant currency for the items offered by calculating the average for the period 1 March 2024 to 31 August 2024 using the Reserve Bank published rates for the specific currency. Bidders are to visit <https://www.resbank.co.za/> to obtain the relevant rates. Reference to **TCD 14** on the procedure to download historical exchange rates from the Reserve Bank website for instructions.

6.6.11 Responsive Bids

6.6.11.1 Bidders are required to submit responsive bids by completing all pricing and item information on the provided pricing schedule (Annexure B) for the individual items and all required forms. Non-submission of the pricing schedule (Annexure B) will invalidate the bid response.



7. PART 2: ADDITIONAL BID REQUIREMENTS

7.1 TERMS AND CONDITIONS OF BID

7.1.1 Counter Conditions

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

7.1.1.2 The National Treasury reserves the right to change or supplement any information or to issue any addendum to this bid before the closing date and time. The National Treasury and its officers, employees, and advisors will not be liable in connection with either the exercise of or failure to exercise this right.

7.1.1.3 If the National Treasury exercises its right to change or supplement information in terms of the above clause, it may seek amended bid documents from all bidders.

7.1.2 Fronting

7.1.2.1 The National Treasury supports the spirit of broad-based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves by the Constitution and in an honest, fair, equitable, transparent, and legally compliant manner. Against this background, the National Treasury does not support any form of fronting.

7.1.2.2 The National Treasury, in ensuring that bidders lawfully conduct themselves will, as part of the bid evaluation processes, conduct, or initiate the necessary inquiries/investigations to determine the accuracy of the representation made in this bid document. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade, Industry, and Competition, be established during such inquiry/investigation, the onus will be on the bidder to prove that fronting does not exist.

7.1.2.3 Failure to do so by the bidder within fourteen (14) days from the date of notification by the National Treasury may invalidate the bid/contract and may also result in the restriction of the bidder from conducting business with the public sector for a period not exceeding ten (10) years, in addition to any other remedies the National Treasury may have against the bidder concerned.

7.2 SUBMISSION OF BIDS

7.2.1 ONLINE BID SUBMISSION

7.2.1.1 Bidders must submit their bids online through the e-Tender Publication portal. Manual or hardcopy bids are not acceptable.

7.2.1.2 E-Tender publication portal can be accessed at the following link: <https://www.etenders.gov.za/>



- 7.2.1.3 The guide for online bid submission is attached as Annexure D
- 7.2.1.4 Bidders to adhere to all the rules for the online bid submission. Bidders' attention is drawn to the sequential submission format as per the checklist in Table 1.
- 7.2.1.5 The Technical Specifications and Pricing Schedule (Annexures A and B) should be in an XLSX Excel sheet format and not any other format.
- 7.2.1.6 Non-compliance with online bid submission WILL invalidate the bidder's response.

7.3 **LATE BIDS**

- 7.3.1 Bids received after the closing date and time will NOT be accepted for consideration.

7.4 **COMMUNICATION AND CONFIDENTIALITY**

- 7.4.1 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 before the award of the transversal contract, or extend the validity period of the bid, if necessary.
- 7.4.2 Any communication to any State official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.
- 7.4.3 Whilst all due care has been taken in connection with the preparation of this bid, the National Treasury makes no representations or warranties that the content in this bid or any information communicated to or provided to bidders during the bidding process is, or will be, accurate, current, or complete. The National Treasury, and its officers, employees, and advisors will not be liable concerning any information communicated which is not accurate, current, or complete.
- 7.4.4 If a bidder finds or reasonably believes it has found any discrepancy, ambiguity, error, or inconsistency in this bid or any other information provided by the National Treasury (other than minor clerical matters), the bidder must promptly notify the National Treasury in writing of such discrepancy, ambiguity, error or inconsistency to allow the National Treasury to consider what corrective action is necessary (if any).
- 7.4.5 Any actual discrepancy, ambiguity, error, or inconsistency in this bid or any other information provided by the National Treasury will, if possible, be corrected and provided to all bidders without attribution to the bidder who provided the written notice.
- 7.4.6 All communication between the bidder and the National Treasury TC office must be done in writing as per the Contact Details below.
- 7.4.7 No representations made by or on behalf of the National Treasury about this bid will be binding on the National Treasury unless that representation is expressly incorporated into the contract ultimately entered between the National Treasury and the successful bidder(s).



7.4.8 All persons (including all bidders) obtaining or receiving this bid and any other information in connection with this bid, or the tendering process must keep the contents of the bid and other such information confidential, and not disclose or use the information except as required for developing a response to this bid.

7.5 **CONTACT DETAILS**

7.5.1 **General:** - National Treasury, Office of the Chief Procurement Officer, Chief Directorate: Transversal Contracting, Private Bag x115, Pretoria, 0001. Physical address: 240 Madiba Street, corner Thabo Sehume and Madiba Streets, Pretoria

7.5.2 **Bid Enquiries:** - All inquiries should be in writing to Demand.Acquisition2@treasury.gov.za and copy Brenda.Mashifane@treasury.gov.za and Melita.Makgato@treasury.gov.za

7.5.3 The closing date for receipt of all inquiries is 23 October 2024. All inquiries beyond the closing date will not be considered.



8. **PART 3: RECOMMENDATION AND APPOINTMENT OF BIDDERS**

8.1 Once the evaluation process is complete there will be a recommendation report by the Bid Evaluation Committee (BEC) to the Bid Adjudication Committee (BAC) which has the authority to either support (approve) or not support (not approve) the recommendation/s and appointment/s.

8.2 On approval of the recommendation/s and appointment/s, the successful bidder(s) will sign an appointment letter together with the master transversal agreement for the supply, delivery, installation, commissioning, training and maintenance of medical equipment of this bid, and the unsuccessful bidder(s) will be informed accordingly. The following paragraphs will be applicable when the BEC makes the recommendation to the BAC.

8.3 **Tax Compliance Requirements**

8.3.1 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 the South African Revenue Service (SARS) to meet the bidder's tax obligations.

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

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

8.3.4 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 SARS.

8.4 **Multiple Award**

7.3.1 The State reserves the right to award the same item to more than one (1) bidder to address item availability and compatibility. Benchmarking will be applied to ensure that pricing is affordable, market-related, and aligned to end-user requirements. The maximum number of bidders per item to be awarded will be at the discretion of BEC.

8.5 **Negotiations**

8.5.1 The State reserves the right to negotiate with the shortlisted bidders before or after the award. The terms and conditions for negotiations will be communicated to the shortlisted bidders before the invitation to negotiations. This phase is meant to ensure value for money is achieved through the measure of quality that will assess the monetary cost of the items or services against the quality and or benefits of that item or services.

8.6 **Due Diligence**

8.6.1 The State may conduct due diligence before the 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 is verified and any misrepresentation thereof may disqualify the bid in whole or parts thereof.

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

8.7 **Right of Award**

8.7.1 The State reserves its following rights -

8.7.1.1 To award the bid in part or in full,

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

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

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

8.7.1.5 Not to accept any of the bids submitted,

8.7.1.6 To withdraw or amend any of the bid conditions by notice in writing to all bidders before closing of the bid and post-award, and

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



SECTION C: CONDITIONS OF CONTRACT

9. CONCLUSION OF CONTRACT

- 9.1 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.
- 9.2 The Service Provider (s) shall be appointed in terms of this bid. The following will form part of the contract documents between the Parties as far as this RT2-2025 is concerned:
- 9.2.1 Bid Documents
 - 9.2.2 Letter of Appointment
 - 9.2.3 Award Documents
 - 9.2.4 Transversal Contracting Agreement (TCA) (signed between National Treasury and successful bidder)
 - 9.2.5 Service Level Agreement (signed between the successful bidder and end-user)
- 9.3 If there is any contradiction between the abovementioned documents, the special conditions of the contract shall take precedence. For Section B, the term "service provider" shall refer to the preferred bidder appointed in terms of the RT2-2025 transversal contract.

10. PARTICIPATING STATE INSTITUTIONS

- 10.1.1 This transversal contract RT2-2025 is intended to be utilized by various organs of the State as listed below:

Table 13: Participating Government Institutions

#	DEPARTMENT NAME
1	Department of Health: Eastern Cape
2	Department of Health: Free State
3	Department of Health: Gauteng
4	Department of Health: Kwa-Zulu Natal
5	Department of Correctional Services
6	Department of Health: Mpumalanga
7	Department of Health: North-West
8	Department of Health: Northern Cape

11. POST-AWARD PARTICIPATION

- 11.1 PFMA public institutions listed in Schedules 1, 2, 3A, 3B, 3C, 3D and Local Government may send an application to the National Treasury post-award to request participation in the transversal contract.
- 11.2 In terms of Treasury Regulation 16A6.5 Accounting Officer/Accounting Authority of National and Provincial departments, constitutional institutions, and public entities listed in schedules 1, 3A, and 3C



to the PFMA may opt to participate in a transversal contract facilitated by the relevant treasury.

- 11.3 Regulation 32 of the Municipal SCM Regulations provides that a Supply Chain Management policy may allow the accounting officer to procure goods or services for a municipality or municipal entity under a contract secured by another organ of the state.

12. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

12.1 Contract Administration

- 12.1.1 The administration and facilitation of the transversal contract is the responsibility of the National Treasury and all correspondence in this regard must be directed to the Transversal Contracting Department via email on TCcontracts2@treasury.gov.za
- 12.1.2 Suppliers must advise the Chief Directorate: Transversal Contracting, National Treasury immediately when unforeseeable circumstances will adversely affect the execution of the transversal contract. Full particulars of such circumstances as well as the period of delay must be furnished.

12.2 Supplier Performance Management

- 12.2.1 Supplier performance management will be the responsibility of the purchasing institution and where supplier performance disputes cannot be resolved between the supplier and the relevant purchasing institution, National Treasury: Transversal Contracting must be contacted for corrective actions.
- 12.2.2 Supplier performance rating Form (to be provided for by the National Treasury after the bid award) will be instituted, and every supplier must complete it to ensure good performance.
- 12.2.3 End-user State institutions are required to report to the National Treasury on where supplier's performance is not satisfactory.
- 12.2.4 Successful suppliers will have their performance scored. National Treasury will provide a template that will be used to measure overall performance in terms of the transversal contract. Suppliers who score an unacceptable performance rating may not be awarded future contracts of the same bid and may have the transversal contract terminated before the end of the transversal contract period.

13. CONTRACT PRICE ADJUSTMENT

Price adjustments will only be applicable to any new/additional equipment or consumables procured from the transversal contract. No price adjustment will be implemented on the Service Level Agreement (maintenance contract) that has already been entered into between the State Institutions and the Supplier.

Price Adjustments for equipment and consumables will be based on Rate of Exchange and inflation as per the StatsSA indices. Maintenance price adjustments will be calculated using ONLY StatsSA indices.



13.1 Formula

- 13.1.1 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.
- 13.1.2 Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.
- 13.1.3 The following price adjustment formula will be applicable for calculating contract price adjustments (CPA).

Table 14: 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

13.2 Formula component definitions

13.2.1 Adjustable amount

- 13.2.1.1 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.

13.2.2 Fixed portion

- 13.2.2.1 The fixed portion represents those costs that will not change over the adjustment period and do 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.



13.2.3 Cost components and proportions

- 13.2.3.1 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 that 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.
- 13.2.3.2 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.
- 13.2.3.3 Successful bidders who are direct importers of raw material / finished products 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 15: 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

13.2.4 Applicable indices/references

- 13.2.4.1 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 references will be applicable:

Table 16: Applicable Indices/References

Cost component	Index Publication	Index Reference
D1 – Imported Finished product (if applicable);	Reserve bank ROE publication	As published by the Reserve Bank
D2 - Local Finished product (if applicable);	Specify (STATS SA Index)	STATS SA Table (Specify)
D3 – Labour	STATS SA P0141 (CPI), Table E	Table E - All Items (CPI Headline)
D4 – Transport	Stats SA P0141 (CPI) -Table E	Transport – Other Running Cost



Cost component	Index Publication	Index Reference
D5 – Overheads	Specify (STATS SA Index)	STATS SA Table (Specify)
D6 – Other	Specify (STATS SA Index)	STATS SA Table (Specify)

13.2.5 Base index date

13.2.5.1 The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid, the base index date is **September 2024**.

13.2.6 End index date.

13.2.6.1 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).

13.2.7 Price adjustment periods

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

Table 17: 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	13 March 2026	January 2026	1 May 2026
2nd Adjustment	12 March 2027	January 2027	1 May 2027
3rd Adjustment	10 March 2028	January 2028	1 May 2028

13.2.8 Rates of exchange (RoE) – Base and average rates

13.2.8.1 If material and/or finished products are imported the following will apply:

13.2.8.2 The formula described above will be used and the imported cost component of the bid price (D1) will be adjusted considering the base RoE rate referred paragraph in the below paragraph and the average RoE rate over the period under review indicated in the below paragraph.

13.2.8.3 If 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 the paragraph below for the later invoice.

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



- 13.2.8.5 The Rate(s) of exchange to be used in this bid in the conversion of the bid price of the item (s) to South African currency is indicated in the table below.

Table 18: CPA Rate of Exchange

Currency Name	Rates of exchange: 1 March 2024 to 31 August 2024
US Dollar	18.47
Euro	20.02
Pound	23.51

- 13.2.8.6 Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period **1 March 2024 to 31 August 2024** using the Reserve Bank published rates for the specific currency. Visit www.reservebank.co.za to obtain the relevant rates. Please refer to TCBD 14 (Procedure to download historical exchange rates from the Reserve Bank website) for instructions.

- 13.2.8.7 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 19: Rate of Exchange Average Periods

Adjustment	Average exchange rates for the period:
1 st Adjustment	1 September 2025 to 28 February 2026
2 nd Adjustment	1 September 2026 to 28 February 2027
3 rd Adjustment	1 September 2027 to 29 February 2028

13.2.9 General

- 13.2.9.1 Unless prior approval has been obtained from the National Treasury, Transversal Contracting, no adjustment in contract prices will be made.
- 13.2.9.2 Application for price adjustment must be accompanied by documentary evidence in support of any adjustment.
- 13.2.9.3 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.
- 13.2.9.4 If 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.

13.2.9.5 Bidders are referred to in the paragraph regarding counter conditions.

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

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

14. DELIVERY ADHERENCE, ORDERS AND PAYMENTS

14.1 Orders

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

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

14.1.3 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 Supplier deviate from the orders issued by the purchasing State institutions.

14.1.4 The State is under no obligation to accept any quantities which are more than the ordered quantities.

14.2 Delivery Adherence

14.2.1 Delivery of items must be made as per the instructions appearing on the official purchase order forms issued by purchasing State institutions.

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

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

14.2.4 Deliveries not complying with the purchase order forms will be returned to the Supplier(s) at the Supplier's expense.

15. RISK (INSURANCE)

15.1.1 During the period of delivery until commissioning, the supplier(s) shall be responsible for all risk of loss, theft or damage to the medical equipment.

15.1.2 Any Medical Equipment taken out of participating State Institution premises for any maintenance activity to the supplier's premises, the supplier shall be responsible for all risk loss, theft or damage to the medical equipment and will be expected to replace the item in case it is lost/damage.



- 15.1.3 In the case that there is an adverse event resulting from malfunction of the medical equipment, where the medical equipment is maintained by OEM recommendation, the supplier will be liable for the litigation arising from the incident.

16. ITEM REQUIREMENTS

- 16.1 All equipment and software offered must be of the latest approved models as would have been awarded. Suppliers should state the date of initial manufacture of the model range offered in the pricing schedule.
- 16.2 All accessories, consumables, and spare parts must be supplied new, and no second-hand or refurbished accessories, consumables, or spare parts will be accepted.
- 16.3 The expected lifespan where applicable of all items offered must be stated in the pricing schedule (Minimum requirement is 7-10 years).
- 16.4 The Supplier should ensure that the accessories, consumables, and spare parts of the awarded items are guaranteed to be available for the life cycle of the awarded item.

17. WARRANTY PERIOD

- 17.1 The warranty must be specific to the appropriate Medical Equipment.
- 17.2 A minimum warranty/guarantee of twenty-four (24) months is required on all equipment purchased outright.
- 17.3 Sufficient spare parts for electronic equipment must be available for a minimum period of seven (7) years from when the equipment has been procured.
- 17.4 The warranty must cover all items against manufacturing defects, installation, commissioning, materials and poor workmanship. In a case where corrective maintenance is carried out more than twice in a twelve-month (12) period on a piece of equipment, the supplier must provide a technical report for the institution to evaluate the reliability of the equipment. Technical report outcomes may lead to the invocation of clause 17.6.
- 17.5 Should a manufacturing defect be detected within a thirty (30) day period, the supplier(s) shall replace the medical equipment with a new one at no extra cost to the participating State Institution.
- 17.6 Supplier(s) are obliged to replace the failed, unsafe and defective medical equipment during the warranty period within 60 days of this determination.

18. WARRANTY AND MAINTENANCE

- 18.1 Software updates and upgrades to be included at no extra cost.
- 18.2 Repair costs due to the participating State institution's negligence will be for the participating State institution's account.
- 18.3 Supplier(s) must submit service certificates and test sheets of all awarded items for every maintenance activity conducted as per OEM recommended intervals, commencing from the warranty period.



- 18.4 It is required that the supplier(s) must keep records of locations where medical equipment has been installed. These records must be accessible to participating State institutions.
- 18.5 Throughout the warranty period and the maintenance plans (where applicable), the supplier(s) must ensure the medical equipment is functioning optimally.
- 18.6 During the warranty period, including the maintenance plan (where applicable), maintenance must be carried out at intervals specified by the medical equipment OEM without being requested to do so by the participating State institution. The supplier(s) must notify and make arrangements with the participating State institutions before scheduling the maintenance
- 18.7 BEC reserves the right to conduct due diligence on the maintenance of the medical equipment at any period before or after post-award to verify if the supplier(s) complies with maintenance requirements.

19. FIVE (5) YEAR COMPREHENSIVE MAINTENANCE

- 19.1 After the warranty has expired, a five (5) year Comprehensive Maintenance Plan shall commence immediately. Where a participating State institution(s) chooses not to part-take in the Comprehensive Maintenance Plan, the repair and maintenance of medical equipment must still be conducted by an OEM-authorized supplier.
- 19.2 All spares, calibration, and maintenance as per OEM technical specification requirements for maintenance activities should be included in the Comprehensive Maintenance Plan.
- 19.3 In a case where corrective maintenance is carried out more than twice in a twelve-month (12) period on a piece of equipment, the supplier must provide a technical report for the institution to evaluate the reliability of the equipment. Technical report outcomes may lead to the invocation of 17.6.
- 19.4 The price offered for the Maintenance Plan will be evaluated with the medical equipment price and its accessories and consumables.
- 19.5 Participating State Institution not procuring the Maintenance Plan Post Warranty**
- 19.5.1 Bidders are required to give cost on the Annexure B pricing schedule, for the callout fee which will apply to all end-users in the RT2-2025 contract who did not opt to procure a maintenance plan for medical equipment under RT2 including previous contract cycles including the supplementary contracts.
- 19.5.2 This call-out fee should be inclusive of all relevant costs and minor repairs. There will not be any additional costs such as travelling costs or accommodation that will be paid separately.
- 19.5.3 There will not be any charge for callout fees for equipment under warranty.
- 19.5.4 After the assessment is conducted, and it is determined that a major repair is required, on-site or at the supplier's site, the supplier will provide a separate quote for replacement spare parts and or repair costs.
- 19.5.5 Supplier (s) must not charge for any travelling, accommodation, and equipment assessment outside the call-out fee as it is expected that all suppliers have a footprint in all regions in the country.



20. EQUIPMENT UPGRADES AND REPLACEMENT

- 20.1 If a Supplier(s) is awarded a specific brand and model, it is required of that Supplier(s) to continue to supply the awarded item throughout the transversal contract period. The Supplier(s) is still liable for the maintenance and after-sales support of the delivered item(s) for the relevant equipment.
- 20.2 Should the Supplier(s) fail to fulfil the responsibility as per 20.1 above, the State reserves the right to seek necessary remedies (e.g., request refund of the maintenance cost and the cost of alternative maintenance support, etc.)
- 20.3 **If the awarded Model is discontinued:**
- 20.3.1 The bidder must declare all the known discontinuation of any equipment offered as required in paragraph 6.6.4 above.
- 20.3.2 Should there be a notification issued during the contract period regarding the discontinuation of a product awarded in terms of the RT2-2025 contract, the successful bidder must notify the National Treasury of such an occurrence upon receipt of notification from the OEM detailing the maintenance and after-sales support of the delivered item(s),
- 20.3.3 Should the supplier fail to fulfil the responsibility, especially the notification as 20.3.1 above, the State reserves the right to seek necessary remedies (e.g. request replacement cost of the new item etc),
- 20.3.4 The Supplier(s) is required to submit supporting documents from the OEM substantiating the changes and guarantee spare parts for a minimum of seven (7) years for review by the BEC.
- 20.3.4.1 Model replacement will only take place once a year (annually) from the commencement of the transversal contract period and all requests should be submitted as per the below schedule. Should the model replacement request be submitted after the closing period to apply for a model replacement, it will be evaluated at the next proceeding meeting.
- 20.3.4.2 Furthermore, the Supplier(s) must note that the terms and conditions, including the price of the new model offered, will be the same as the initial awarded model.
- 20.3.5 Supplier(s) must not deliver a new model other than the model awarded to them before approval of model change from the National Treasury. Failure to adhere to this condition may lead to immediate termination of the Supplier and/or item on transversal contract.

Table 20: Model Replacement Periods

Period of Model Replacement	Date of Application Period	Evaluation Period	Effective Date to Supply Approved New Replacements
1st Period	1 – 30 September 2026	1 – 31 October 2026	1 November 2026
2nd Period	1 – 30 September 2027	1 – 31 October 2027	1 November 2027



20.3.6 The Supplier(s) is required to comply with and submit all documentation as indicated in Phase 4 - Technical Requirements Evaluation relevant to the equipment on which the application is made. In addition, the supplier will be required to submit a sample equipment for visual screening evaluation. All replacement models/ brands may be subjected to clinical evaluations.

20.3.7 National Treasury will communicate the venue, date and time at which the samples for visual screening shall be submitted. The application for model replacement must be submitted to the email: TCcontract1@treasury.gov.za.

20.3.8 The State reserves the right not to accept any application for brand or model replacement due to discontinuation of the model or brand awarded.

20.4 **If a Recall or Alert has been issued**

20.4.1 If there is a recall or alert on an awarded item by a Regulatory Body anywhere in the World:

- a) The Supplier(s) must notify the National Treasury and National Department of Health upon receipt of notification from the OEM of the occurrence and activate corrective measures immediately,
- b) For **any recalls**, the Supplier(s) is required to submit a mitigation plan and activate corrective measures to ensure uninterrupted service delivery and patient safety. In the event of litigation due to the Recall, the Supplier(s) will be held liable.
- c) Should it be known that the notification to the parties was held back without notification by the supplier, the National Treasury will exercise its remedies available which may include non-continuation of supply of the item(s) concerned.
- d) The Supplier(s) is obligated to distribute and display notification and remedial action of Recalls in the clinical areas of affected items within thirty (30) days.

20.4.1.2 In the case of an adverse event and/or medical litigation due to the non-communication of the Recall, the supplier(s) will be held liable.

20.4.1.3 Failure to comply with the above conditions may result in the termination of the item concerned.

21. **CATALOGUE**

21.1 Successful Supplier(s) will be required to compile a catalogue for RT2-2025 awarded items which will be published for participating State institutions within thirty (30) days, with item numbers, item descriptions, item images, model numbers, brand names, unit prices and post-warranty maintenance prices for each year for five (5) years. The catalogue must reflect the contents of the contract pricing.

21.2 Successful supplier(s) will also be required to send item images and other awarded item information together with the acceptance letter.

**22. TRAINING AND COMMISSIONING OF MEDICAL EQUIPMENT**

- 22.1 Initial participating State institution's training on a minimum of two (2) shifts must be provided by the successful supplier(s) as part of commissioning at no extra cost to the final bid price. Supplier(s) must detail the training that would be offered and indicate who would offer the training.
- 22.2 The training must be conducted for all clinical staff members as per the participating State institution's requirements.
- 22.3 The technical training must be conducted by an individual who is accredited by the OEM as a trainer. The supplier(s) must provide a test with results for the technical training to ensure the competency of the participating State institutions' personnel.
- 22.4 On-going training of participating State institutions will be required for the duration of the warranty of the medical equipment and thereafter as and when a need arises.
- 22.5 An acceptance certificate including a complete set of commissioning forms (e.g. warranty certificate, quality checks, etc) will be given to the participating State institution after the final acceptance of the medical equipment. User Care Information must be provided by OEM/Supplier(s), e.g. cleaning disinfection/sterilization method (for reusable medical equipment and accessories).
- 22.6 The supplier(s) is required to deliver the starter pack with the medical equipment order as listed in the detailed technical specification upon installation and commissioning.
- 22.7 Failure to deliver all the items ordered, e.g. starter pack and /or additional accessories, will result in payment to the supplier(s) not being processed.

23. SUPPORT

- 23.1 All information documents must be provided with the items and only be in English. Any documentation provided in any language other than English will not be considered and will be regarded as not submitted.

24. CONTINUITY OF SUPPLY

- 24.1 The supplier must maintain sufficient stock to meet demand throughout the contract and inform the National Treasury at first knowledge of any circumstances that may result in interrupted supply, including but not limited to:
- 24.1.1 Industrial action,
- 24.1.2 Manufacturing Pipeline
- 24.1.3 Any other supply challenges.
- 24.2 In terms of the General Conditions of Contract and Special Requirements and Conditions of Contract,



the participating authorities reserves the right to purchase outside of the contract to meet its requirements if:

- 24.2.1 The contracted supplier fails to perform in terms of the contract.
- 24.2.2 The item(s) are urgently required and not immediately available; []
- 24.2.3 In the case of an emergency.

25. PACKAGING AND LABELLING

25.1 Packaging

- 25.1.1 All deliveries made against this contract, in all modes of transport, are to be packed in suitable containers.
- 25.1.2 Packaging must be suitable for further dispatch, storage, and stacking according to Good Wholesaling Practice and Good Distribution Practices.
- 25.1.3 Packaging must be suitable for transportation and should prevent exposure to conditions that could adversely affect the stability and integrity of the product.
- 25.1.4 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.
- 25.1.5 Where a particular stacking and storage configuration is recommended by the supplier, this should be clearly illustrated on the outer packaging.
- 25.1.6 Where the contents of the shipper pack represent a standard supply quantity of an item, the following must be adhered to:
 - 25.1.6.1 Outer packaging flanges must be sealed with suitable tape that will display evidence of tampering.
 - 25.1.6.2 The contents must be packed in neat, uniform rows and columns that will facilitate easy counting when opened.
- 25.1.7 Where the contents of a shipper pack represent a non-standard supply quantity, the following must be adhered to:
 - 25.1.7.1 Outer packaging flanges must be sealed with suitable tape that will display evidence of tampering.
 - 25.1.7.2 The shipper pack must contain only one product, mixing of multiple items in a single shipper is not allowed.
 - 25.1.7.3 The outer packaging must be marked as a "Part Box".
- 25.1.8 Suppliers must ensure that products delivered are received in good order at the point of delivery.

25.2 Labelling

- 25.2.1 All containers, packing, and cartons must be clearly labelled. Bulk packs must be labelled in letters not



less than font size 48.

- 25.2.2 The following information must be clearly and indelibly printed on all shelf and shipper packs, including any part boxes packaging in at least English language:

Table 21: Labelling details

#	Details
1.	Proprietary name (if applicable)
2.	Name of the product
3.	A Product code as relevant
4.	The trade name or trademark of the manufacturer
5.	Size of the product
6.	Quantity of the contents
7.	Name of manufacturer
8.	Date of manufacture
9.	Name and address of importer/distributor (if not manufacturer)
10.	Expiry date (Where applicable)
11.	Batch/lot number. Products must have the same batch/lot number on the outer box as on the inner box.

25.3 Barcodes

- 25.3.1 It is mandatory that all products supplied must include a barcode (number plus symbology). All shipper, shelf, and unit packs must be marked with the appropriate number and symbology. The European Article Numbering Code 13 (EAN 13) has been accepted as standard.
- 25.3.2 Suppliers are encouraged to include a 2D barcode or similar on their packaging that will include the brand name, batch number, and expiry date.

26. ASSIGNMENTS AND CESSIONS OF CONTRACTS AND CHANGES IN CONTACT DETAILS

- 26.1 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 before such event of relevant details.

26.2 Assignments of Contract

- 26.2.1 Assignment of contract refers to the transfer of rights and obligations in a contract from an assigned to an assignee. The effect of this is that the service provider appointed through a competitive bidding process transfers the contract in its entirety that is, the obligation (the responsibility of rendering the services) and the right (of receiving payment for service rendered) to a third party that did not participate in the bidding process or a bidder that participated in the bidding process but was not successful.



26.2.2 Assignment of contracts is therefore not allowed as it will be contrary to principles of section 217 of the Constitution particularly, fairness, transparency, and competitiveness.

26.3 Cession of Contracts

26.3.1 Cession refers to the transfer of only the rights a service provider has in terms of a contract from it to a third party. Cession will be limited only to those cession agreements in favour of registered Financial Services Providers (FSP) and state institutions established for the express purpose of providing funding to businesses and entities (State Institutions).

26.3.1.1 The written request for cession must be by the service provider and not a third party, and the written request by the service provider must be accompanied by the cession agreement.

26.3.1.2 Cessions which are not from registered FSP will not be considered.

26.4 Changes in the Service Provider Contact Details

26.5 A contracted supplier must inform the National Treasury within 7 days of any changes of address, name, and or contact details.

27. POST-AWARD PRODUCT COMPLIANCE PROCEDURES

27.1 Suppliers must ensure that the product confirms the technical 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 supplier (at its own cost) to submit a product for testing to confirm compliance with the relevant item technical specification and requirements at the SANAS accredited institution.

27.2 The State reserves the right to conduct any sample or site inspection directly or through a third party appointed by the state.

28. REGISTRATION ON DATABASES OF PARTICIPATING INSTITUTIONS

28.1 Suppliers must ensure continuous compliance with all statutory requirements which may affect their complying status on the Central Supplier Database managed by the National Treasury.

28.2 All suppliers must ensure registration on all participating institutions within 30 days of accepting the award.

28.3 Suppliers must ensure that they register with all the participating institutions the items that they have been awarded in the contract. Suppliers must take note that the participating institutions have different systems that they use internally to capture awarded contract information including that of awarded suppliers. Suppliers are advised to communicate with provincial coordinators reflected on the contract circular.



28.4 Failure to meet this requirement will result in an inability to process orders and payments for goods.

29. MONITORING

29.1 Monitoring audits may be conducted periodically and randomly by the National Treasury, Participating Institutions, and or by a service provider appointed by the State to determine continuous compliance with the product and terms of the contract. The Participating Institutions, will monitor the performance of contracted suppliers and maintain a report for compliance with the terms of this contract as follows:

29.1.1 Compliance with delivery lead times

29.1.2 Percentage of orders supplied in full first time.

29.1.3 Compliance with reporting requirements according to reporting schedule.

29.1.4 Attendance of compulsory meeting: The National Treasury compulsory meetings with suppliers to review supplier performance. The schedules of the meetings will be sent to successful bidders.

29.2 The state may conduct a random audit(s) with or without prior appointment arrangements with the appointed Supplier(s).

29.3 The National Treasury will conduct meetings with the Participating Institutions and Suppliers to discuss transversal contracting issues.

29.4 The National Treasury may request Participating Institutions to impose penalties, where deemed necessary, as per Sections 21 and 22 of the General Conditions of Contract.

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

29.6 Reporting and Supplier(s) meetings and schedules will be communicated to successful bidders.

29.7 All successful Suppliers are required to submit historical value and volume reports via e-mail every quarter to: TCcontracts1@treasury.gov.za / TCcontracts2@treasury.gov.za

29.8 Detailed reporting requirements from Suppliers will be provided to awarded Suppliers.

30. TERMINATION

31. Termination of Contract

31.1.1 The State shall be entitled to terminate this agreement if one or more of the following occur: –

31.1.2 The Supplier decides to transfer the contract or cede the contract.

31.1.3 The supplier does not honour contractual obligations including the submission of information.

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



- 31.1.5 The supplier enters settlement arrangements with their creditors.
- 31.1.6 The supplier commits an act of insolvency.
- 31.1.7 If the supplier is a member of an unincorporated joint venture or consortium and the membership of such joint venture or consortium changes.
- 31.1.8 Due to poor performance rating during the contract period

32. Termination of Service Level Agreement (SLA)

- 32.1.1 Poor Service Delivery - A Service Level Agreement may be terminated by the recipient / end user on grounds of poor service delivery by the Supplier.
- 32.1.2 The grounds of poor service delivery must be proven through a prescribed remedial process as a service level agreement is a committed financial obligation on both the Supplier and the recipient/end user.
- 32.1.3 The recipient/end user will be able to terminate a service level agreement without honouring the outstanding months after following the prescribed remedial process stipulated in the SLA, it is proven that the bidder failed to remedy the poor provision of service.

END