



SPECIAL CONDITIONS OF CONTRACT

RT 302-2016

**SUPPLY AND DELIVERY OF SURGICAL SUTURES AND LIGATURES
TO THE STATE
FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2020**

**CLOSING DATE AND TIME OF BID:
29 August 2016 at 11h00**

BID VALIDITY PERIOD: 120 DAYS

BRIEFFING SESSION

Date : 11 August 2016

Time : 10h00

Place : National Treasury, 240 Madiba Street, Pretoria, Room 0901

**NATIONAL TREASURY
CONTRACT MANAGEMENT**



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ABBREVIATIONS

BAC	: Bid Adjudication Committee
B-BBEE	: Broad Based Black Economic Empowerment
CPA	: Contract Price Adjustment
CPI	: Consumer Price Index
ISO	: International Organisation for Standardisation
PPI	: Producer Price Index
STATSSA	: Statistics South Africa
ROE	: Rate of Exchange
SABS	: South African Bureau Standard
SANAS	: South African National Accreditation System
SBD	: Standard Bidding Document
TCBD	: Transversal Contract Bidding Document
VAT	: Value- Added Tax

BID DOCUMENTS CHECK LIST

BID DOCUMENTS	Tick(✓)
SBD 1 Invitation to bid	
SBD 4 Declaration of interest	
SBD 5 NIPP	
SBD 6(1) Preference Points Claimed (BBBEE)	
SBD 6(2) Local Content (for designated sectors)	
SBD 8 Declaration of Past SCM Practices	
SBD 9 Certificate of Independent Bid Determination	
TCBD 1 Authorisation Declaration	
TCBD 5 ISS Terms and Conditions	
Special Conditions of Contract	
Pricing Schedule (printed from e-procurement)	
Pricing Schedule on CD / Memory Stick	
SANAS accredited test report or confirmation letter for submission of samples from a SANAS accredited institution	



SECTION A

1 LEGISLATIVE AND REGULATORY FRAMEWORK

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

2 EVALUATION PROCESS

2.1 Preference Point System

2.1.1 In terms of regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 90/10-preference point system in terms of which points are awarded to bidders on the basis of:

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

2.1.2 The following formula will be used to calculate the points for price:

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

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

2.1.3 A maximum of 10 points may be allocated to bidders for attaining their B-BBEE status level of contribution in accordance with the table below:



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



- 2.1.4 Bidders are required to complete the preference claim form (SBD 6.1), and submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, in order to claim the B-BBEE status level points.
- 2.1.5 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- 2.1.6 Only bidders who have completed and signed the declaration part of the bid documentation may be considered.
- 2.1.7 The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.
- 2.1.8 The points scored will be rounded off to the nearest 2 decimals.
- 2.1.9 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.
- 2.1.10 However, when functionality is part of the evaluation process and two or more bidders have scored equal points including equal preference points for B-BBEE, the contract will be awarded to the bidder scoring the highest for functionality.
- 2.1.11 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- 2.1.12 A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

3 RESPONSE FIELDS

- 3.1 Bidders are required to submit responsive bids by completing all the prices, mandatory response fields and item questionnaires on the provided pricing schedule for the individual items.
- 3.2 Non-compliance with this condition may invalidate the bid for the item(s) concerned.

4 AUTHORISATION DECLARATION

- 4.1 Any bidder who is sourcing goods from a third party must complete the "Authorisation Declaration" (TCBD 1) in full for all relevant goods, sign it and submit it together with the bid



documents at the closing date and time of the bid.

- 4.2 The State reserves the right to verify any information supplied by the bidder in the Authorisation Declaration and should the information be found to be false or incorrect, the State will exercise any of the remedies available to it in the bid documents.
- 4.3 The bidder must ensure that all financial and supply arrangements for goods, including lead times, 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.
- 4.4 Failure to submit a duly completed and signed Authorisation Declaration, with the required annexure(s), in accordance with the above provisions may invalidate the bid for such goods offered.

5 TAX COMPLIANCE REQUIREMENTS

- 5.1 It is a condition of this bid that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
- 5.2 The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 5.3 It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted;.
- 5.4 Bidders are required to be registered on the Central Supplier Database and the National Treasury shall verify the bidder's tax compliance status through the Central Supplier Database. Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database

6 VALUE ADDED TAX

- 6.1 All bid prices must be inclusive of 14% Value-Added Tax.



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

7 SUBMISSION OF BIDS

- 7.1 Bidders must bid electronically via the electronic response system to facilitate the speedy evaluation of bid responses. Electronic bids must be submitted on or before the closing date and time of bid on the National Treasury's Transversal contracting supplier portal accessed on the following link: <https://eprocurement.csd.gov.za/>.
- 7.2 Besides responding electronically through the electronic response system, the bidder must still submit a hard copy of the bid document on or before the closing date and time to National Treasury: Tender Information Centre. The hard copy of the bid response will serve as the legal bid document. In the event that a hard copy of the bid document and the electronic response are not received on or before the closing date and time, the bid will be invalidated.
- 7.3 All electronic data submitted must be an exact copy of the hard copy document. Any discrepancies between the electronic data and the hard copy will invalidate the bid for the item in question.
- 7.4 After completing the pricing schedule electronically, the electronic version of the pricing schedule must be printed and submitted together with the remaining bid documents which will serve as the hard copy of the bid.
- 7.5 Bidders are required to inform National Treasury of any problems experienced regarding electronic submission prior to closing date and time of bid..
- 7.6 Each bid should be submitted in a separate, sealed envelope or suitable cover on which the name and address of the bidder (company), the bid number and the closing date and time must be clearly endorsed.
- 7.7 Bidders must initial each page of the bid document on the top right hand corner.



8 BID INFORMATION AND TRAINING SESSION

- 8.1 Bidders are invited to attend a non-compulsory Bid Information Session and Training Sessions that are scheduled for the following dates:

8.1.1 **A non-compulsory information session will be held at:**

National Treasury, 240 Madiba Street, Pretoria.

Date: 11 August 2016

Time: 10h00

Venue: Room 0901

This session will provide bidders with an opportunity to obtain clarity on certain aspects of the process as set out in this document and to address any substantial issues they might have.

8.1.2 **Electronic Bidding Training and Technical Assistance**

- 8.1.2.1 Training sessions for electronic bidding training and technical assistance are provided every Monday from 14h00 to 16h00 at National Treasury, 240 Madiba Street, Pretoria.
- 8.1.2.2 Bidders must send an email to babara.sanders@treasury.gov.za to book their seats and confirm availability.
- 8.1.2.3 The manual with detailed instructions can be downloaded from:
https://eprocurement.csd.gov.za/PROD/ISS_NT/portaldefault.aspx follow the "How to complete bids" section.
- 8.1.2.4 The process to register on the electronic platform is reflected in the Electronic Tender Supplier Activation Process (Annexure C).
- 8.1.2.5 For further technical assistance the Bidders can direct their inquiries to gcommerce@treasury.gov.za.

9 LATE BIDS

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

10 COUNTER CONDITIONS

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



11 FRONTING

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

12 SUPPLIER DUE DILIGENCE

The State reserves the right to conduct supplier due diligence prior to final award of the contract or at any time during the contract period. This may include site visits.

13 COMMUNICATION

- 13.1 Contract Management together with the National Department of Health may communicate with bidders where clarity is sought after the closing date of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary.
- 13.2 Any communication to any government official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.
- 13.3 All communication between the bidder and the Contract Management Office and the National



Department of Health must be done in writing.

14 NON-COMMITMENT

- 14.1 The state reserves the right not to award, in part or in full.
- 14.2 The right is reserved not to accept any of the bids submitted.
- 14.3 The right is also reserved to withdraw or amend any of the bid conditions by notice in writing to all bidders.

15 NEGOTIATIONS

The state reserves the right to negotiate with bidders prior to award and with contractors post award.

16 CONTACT DETAILS

16.1 GENERAL

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

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

16.2 BID ENQUIRIES

Contract Manager: Mr Johnny Ramoroka

Transversal Contracting, National Treasury

Tel: (012) 395 – 6524

E-mail:johnny.ramoroka@treasury.gov.za / Manthepeng.tshinavha@treasury.gov.za



SECTION B

17 CONTRACT PERIOD

The contract period shall be for a period of 36 months commencing on 1 April 2017 to 31 March 2020.

18 PARTICIPATING GOVERNMENT DEPARTMENTS / INSTITUTIONS

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

National Departments

- Department of Defence
- National Department of Health

Provincial Departments

- Provincial Departments of Health: Eastern Cape, Free State, Limpopo, Mpumalanga, Northern Cape, North West, and Gauteng

18.2 Post award participation

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

19 AWARD CONDITIONS

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

19.1 SPLIT AWARD

The following formula will be used for the purpose of splitting contracts between **two** contractors:

Category	Difference between points	Recommended percentage split
A	Equal points	50/50
B	0,1 – 5 %	60/40
C	5,1 – 10 %	70/30



19.2 MULTIPLE AWARD

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

19.3 ITEMS GROUPED AS A SERIES

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

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

19.3.3 Bidders must take note that the allocation of points will be per category (group award).

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

20 LOCAL MANUFACTURED PRODUCTS

Local manufactured products will be considered.

21 INFORMATION / DOCUMENTATION REQUIRED FOR THIS BID

21.1 An original and detailed manufacture's technical specification sheet must be submitted for all items at the date and time of submission of samples.

21.2 It is the responsibility of the bidder to provide participating departments with adequate information on all products post award.

22 PRICING STRUCTURE

22.1 Prices quoted must be furnished on the basis of "delivered into store" country-wide supply and delivery.

22.2 Prices quoted must be per unit of measure as per specification of each item as advertised. Deviating from this condition may invalidate the bid against the relevant item

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



the bid.

23 CONTRACT PRICE ADJUSTMENTS

23.1 Formula

23.1.1 Prices submitted for this bid will be regarded as non-firm and subject to adjustment(s) in terms of the following formula, defined areas of cost and defined periods of time.

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

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

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



23.2 ***Formula component definitions***

23.2.1 Adjustable amount

The adjustable amount is the portion of the bid price which is subject to adjustment. In this bid the adjustable amount is 85% of the original bid price. For example, if the bid price is R1000, then only R850 will be subject to adjustment.

23.2.2 Fixed portion

The fixed portion represents those costs which will not change over the adjustment period and DOES NOT represent the profit margin. In this bid the fixed portion is 15% of the original bid price. Using the same example as above, it would amount to R150 which will remain fixed over the contract period.

23.2.3 Cost components and proportions

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

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

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

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



23.2.4 Applicable indices / references

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

Cost component	Index Publication	Index Reference
D1 – Imported Raw Material / Finished product (if applicable)	Supplier / Manufacturer invoice(s) and remittance advice. ¹	Documentary evidence to accompany claim.
D2 - Local Raw Material / Finished product (if applicable)	STATS SA P0142.1 (PPI) Table 1 – Final Manufactured Goods OR Supplier / Manufacturer invoice(s) ²	Final Manufactured Goods – Pharmaceutical Products OR Documentary evidence to accompany claim
D3 – Labour	STATS SA P0141 (CPI), OR Labour agreement ³	Table E - All Items or Relevant table OR Labour agreement to be provided
D4 – Transport	STATS SA P0141 (CPI)	Table E - Transport – Other Running Cost
D5 – Other	Specify	Documentary evidence to accompany claim

23.2.5 Base Index Date

The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date is **July 2016**.

23.2.6 End Index Date

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

23.2.7 Price Adjustment Periods

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

¹ In cases where invoices are supplied as documentary evidence, it is advised that invoices closest to the Base Index date and the End Index date be submitted. It should ideally reflect the adjustment period.

² Same as footnote 1.

³ In the absence of a labour agreement, the labour cost component will be adjusted with CPI Headline inflation.



Adjustment	CPA application to reach the office at the following dates	End Index Date	Dates from which adjusted prices will become effective
1 st Adjustment	4 July 2017	May 2017	1 August 2017
1 st Adjustment	4 July 2018	May 2018	1 August 2018
2 nd Adjustment	4 July 2019	may 2019	1 August 2019

23.3 Rates of Exchange (RoE) – Base and Average rates

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

- 23.3.1 The formula described above will be used and the imported cost component of the bid price (D1) will be adjusted taking into account the base RoE rate (refer paragraph 23.3.4) and the average RoE rate over the period under review indicated in paragraph 22.3.6 below.
- 23.3.2 In the event where the RoE adjustment goes hand in hand with a material/product price increase, the material/product price (in foreign currency) will be converted to South African currency using the base rate (paragraph 23.3.4) for the earlier invoice and the average RoE rate for the period under review as indicated in paragraph 23.3.6 below for the later invoice.
- 23.3.3 The imported cost component (D1) will be adjusted together with all the other cost components indicated in paragraph 23.2.3 and 23.2.4 above and at the predetermined dates indicated in paragraph 23.2.7 above.
- 23.3.4 Rate(s) of exchange to be used in this bid in the conversion of the bid price of the item(s) to South African currency is indicated in the table below.

Currency	Rates of exchange 12 month average for the period (1 June 2015 to 29 July 2016)
US Dollar	14.3297
Pound Sterling	21.1167
Euro	15.9096
Yen	8.2087

- 23.3.5 Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period 1 June 2015 to 29 July 2016 using the



Reserve Bank published rates for the specific currency. Visit www.reservebank.co.za to obtain the relevant rates. Please refer to TCBD 2 (Procedure to download historical exchange rates from the Reserve Bank website) for instructions.

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

Adjustment	Average exchange rates for the period:
1 st Adjustment	1 August 2016 to 30 June 2017
2 nd Adjustment	1 July 2017 to 30 June 2018
3 rd Adjustment	1 July 2018 to 30 June 2019

23.4 **Forex**

The State will only be allowing the contract price adjustments on the intervals as indicated in the Special Conditions of Contract, most of the items on this bid are imported and no extra ordinary price adjustments due to exchange rate fluctuations will be considered. Therefore, the contractor is advised to take forward cover and or foreign exchange hedging or whichever is applicable to be able to cover the foreign exchange risk.

23.5 **General**

- 23.5.1 Unless approval has been obtained from Contract Management, no adjustment in contract prices will be made.
- 23.5.2 Applications for price adjustment must be accompanied by documentary evidence in support of any adjustment.
- 23.5.3 CPA applications will be applied strictly according to the specified formula and parameters above as well as the cost breakdown supplied by bidders in their bid documents.
- 23.5.4 In the event where the supplier's CPA application, based on the above formula and parameters, differs from Contract Management's verification, Contract Management will consult with the supplier to resolve the differences.
- 23.5.5 Bidders are referred to paragraph 9 of the Special Conditions regarding Counter Conditions.
- 23.5.6 The state reserves the right to negotiate a price adjustment or not to grant any price



adjustment.

- 23.5.7 An electronic price adjustment calculator will be available on request from Contract Management.

24 PRE-AWARD PRODUCT COMPLIANCE PROCEDURES

The following pre-award product compliance will apply:

24.1 Specifications

- 24.1.1 Items must comply with item specifications as stated in the bid document.
- 24.1.2 Failure to comply with this condition may invalidate your bid for the items concerned.

24.2 Standards

- 24.2.1 Items must comply with Standards as stated in the item specification.
- 24.2.2 South African Bureau of Standards (SABS):

SANS, SABS, ISO AND CKS specifications are available from South African Bureau of Standards Offices countrywide. Obtaining of such specifications will be the responsibility of and for the account of the prospective bidder. To purchase standards, obtain quotes or enquire about the availability of e-Standards, please contact Standards Sales at:

Postal Address: Private Bag X191, Pretoria, 0001

Physical Address: 1 Dr Lategan Road, Groenkloof, Pretoria

Tel:(012) 428 6883, Fax: (012) 428 6928, E-mail: sales@sabs.co.za

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

- 24.2.3 *South African National Accreditation System (SANAS):*

The contact details of SANAS are as follows:

Postal Address: Private Bag x 23, Sunnyside, Pretoria, 0132

Physical Address: The DTI Campus, 77 Meintjies Street, Sunnyside, Pretoria, 0002,

Tel: 012-394 3760, Fax: 012-3940526

A list of institutions is available on the SANAS website <http://www.sanas.co.za/> or



<http://www.sanas.co.za/contact.php>

24.3 Samples submitted to testing Institutions

24.3.1 Where a standard is indicated, a sample must be submitted to a testing institution accredited or recognised by SANAS at the closing date and time of bid. The purpose is to obtain a test report for the items being offered in the bid.

24.3.2 Test reports must be submitted with the bid at closing time and date of bid proving that the relevant item(s) complies with the specification after inspection and testing of the samples by a SANAS accredited or recognized institution. The test reports must not be older than eighteen (18) months at the closing date of the bid.

24.3.3 In the event that a test report cannot be obtained from the testing institution prior to the closing date and time of the bid, the bidder must obtain proof (issued by the testing institution) that the sample(s) had been submitted to the testing institution for testing before or on the closing date and time of the bid. Such proof must be submitted with the bid at closing date and time of the bid. In this case, test reports must be submitted to National Treasury within 30 days from closing date of the bid.

24.3.4 Bids not supported by test reports at time of evaluation will be disregarded in respect of the item(s) for which test reports are not submitted.

24.3.5 The procedures for sampling and testing for product compliance may differ and should be obtained from the relevant testing institution. The cost of compliance testing will be for the account of the prospective bidder.

24.3.6 All bidders, including current contractors are required to submit samples at a testing institution.

24.4 Samples submitted for visual screening

24.4.1 Samples of all the relevant products must be submitted for the purpose of visual screening of products during the evaluation phase.

24.4.2 Samples must be submitted for end-user evaluation at the under-mentioned address:

Venue : National Treasury, 240 Madiba Street, Pretoria

Date : 6 September 2016

Time : From 9h00 to 15h30



Contact Person : Johnny Ramoroka / Siphelele Maqubela

Contact details : (012) 395 6524 / (012) 395 6632

- 24.4.3 Samples will **ONLY** be accepted on the above date and time.
- 24.4.4 In order to frame meaningful recommendations, it is imperative that samples of all items offered, be submitted for evaluation.
- 24.4.5 Where different sizes of the same product are called for against different item numbers, samples of each size must be submitted. Where different sizes of the same product are called for against different item numbers, samples of each size must be submitted.
- 24.4.6 Samples of items offered must be marked with an expiry date, bid number, item number as well as the bidders name and address,
- 24.4.7 Bids not supported by samples will be disregarded in respect of the item for which samples are not submitted. Current contractors are also to submit samples.
- 24.4.8 All samples must be a true representation of the product which will be supplied during the contract duration.
- 24.4.9 Samples of all products accepted against this bid will be retained for the duration of the contract period
- 24.5 **Marking and submission of samples**
- 24.5.1 Samples must be clearly marked on the outside with the bid number, item number, and the bidder's name (company's name).
- 24.5.2 Packaging of samples submitted must be marked with the expiry date, batch identification prefixed by the "LOT" the word "sterile" and the sterilisation method, Trade name or trademark of the manufacture and product code as relevant.
- 24.5.3 All samples, including the labelling requirements, must be a true representation of the product that will be supplied during the contract period.
- 24.5.4 Failure to comply with this condition may invalidate the bid against the relevant item.



25 QUALITY ADHERANCE

It is a condition of bid that equipment which requires quality and safety standard testing must meet, comply with and be certified by an accredited or recognised institution. A valid certified copy of the documentation in respect of certification must be submitted with the bid by closing date and time of bid. Failure to submit the certificates for relevant items will invalidate the bid

26 DELIVERY AND QUANTITIES

26.1 *Delivery Basis*

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

26.1.2 Transit and storage conditions applicable to the relevant product must be adhered to.

26.2 Quantities

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

26.2.2 The quantity indicated against each item represents the total estimated off-take of all participating departments. A breakdown of the national estimate into participating Government Departments and Provincial Administrations can be referenced in the addendum provided.

27 PACKAGING

27.1 General

27.1.1 All deliveries made against this contract, in all modes of transport, are to be packed in suitable containers, which will be acceptable for further dispatch. Attention is drawn to the requirements of the Transnet Freight Rail Standard Conditions of Carriage Policy

27.1.2 The packing of the goods to be supplied must be uniform for the duration of the contract period, i.e.:

- The number of units per commercial packing.
- The number of commercial packs per carton.
- The number of cartons per bulk packing.
- The name and quantity of the contents and expiry date if applicable must appear clearly on the packing.



- All containers, packing and cartons must be clearly labelled.
- All products must be packed in acceptable containers, where applicable, specifically developed for the product allowing safe stacking.
- The conditions under which the product must be stored.
- Date of manufacture and expiry must be clearly shown.

27.2 Containers

27.2.1 The function of a container for medical related substances is to maintain the quality, safety and stability of its contents. Containers should withstand the mechanical hazards of handling, transport and storage, prevent leakage, and provide an appropriate level of protection from environmental conditions or contact with metal where relevant.

27.2.2 Conditions of the container must be acceptable to the purchaser at the point of delivery. The container materials should have no chemical or physical effect on the product. BPC 1973 p. xxxvi and p 642.

27.3 Bulk Packing

27.3.1 The pallet system in bulk is preferred with the following criteria:

- Maximum pallet size 1,2m x 1m
- Maximum mass a 1000kg/pallet
- Pallet material used must be of such good quality as to withstand normal mechanized handling
- Maximum single packed pallet total height 80 cm.
- Maximum single stacking height 4m.
- Side delivery from transport is used. Special reference is made to the containerization principle.

28 LABELS AND PRODUCT INFORMATION

28.1 General

28.1.1 The following information must be clearly and indelibly printed on all inner and outer packaging in at least English:

- Name of the product
- A Product code as relevant



- The trade name or trademark of the manufacturer;
- Size of the product
- Quantity of the contents
- Date of manufacture
- Name and address of importer/distributor (if not manufacturer)
- Expiry date
- Batch/lot number. Products must have the same batch/lot number on the outer box as on the inner box.
- The word “sterile” and the method of sterilization

28.2 **Peel Apart Packs**

28.2.1 The material and design of a peel-apart (unit) pack shall be such as to ensure:

- easy opening with the fingers;
- maintenance of sterility of the contents under dry, clean and adequately ventilated storage conditions;
- minimum risk of contamination of the contents during opening and removal from the package
- adequate protection of the contents during normal handling, transportation and storage;
- that once opened, the package cannot be easily re-sealed, and it shall be obvious that the unit package has been opened; and
- that a peel-apart pack shall tear cleanly without the formation of loose fluff or loose fibres. Both the content and the immediate package shall be sterile and shall comply with the requirements of the "Sterility tests" given in the latest version of the USP (United States Pharmacopeia)



29 SHELF LIFE

- 29.1 Where applicable, products, upon delivery must have at least 18 months of shelf-life before date of expiry.
- 29.2 Contractors may make written applications to the purchasing institution to deliver goods with a shorter shelf-life, provided such applications are accompanied by an undertaking that unused short- dated stock shall be unconditionally replaced before or after expiry.
- 29.3 Any delivery of short dated supplies without prior written approval must be collected by the respective suppliers at their own cost.
- 29.4 Any participating institution may, without prejudice, decline written applications to deliver short dated stock.
- 29.5 **Sterility**
- 29.5.1 Sterilization processes used for medical devices shall comply with the requirements of the following standards, as relevant:
- SANS 11135-1/ISO11135-1, Sterilization of healthcare products – Ethylene oxide – Part 1: Requirements for development, validation and routine control of a sterilization process for medical devices.
 - SANS 11137-1/ISO 11137-1, Sterilization of healthcare products – Radiation – Part 1: Requirements for development, validation and routine control of a sterilization process for medical devices.
 - SANS 10213, The installation and safe use of ethylene oxide (EO) sterilizers in health-care facilities and in industry.
- 29.5.2 All sterilized products shall be individually packed or in unit packages sterilizable by the method(s) stated by the manufacturer.



SECTION C

30 ROLES AND RESPONSIBILITIES

30.1 CONTRACT ADMINISTRATION

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

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

- 30.1.2 Contractors must advise the Chief Directorate: Transversal Contracting, National Treasury immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

30.2 SUPPLIER PERFORMANCE MANAGEMENT

Supplier performance management will be the responsibility of end-user departments. The National Department of Health will monitor supplier performance. Where supplier performance



is sub-optimal and where supplier performance disputes cannot be resolved between the contractor and the relevant purchasing institution, National Treasury: Contract Management must be informed for corrective action.

31 ORDERS AND DELIVERY

31.1 Orders

- 31.1.1 Contractors should note that each individual purchasing institution is responsible for generating the order(s) as well as the payment(s) thereof.
- 31.1.2 Contractors should note that the order(s) will be placed as and when required during the contract period and delivery points will be specified by the relevant purchasing institution(s).
- 31.1.3 The instructions appearing on the official order form regarding the supply, dispatch and submission of invoices must be strictly adhered to and under no circumstances should the contractor deviate from the orders issued by the purchasing institutions.
- 31.1.4 The State is under no obligation to accept any quantity which is in excess of the ordered quantity.

31.2 Delivery Adherence

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

32 Risk

During the period the equipment is in transit or in the possession of the contractor, up to and



including the date of acceptance by the end-user, the contractor shall be responsible for all risk of loss or damage to the equipment.

PRODUCT ADHERENCE / BRAND CHANGE

- 32.1 In the event where a bidder offers a specific brand against an item and the item is subsequently awarded to the bidder, it is required of the successful bidder to continue to supply the brand awarded throughout the contract period.
- 32.2 In the event that the brand is discontinued, National Treasury, Transversal Contracting must be notified immediately.
- 32.3 In the event of a newer model becoming available during the contract period the supplier may apply to the National Treasury, Transversal Contracting, to offer the new model in place of the existing model, provided the new model meets the original specifications and there is no increase in price.
- 32.4 In the event that the product or model is recalled, National Treasury, Transversal Contracting must be notified of such an occurrence and an official communication will be issued
- 32.5 Contractors are not allowed to deliver a different brand other than the brand awarded to them unless approval of brand change has been obtained from the National Department of Health and a communication in this regard has been received from National Treasury, Contract Management.

33 POST-AWARD PRODUCT COMPLIANCE PROCEDURES

The following post-award product compliance procedures will apply:

34 PRODUCT INFORMATION

- 34.1 It is required that contractor(s) provide product information documents (e.g. catalogues, operating manuals, instruction leaflets, etc.), in at least the English language to all participating departments within one month of the commencement of the contract.



35 BREACH OF CONTRACT

The State reserves the right to terminate the contract(s) for not honouring contract obligations including the submission of information required by Transversal Contracting and end-user departments.

36 POST AWARD REPORTING AND MONITORING

36.1 Historical Data

All successful bidders are required to submit historical value and volume reports via e-mail to:

Transversal Contracting, National Treasury on a **six** monthly basis:
Johnny. Ramoroka (johnny.ramoroka@treasury.gov.za)

For this purpose electronic templates will be supplied to successful bidders.

Period	Dates at which reports must be submitted
1	9 October 2017
2	9 April 2018
3	9 October 2018
4	9 April 2019
5	9 October 2019
6	9 April 2020

END