



SPECIAL CONDITIONS OF THE CONTRACT

RT69-2026

**SUPPLY, DELIVERY, FITMENT, BALANCING AND WHEEL ALIGNMENT OF
TYRES AND TUBES TO THE STATE FOR A PERIOD OF 60 MONTHS.**

**NON-COMPULSORY BRIEFING SESSION TO BE HELD VIRTUALLY ON **27
NOVEMBER 2025** ON THE MICROSOFT TEAMS PLATFORM**

CLOSING DATE AND TIME OF BID

17 DECEMBER 2025 AT 11H00

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. General Conditions of Contract (GCC)
- iii. Annexure A - Pricing Schedule
- iv. Annexure B – List of Fitment Centres
- v. Annexure C - Online Submission

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LIST OF ABBREVIATIONS

Abb	Full Name
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
CIPC	Company Registration Documents
CPA	Contract Price Adjustment
CSD	Central Supplier Database
GCC	General Conditions of Contract
OCPO	Office of the Chief Procurement Officer
PFMA	Public Finance Management Act
ISO	International Organisation for Standardisation
PPPFA	Preferential Procurement Policy Frame Act
RoE	Rate of Exchange
SANS	South African National Standards
SARS	South African Revenue Services
SBD	Standard Bidding Document
SCC	Special Conditions of Contract
SCM	Supply Chain Management
STAT SA	Statistics South Africa
TC	Transversal Contract
TCD	Transversal Contract Document
VAT	Value-Added Tax



DEFINITIONS

TERM	DEFINITION
End-User	An approved participant on the transversal contract that is responsible for placing the order and payment for procures goods and/or services from the appointed Supplier(s).
Delivery	The process of transporting goods from a bidder's source location to a predefined destination by the participants.
Due Diligence	The investigation or exercise of care that the State conducts before and post entering into an agreement with the bidders to validate the bid responses.
Historically Disadvantaged Individuals	<p>South African citizen:</p> <ul style="list-style-type: none"> i) Who, due to the apartheid policy that had been in place, had no franchise in national elections before the introduction of the constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (the interim Constitution) and/or ii) Who is female; and/or iii) Who has a disability. <p>Provided that a person who obtained South African citizenship on or after the coming to effect of the interim Constitution, is deemed not to be an HDI.</p>
Homologation	A homologation letter (also called type approval) is an official document issued by NRCS confirming that a specific tyre model complies with the relevant compulsory specifications.
NRCS Type Approval	Tyre Homologation, also known as NRCS Type Approval, is a mandatory certification process overseen by the National Regulator for Compulsory Specifications (NRCS). It ensures that all tyres comply with safety standards prior to being sold or imported into South Africa.

**Table 1: List of Returnable Documents**

#	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: MANDATORY REQUIREMENTS EVALUATION				
1.	Pricing Schedule (Annexure A)	Yes	Yes	
PHASE 2: EVALUATION OF ADMINISTRATIVE REQUIREMENTS				
2.	SBD 1 Invitation to Bid	Yes	Yes	
3.	Proof of authority must be submitted as per SBD 1	No	Yes	
4.	SBD 4 Bidder's Disclosure	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 3: TECHNICAL COMPLIANCE EVALUATION				
12.	TCD 13.2 Authorization Letter of Undertaking	Yes	Yes	
13.	Quality Management System Certificate	No	Yes	
14.	Public Liability Insurance Cover	No	Yes	
15.	Homologation Certificate	No	Yes	
16.	Footprint per province	No	Yes	
17.	Warranty Letter	No	Yes	
PHASE 4: PRICE & SPECIFIC GOALS EVALUATION				
18.	Pricing Schedule (Annexure A)	Yes	Yes	
19.	Proof of Business Shareholding/Ownership	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



SECTION A: INTRODUCTION AND TERMS OF REFERENCE

1. DESCRIPTION AND FORMAT OF THE BID

- 1.1 This bid is for supply, delivery, fitment, balancing and wheel alignment of tyres and tubes to the state for a period of 60 months.
- 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 (PPFPA) 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. National Environmental Management Act, Act 107 of 1998 as amended and its regulations.
 - b. Occupational Health and Safety Act No 85 of 1993 as amended and its regulations.
 - c. Hazardous Substances Act No. 15 of 1973 as amended and its regulations.
 - d. National Road Traffic Act of 1996 as amended and its regulations.
 - e. National Regulator for Compulsory Specifications Act 5 of 2008 as amended and its regulations.



3. OBJECTIVE OF THE BID

- 3.1 To arrange the RT69-2026 transversal contract for supply, delivery, fitment, balancing and wheel alignment of tyres and tubes to the state for a period of 60 months.
- 3.2 For the promotion of historically disadvantaged individuals as per the specific goals (maximum 10 points) allocated in terms of Preferential Procurement Regulations 2022 issued according to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000).

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:

Link: [Briefing Session RT69-2026](#)

Date: 27 November 2025

Time: 11h30 am

- 4.2 The bid information session is not compulsory but will provide bidders with an opportunity to obtain clarity on certain aspects of the procurement process as set out in this bid document.
- 4.3 The National Treasury reserves the right to answer questions at the briefing session and/or to respond formally after the briefing session.

5. TERMS OF REFERENCE

5.1 INTRODUCTION

- 5.2 The RT69-2026 bid is supply, delivery, fitment, balancing and wheel alignment of tyres and tubes to the state for a period of 60 months.

5.3 SCOPE OF WORK AND SERVICE

- 5.3.1 Bidders are invited to provide tyre-related services under the categories mentioned below. The bidder must select the categories/s they are equipped to deliver based on their capacity and capability.
- 5.3.1.1 Category A, supply and delivery of tyres in the province. All cost must include delivery and VAT.



5.3.1.2 Category B, supply, deliver, fit, valve replacement and balancing of tyres. The offer must all include the tyres, fitment, valve replacement, balancing of tyres, delivery and VAT.

5.3.1.3 Category C, wheel alignment per vehicle including VAT.

5.3.1.4 **NB: Instructions to Bidders**

- a) Bidders may bid for Category A independently
- b) Bidders who choose to bid for Category B must also bid for Category C, as these services are operationally linked and will be evaluated together.
- c) Category C will be treated as a secondary item, meaning it complements the services in Category B and cannot be bid on separately.
- d) Any bid that does not fully address the scope of services in the selected category or categories will be considered non-responsive and disqualified.

5.3.2 The bid consists of a total of 597-line items per province across category A, B and 9-line items on category C. The summary details are as follows:

Table 2: List of Categories

#	Category	No. of line items
1	Category A: Tyre Price & delivery Costs	597
2	Category B: Tyre Price and delivery cost, fitment, Balancing & Valve	597
3	Category C	9
Total Number		1203

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
Mandatory requirement	Administration Requirements	Technical Compliance	Price and Specific Goals



Phase 1	Phase 2	Phase 3	Phase 4
Compliance with mandatory and other bid requirements	Compliance with the Administration documents requirements	Compliance with the technical specifications and requirements	Bids evaluated in terms of the 90/10 preference system

6.1.1 The State may conduct due diligence and/or site visit during any of the evaluation phases to confirm the information submitted by the bidder.

6.2 **PHASE 1: MANDATORY REQUIREMENT**

6.2.1 Bidders' must submit the required document 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 requirement for compliance. Bidders who fail to comply with the mandatory criteria will be disqualified.

6.2.2 **Pricing Schedule**

6.2.2.1 The pricing schedule (Annexure A) provided in this bid forms an integral part of the bid document and bidders must ensure that it is completed without changing the structure thereof.

6.2.2.2 Bidders are required to submit responsive bids by completing all pricing and item information on the provided pricing schedule (Annexure A) for the individual items and all required forms.

6.2.2.3 Pricing needs to be submitted for every line item as contained in the pricing schedule. A bidders offer within a specific category will not be considered, where the bidder failed to submit the pricing for any line item as contained in the pricing schedule.

6.2.2.4 Bid prices must be inclusive of all costs, and VAT

6.2.2.5 All prices must be in rands and rounded off to two (2) decimal places

6.2.2.6 The pricing schedule must be submitted as an excel soft copy.

6.2.2.7 The bidder is required to complete the pricing schedule and submit it together with the bid at the closing date and time of the bid.

6.2.2.8 Submission of two brands on the same line item will invalidate the line item. Only one brand per line item is acceptable.

6.2.2.9 If a bidder wishes to submit multiple brands for the same item, each brand must be submitted on a separate line, using the same item number.



6.2.2.10 Failure to offer correct tyre size as per the technical specification will invalidate the line item.

6.2.2.11 Failure to submit a fully complete pricing schedule for all items will result in the disqualification of the relevant item. In addition, if the pricing schedule is not submitted at all, the entire bid will be disqualified.

6.3 **PHASE 2: ADMINISTRATION AND LEGISLATION REQUIREMENTS EVALUATION**

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

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

6.3.1.2 **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.

6.3.1.3 **SBD 4** – Bidders Disclosure

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

6.3.1.5 **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.

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

6.3.1.7 **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.

6.4 **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.

6.5 **Copy of Identity Document (Directors/Owners)** – Bidders are required to submit a copy of an identity document of the directors and/or owners.

6.5.1.1 Failure to submit the documents indicated above even after the bidder has been notified



and given a maximum of seven calendar days to rectify may invalidate the bid.

6.6 **PHASE 3: TECHNICAL SPECIFICATION REQUIREMENTS**

6.6.1 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.

6.6.2 **Compliant to Item Standards/Specifications Requirements**

6.6.2.1 Items must comply with technical specifications on pricing schedule (Annexure A) as stated in the bid document of each item. Non-compliance to the technical specification requirement will invalidate the items to which the compliance is not adhered.

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

6.6.2.3 The applicable specifications and/or standards include, but are not limited to, the following (as relevant to the items listed in this tender):

- a) VC8056 – Compulsory Specification for Pneumatic Tyres for Passenger Cars and Trailers
- b) VC8059 – Compulsory Specification for Pneumatic Tyres for Commercial Vehicles
- c) VC8059 - Compulsory Specification for Pneumatic Tyres for Construction Equipment
- d) VC8026 - Compulsory Specification for Pneumatic Tyres for Motorcycles
- e) SANS 20047 – New Pneumatic Radial Tyres for Passenger Cars
- f) SANS 1553 – Pneumatic Tyres for Commercial Vehicles and Trailers
- g) SANS 20050-1 – Tyre Sidewall Markings and Testing
- h) SANS 10047 – Tubes for Pneumatic Tyres
- i) SANS 10098 – Flap and Valve Extensions
- j) NRCS Type Approval Guidelines – Where applicable for regulated products
- k) SABS Mark Certification – Where applicable for product assurance
- l) "E" Mark Certification - Where applicable for product assurance

6.6.2.4 Additional specifications may apply depending on the final product selection and intended use. It remains the responsibility of the bidder to ensure full compliance with all relevant South African legislation, standards, and regulatory requirements.

6.6.3 **TCD 13.2 Authorization Letter**

6.6.3.1 Bidder who is sourcing goods or services from a third party is required to submit an



authorisation letter in a third-party letterhead outlining all relevant goods or services. The authorisation letter must include but not limited to the following:

- a) List of item(s) item number, brand name and item description.
- b) Letter must be on a letter head of a third party, dated and signed,
- c) Letter must be from the manufacture of the tyres.
- d) Letter must not be older than 30 days at the closing date and time of the bid,
- e) Have contact person's name, physical and postal address, telephone, and email details, and
- f) All information on the letter must be in English.

6.6.3.2 In the case where the authorization letter is issued by an importer or a distributor, a letter needs to be provided from the manufacturer to confirm that the distributor or importer are authorized by the manufacturer to distribute or import their products. This needs to be included as part of the authorization letter from the distributor or importer to the bidder. At the time of the bid closing, the letter of undertaking and any supporting documentation must be submitted together with the bid.

6.6.3.3 The State reserves the right to verify any information supplied by the bidder in the authorisation letter 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.

6.6.3.4 The bidder must ensure that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party. No agreement between the bidder and the third party will be binding on the State.

6.6.3.5 Failure to submit the required documents will result in the disqualification of the relevant line item.

6.6.4 **Quality Management System Certificate**

6.6.4.1 Bidders are required to submit a valid Quality Management System Certificate (ISO 9001) issued by an accredited authority at the closing date and time of the bid. The certificate must be that of the manufacturer.

6.6.4.2 Where the bidder is a distributor or importer, a valid ISO 9001 Quality Management System Certificate from the manufacturer must be submitted together with NRCS Type Approval at the closing date and time of the bid.

6.6.4.3 Failure to submit an ISO certificate will result in the disqualification of the relevant line item.

**6.6.5 Public Liability Insurance Cover**

- 6.6.5.1 Bidders are required to submit a valid proof of public liability insurance or quotation a formal quotation for such insurance, issued by a registered insurer. The insurance cover must be sufficient to protect against potential claims arising from the delivery, fitment, or use of the goods and/or services offered under this contract.
- 6.6.5.2 Failure to submit public liability cover or quotation will result in the disqualification of the relevant line item.

6.6.6 Homologation Certificate/NRCS Type Approval

- 6.6.6.1 The National Regulator for Compulsory Specifications (NRCS) enforces compliance with compulsory specifications under the National Regulator for Compulsory Specifications Act, No. 5 of 2008.
- 6.6.6.2 Bidders are required to submit a homologation certificate from the National Regulator for Compulsory Specifications at the closing date and time of the bid.
- 6.6.6.3 Distributors or importers are required to submit an NRCS Type Approval from NRCS for the tyres offered, clearly indicating the tyre type and the maximum volume allowed per annum.
- 6.6.6.4 Failure to submit homologation certificate or NRCS type approval will result in disqualification of the relevant item.

6.6.7 Footprint per province applicable to Category B and C (Annexure B)

- 6.6.7.1 Bidders are required to submit valid proof of their operational footprint in each province they are bidding for, either by providing a fitment centre or an authorization letter (TCD 13.2) from a fitment centre at the closing date and time of the bid.
- 6.6.7.2 The acceptable operational footprint must belong to a registered legal entity and not an individual (residential property); this applies to both fitment centres and locations supported by an authorization letter.
- 6.6.7.3 Acceptable proof of footprint must include one or more of the following documents:
- a) Utility bill not older than three months in the name of the bidder, or
 - b) Lease agreement in the name of the bidder, or
 - c) Valid partnership agreement with a local entity, or
 - d) Statement from a property managing agent confirming the bidder's occupancy.



6.6.7.4 Failure to provide such proof of footprint will result in disqualification for that province.

6.6.7.5 A list of fitment centres must also be submitted with the bid.

6.6.7.6 Failure to submit this documentation will result in disqualification of the relevant item.

6.6.8 Warranty Letter

6.6.8.1 Bidders are required to submit a letter confirming that all tyres delivered and fitted will carry a one-year warranty.

6.6.8.2 Failure to submit a warranty letter will result in disqualification of the relevant item.

6.7 PHASE 4: PRICE AND SPECIFIC GOALS

6.7.1 Pricing Schedule and Structure Requirements

6.7.1.1 Prices quoted must be furnished based on “delivered to State facility” country-wide inclusive of VAT.

6.7.1.2 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.

6.7.1.3 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.

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

6.7.1.5 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.

6.7.1.6 The Pricing Schedule (Annexure B) must be submitted with the bid document and in as an Excel, spreadsheet at the closing date and time of the bid.

6.7.1.7 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.

6.7.1.8 Submission of two brands or more in one line item on the pricing schedule will invalidate the line item.



6.7.1.9 Failure to provide the brand name, size, and load rating will result in disqualification of the relevant item.

6.7.1.10 Failure to submit price for fitment and wheel alignment where relevant will invalidate the line item.

6.7.2 Preferential Point System

6.7.2.1 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)

6.7.2.2 The following formula will be used to calculate the points for 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 a of bid under consideration

P_t = Comparative price of a bid under consideration

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

6.7.2.3 **The following goals will be used to calculate the points for specific goals out of 10 points**

Table 4: Specific Goals

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 the RSA, 1983 (Act 110 of 1983) or the Constitution of the RSA, 1993 (Act 200 of 1993), ("the Interim Constitution")	10

- a) The points scored by a bidder in respect of the goals indicated above will be added to the points scored for price.
- b) **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.



- c) 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.
- d) 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.
- e) 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.
- f) Points scored will be rounded off to the nearest 2 decimals.
- g) 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.
- h) A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.
- i) 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.

6.7.2.4 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

6.7.2.5 Specific goals with Proof of equity ownership requirements and related matters

- a) 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.

- b) 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.
- c) Equity in private companies must be based on the percentage of equity ownership.
- d) Preference points may not be awarded to public companies and tertiary institutions.
- e) 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.
- f) Documentation to substantiate the validity of the credentials of the trustees contemplated in the paragraph above must be submitted to the Office.
- g) 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.
- h) 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.

6.7.3 Items Grouped as a Series

6.7.3.1 Categories B (Tyre, fitment, balancing & valve replacement) and C (Wheel Alignment) will be evaluated as a grouped series due to their operational dependency. Bidders must note that if they submit a bid for Category B, they are required to also submit an offer for Category C.

6.7.3.2 Items grouped as a series, as indicated in the pricing schedule or technical specifications, will be evaluated together.

6.7.3.3 Bidders must provide pricing for both Category B and Category C for each province. Failure to submit pricing for either category in the group series will result in disqualification from consideration for all items in that series.



6.7.4 Applicable Taxes

- a) All bid prices must be inclusive of all applicable taxes.
- b) All bid prices must be inclusive of fifteen percent (15%) Value Added Tax.
- c) Failure to comply with this condition may invalidate the bid.

6.7.5 Cost Breakdown

- 6.7.5.1 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.
- 6.7.5.2 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.

Table 5: 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%

6.7.6 TCD 14 Historical Exchange Rates

- 6.7.6.1 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 2025 to 31 April 2026 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.

6.7.7 Responsive Bids

- 6.7.7.1 Bidders are required to submit responsive bids by completing all pricing and item information on the provided pricing schedule (Annexure A) for the individual items and all required forms. Non-submission of the pricing schedule (Annexure A) 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 eTender Publication portal.
- 7.2.1.2 Manual or hardcopy bids are not acceptable.



7.2.1.3 The online eTender publication portal can be accessed on the following link:
<https://www.etenders.gov.za/>

7.2.1.4 The guide for online bid submission is attached.

7.2.1.5 Bidders to adhere to all the rules for the online bid submission.

7.2.1.6 Bidders' attention is drawn to the sequential submission format as per the checklist on Table 1.

7.2.1.7 The Pricing Schedule (**Annexure A**) should be in an XLSX excel sheet format and not any other format.

7.2.1.8 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: 40 Madiba Street, Pretoria
- 7.5.2 **Bid Enquiries:** - All inquiries should be in writing to Demand.Acquisition3@treasury.gov.za. The closing date for receipt of all inquiries is 10 December 2025. 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, fitment, balancing and wheel alignment of tyres and tubes to the state, and the unsuccessful bidder(s) will be informed accordingly.
- 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. 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 RT69-2026 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)

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 RT69-2026 transversal contract.

10. PARTICIPATING STATE INSTITUTIONS

10.1.1 This transversal contract RT69-2026 is intended to be utilized by various organs of the State as listed below:

Table 6: Participating State Institutions

#	DEPARTMENT NAME
1	Eastern Cape Department of Transport
2	Northwest Department of Public Works and Roads
3	Western Cape Department of Infrastructure

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. STANDARDS/SPECIFICATIONS

- 12.1 The item must comply with specifications and/or standards as stated in the bid document for each item, the quality of the products supplied shall, throughout the contract period, meet or exceed the requirements of the latest edition of such specifications and/or standards.

13. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

13.1 Contract Administration

- 13.1.1 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

- 13.1.2 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.

13.2 Supplier Performance Management

- 13.2.1 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.
- 13.2.2 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.
- 13.2.3 End-user State institutions are required to report to the National Treasury on where supplier's performance is not satisfactory.
- 13.2.4 Successful suppliers will have their performance scored. National Treasury will provide a template 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.



14. CONTRACT PRICE ADJUSTMENT

14.1 Formula

- 14.1.1 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.
- 14.1.2 Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.
- 14.1.3 The following price adjustment formula will be applicable for calculating contract price adjustments (CPA).

Table 7: Contract Price Adjustment Formula

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

14.2 Formula component definitions

14.2.1 Adjustable amount

- 14.2.1.1 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.

14.2.2 Fixed portion

- 14.2.2.1 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.

14.2.3 Cost components and proportions

14.2.3.1 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.

14.2.3.2 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.

14.2.3.3 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 8: Contract Price Adjustment Cost Components

Cost Component	% Contribution
D1 – Imported Raw Material / Finished product	
D2 - Local Raw Material / Finished product (if applicable)	
D3 - Labour	
D4 – Transport	
D5 – Material Inputs/ Intermediate goods	
D6 – Overheads	
D7 – Other	
TOTAL (Cost components must add up to 100%)	100

14.2.4 Applicable indices/references

14.2.4.1 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 9: Applicable Indices/ References



Cost component	Index Publication	Index Reference
D1 – Imported Finished product (if applicable);	Reserve bank ROE publication/ Supplier / Manufacturer invoice(s) and remittance advice. ²	Documentary evidence to accompany the claim and ROE
D2 - Local Finished product (if applicable):	STATS SA P0142.1 Supplier / Manufacturer invoice(s) and remittance advice. ³	Table 1: Final Manufactured Goods – Rubber and Plastic Products OR Supplier / Manufacturer invoice(s) and remittance advice
D3 – Labour	STATS SA P0141 (CPI), Table E; OR Labour Agreement ⁴	Table E - All Items (CPI Headline) OR Labour agreement to be provided/ Regulated Pricing Adjustment
D4 – Transport	Stats SA P0141 (CPI) Table E	Table E- Transport – Other goods and services
D5 – Material Input/Intermediate goods	Stats SA P0151.1 Construction input price index (CIPI)	Table 3 - Construction tyres
D6 – Overheads	Specify (STATS SA Index)	STATS SA Table (Specify)
D7 – Other	Specify (STATS SA Index)	STATS SA Table (Specify)

14.2.5 Base index date

14.2.5.1 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 **November 2025**.

14.2.6 End index date.

14.2.6.1 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).

14.2.7 Price adjustment periods

14.2.7.1 Price adjustment shall be applied on a quarterly basis.

Table 10: Price Adjustment Periods

² 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.

³ The state reserves the right to request documentary evidence to prove importation of products that are directly or indirectly linked to the production or supply of tyres. The state also reserves that right to request this information under oath from the bidder and accept or not accept invoices if the authenticity of the invoices is in doubt.

⁴ In the absence of a labour agreement, the labour cost component will be adjusted with CPI Headline inflation.



Adjustment Period	CPA application to reach the office by the following dates	End Index	Dates <i>from</i> which adjusted prices will become effective
1 st Adjustment	01 May 2026	March 2026	01 June 2026
2 nd Adjustment	01 September 2026	July 2026	01 October 2026
3 rd Adjustment	04 January 2027	Nov 2026	01 February 2027
4 th Adjustment	03 May 2027	March 2027	01 June 2027
5 th Adjustment	01 September 2027	July 2027	01 October 2027
6 th Adjustment	03 January 2028	Nov 2027	01 February 2028
7 th Adjustment	01 May 2028	March 2028	01 June 2028
8 th Adjustment	01 September 2028	July 2028	01 October 2028
9 th Adjustment	02 January 2029	Nov 2028	01 February 2029
10 th Adjustment	01 May 2029	March 2029	01 June 2029
11 th Adjustment	03 September 2029	July 2029	01 October 2029
12 th Adjustment	02 January 2030	Nov 2029	01 February 2030
13 th Adjustment	01 May 2030	March 2030	01 June 2030
14 th Adjustment	02 September 2030	July 2030	01 October 2030
15 th Adjustment	02 January 2031	Nov 2030	01 February 2031

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

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

14.2.8.2 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.

14.2.8.3 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.

14.2.8.4 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.

- 14.2.8.5 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 11: CPA Rate of Exchange

Currency Name	Rates of exchange: 1 March 2025 to 31 April 2026
US Dollar	17.57
Pound	23.46

- 14.2.8.6 Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period **1 May 2025 to 30 October 2026** 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.

- 14.2.8.7 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 12: Rate of Exchange Average Periods

Adjustment	End Index	Average exchange rates for the period:
1 st Adjustment	April 2026	November 2025 – April 2026
2 nd Adjustment	August 2026	March 2026 – August 2026
3 rd Adjustment	December 2026	July 2026 – December 2026
4 th Adjustment	April 2027	November 2026 – April 2027
5 th Adjustment	August 2027	March 2027 – August 2027
6 th Adjustment	December 2027	July 2027 – December 2027
7 th Adjustment	April 2028	November 2027 – April 2028
8 th Adjustment	August 2028	March 2028 – August 2028
9 th Adjustment	December 2028	July 2028 – December 2028
10 th Adjustment	April 2029	November 2028 – April 2029
11 th Adjustment	August 2029	March 2029 – August 2029
12 th Adjustment	December 2029	July 2029 – December 2029



Adjustment	End Index	Average exchange rates for the period:
13 th Adjustment	April 2030	November 2029 – April 2030
14 th Adjustment	August 2030	March 2030 – August 2030
15 th Adjustment	December 2030	July 2030 – December 2030

14.2.9 General

- 14.2.9.1 Unless prior approval has been obtained from the National Treasury, Transversal Contracting, no adjustment in contract prices will be made.
- 14.2.9.2 Application for price adjustment must be accompanied by documentary evidence in support of any adjustment.
- 14.2.9.3 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.
- 14.2.9.4 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.
- 14.2.9.5 Bidders are referred to in the paragraph regarding counter conditions.
- 14.2.9.6 An electronic price adjustment calculator will be available on request from Transversal Contracting.
- 14.2.9.7 The State reserves the right to negotiate a price adjustment or not to grant any price adjustment.

15. ORDERS AND PAYMENT FOR SUPPLIES AND SERVICES

15.1 General

- 15.1.1 Suppliers should note that each individual participating department/institution is responsible for generating the orders as well as the payments thereof.
- 15.1.2 Suppliers should note that the orders will be placed as and when required during the transversal contract period and delivery points will be specified by the relevant participating department/institution.
- 15.1.3 The point of delivery will be as per the address specified by the end user department or for collection at the identified supplier or fitment centre.



- 15.1.4 The instructions appearing on the official order form regarding the supply, dispatch and submission of invoices must be strictly adhered to and under no circumstances should the supplier deviate from the orders issued by the participating department/institution.
- 15.1.5 The State is under no obligation to accept any quantity which is in excess of the ordered quantity.
- 15.1.6 The service provider shall furnish the End User with a certified correct invoice and signed proof of delivery in order to effect payment.
- 15.1.7 Suppliers are requested to ensure that the request for quotation is legitimate to circumvent fraudulent orders.
- 15.1.8 When providing quotations to participating organs of state, suppliers must ensure that the base price as it appears on the contract circular / price list adjustment is shown on the quotation and provide other pricing such as fitment and alignment costs and extras separately.
- 15.1.9 All invoices submitted to the participating department in respect of this transversal contract and after the participating department has ensured that the amounts claimed are due and in accordance with the provisions of this transversal contract, be certified by the responsible participating department or his representative.
- 15.1.10 The End User may defer payment pending request for clarification and the submission of further information, if so required. Such requests for clarification shall be submitted in writing to the Department within a period of 15 (fifteen) days of receipt of the invoice and the period for clarification shall not exceed 30 (thirty) days. The end-user must furnish proper documents for audit purposes.
- 15.2 **Ordering Procedure**
- 15.2.1 Prior to placing a formal order with a supplier, the participating institution will submit a pre-order to the first ranked supplier stipulating the details of the intended order.
- 15.2.2 The supplier will be allowed a maximum of three (3) working days to formally respond to the pre-order, indicating how the requirements of the order will be fulfilled. The supplier must indicate whether the order will be fulfilled in full, partially fulfilled or completely declined.
- 15.2.3 In the event that the participating institution does not receive the written response on the pre-order within three (3) working days, the purchaser will be allowed to engage with the next highest ranked supplier.



- 15.2.4 Should the supplier respond with a partial acceptance or decline the request, the next highest ranked supplier on the list must be contacted to supply the balance or full requirement.
- 15.2.5 The participating institution may not enter into discussions to purchase from the 2nd supplier without confirmation and agreement from the original supplier to do so. Similarly, the participating institution may not enter into discussions to purchase from the next ranked supplier without confirmation and agreement from the aforementioned supplier to do so, and so forth.
- 15.2.6 The purchasing institution must place the formal order within five (5) working days from receiving the written response from the supplier(s).
- 15.2.7 The supplier will have to notify National Treasury, National Department of Transport, and the end users on the transversal contract in the event that certain makes and items are no longer available or when there is a shortage of stock and the anticipated time frames for it to become available.
- 15.2.8 The State reserves the following right:
- 15.2.9 To order from a lower ranked tyre where the higher awarded item does not meet the requirements of the end user in terms of the speed-, ply- and load rating.
- 15.2.10 To order from a lower ranked supplier, where the total cost of the services required for
- i) Tyre Price and delivery cost, fitment, balancing and valve or;
 - ii) Tyre price and delivery cost, fitment, balancing, alignment, and valve is where the price is less than that of the higher ranked supplier.
- 15.2.11 The end user department will be allowed to procure outside of the contract if the item is not available on the contract.
- 15.2.12 Should an item not be awarded/available in the province, the end users will be allowed to procure the same item awarded in another province at the awarded price.
- 15.3 **Delivery Adherence**
- 15.3.1 Delivery of items must be made as per the instructions appearing on the official purchase order forms issued by purchasing State institutions.
- 15.3.2 All deliveries or dispatches must be accompanied by a delivery note stating the official order number against which the delivery has been affected.
- 15.3.3 In respect of items awarded, Suppliers must adhere strictly to the delivery lead times quoted in their bids.



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

16. CONTINUITY OF SUPPLY

- 16.1 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:

- 16.1.1 Industrial action,
- 16.1.2 Tyre Manufacturing Pipeline
- 16.1.3 Any other supply challenges.

- 16.2 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:

- 16.2.1 The contracted supplier fails to perform in terms of the contract.
- 16.2.2 The item(s) are urgently required and not immediately available.
- 16.2.3 In the case of an emergency.

16.3 Changes in the Service Provider Contact Details

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

17. PRODUCT ADHERENCE / BRAND CHANGE

- 17.1 If 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. No alternative will be accepted within the first year of the contract. Alternative brand will only be done on a six-month basis.

- 17.2 If the brand is discontinued and or replaced with a new brand, National Treasury, Transversal Contracting must be notified of such an occurrence and upon approval, an official amendment will be issued. The service provider is required to submit supporting documents from the manufacturer substantiating the changes.

- 17.3 No approval will be granted without a letter from a manufacturer.

- 17.4 It must be noted that the new brand will be required to undergo the evaluation process before receiving approval for the brand change issued by the National Treasury. The new brand must adhere to the technical specifications for the item.



- 17.5 Furthermore, service providers are to take note that the price of the new brand should not be higher than the current contract price of the original brand.
- 17.6 Service providers are not allowed to deliver new brands other than the brand awarded to them before the approval of brand change from the National Treasury.
- 17.7 The National Treasury reserves the right not to approve any brand change applications.

18. POST-AWARD PRODUCT COMPLIANCE PROCEDURES

- 18.1 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 reserve 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.
- 18.2 The State reserve the right to conduct any sample or site inspection directly or through a third party appointed by the state.

19. REGISTRATION ON DATABASES OF PARTICIPATING INSTITUTIONS

- 19.1 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.
- 19.2 Failure to meet this requirement will result in an inability to process orders and payments for goods.

20. MONITORING

- 20.1 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:
- 20.1.1 Compliance with delivery lead times
- 20.1.2 Percentage of orders supplied in full first time.
- 20.1.3 Compliance with reporting requirements according to reporting schedule.
- 20.1.4 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.



- 20.2 The state may conduct a random audit(s) with or without prior appointment arrangements with the appointed Supplier(s).
- 20.3 The National Treasury will conduct meetings with the Participating Institutions and Suppliers to discuss transversal contracting issues.
- 20.4 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.
- 20.5 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.
- 20.6 Reporting and Supplier(s) meetings and schedules will be communicated to successful bidders.
- 20.7 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
- 20.8 Detailed reporting requirements from Suppliers will be provided to awarded Suppliers.

21. TERMINATION

- 21.1 The State shall be entitled to terminate this agreement if one or more of the following occur:
- 21.1.1 The Supplier decides to transfer the contract or cede the contract.
- 21.1.2 The supplier does not honour contractual obligations including the submission of information.
- 21.1.3 The supplier is provisionally or finally liquidated, making it impossible for the supplier to perform its functions in terms of this transversal contract.
- 21.1.4 The supplier enters settlement arrangements with their creditors.
- 21.1.5 The supplier commits an act of insolvency.
- 21.1.6 If the supplier is a member of an unincorporated joint venture or consortium and the membership of such joint venture or consortium changes.
- 21.1.7 There is a change in ownership of the supplier that has the effect that over 50% ownership of the Supplier belongs to the new owner without prior written approval of the State.
- 21.1.8 Overall poor performance rating during the contract period.
- 21.1.9 Supplying products that are not as per the specifications and standards provided for in the contract.



END