SPECIAL REQUIREMENTS AND CONDITIONS OF CONTRACT

RT9-2011R

SUPPLY AND DELIVERY OF SPECIALISED PRODUCTS FOR INFANT FEED, COMPLETE ENTERAL FEEDS FOR PAEDIATRICS AND ADULTS, ENTERAL FEED SUPPLEMENTS, OTHER NUTRITIONAL SUPPLEMENTS AND TUBE FEEDING SYSTEMS TO THE STATE

FOR THE PERIOD 1 SEPTEMBER 2011 TO 31 AUGUST 2014

NATIONAL TREASURY

CONTRACT MANAGEMENT

(TEXTILE, OFFICE EQUIPMENT, PERISHABLES)

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1. SPECIAL CONDITIONS OF CONTRACT

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 prevail.

2. DEFINITIONS

a. **"prebiotics"** means a non-digestible carbohydrate food component or ingredient with a degree of polymerization between 2 to 60, which has a beneficial effect on the host's health by selectively stimulating the growth and metabolic activities of one or a limited number of beneficial, indigenous, intestinal bacteria, thus improving the host's intestinal balance.

b **"probiotic"** means live bacteria indigenous to the human intestinal tract, which, when consumed in adequate numbers, beneficially affect the health and functioning of the host's intestinal tract by modulating mucosal and systemic immunity as well as improving the nutritional and microbial balance and are therefore considered a dietary adjuvant and are added to foodstuffs for their prophylactic and health enhancing properties;

c **"probiotic bacteria"** means bacterial strains selected mainly from the general *Lactobacillus* and *Bifidobacterium* for which no drug or antibiotic resistance has been reported in independent studies published in credible, acceptable, peer-reviewed scientific journals, and these strains can be used in biotherapeutics for therapeutic purposes or added to foodstuffs for their prophylactic and health enhancing properties;

d. **"hermetically sealed package"** means an unopened container which forms an airtight closure, which is impervious to liquid and cannot be opened without breaking or damaging such package to safeguard the hygienic and other qualities of the product.

e. **"Hazard Analysis and Critical Control Points (HACCP)"** is a systematic preventive approach to food safety and pharmaceutical safety that addresses physical, chemical, and biological hazards as a means of prevention rather than finished product inspection. HACCP is used in the food industry to identify potential food safety hazards, so that key actions, known as Critical Control Points (CCP's) can be taken to reduce or eliminate the risk of the hazards being realized. The system is used at all stages of food production and preparation processes including packaging, distribution, etc.

3. EVALUATION CRITERIA

a. In terms of regulation 4 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)
- Historically disadvantaged individuals as well as specific goals (maximum 10 points)

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

$$Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where

Ps = Points scored for price of bid under consideration

Pt = Rand value of bid under consideration

Pmin = Rand value of lowest acceptable bid

c. A maximum of 10 points may be awarded to a bidder for being a historically disadvantaged individual and/or subcontracting with a historically disadvantaged individual and/or achieving any of the specified goals stipulated in regulation 17 of the Preferential Procurement regulations. For this bid the maximum number of points that could be allocated to a bidder is indicated in paragraph 3.1. The State reserves the right to arrange contracts with more than one contractor.

d. It is the Government's intention to promote the following goals with this bid, and the points to be allocated are indicated against each goal:

3.1 POINTS

GOALS	POINTS
Preference points for equity ownership by historically disadvantaged Individuals who, due to the apartheid policy that had been in place had no franchise in national elections prior to 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") and/or	5
who is a female	1
Preference points for the promotion of small businesses	1
Preference points for the promotion of local manufacturing	3

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

b. Bidders are required to complete the various preference claim forms in order to claim preference points.

c. Only a bidder who has completed and signed the declaration part of the preference claim form will be considered for preference points.

d. Contract Management may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.

e. Points scored will be rounded off to the nearest 2 decimals.

f. 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 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.

g. A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

h. The State reserves the right to arrange contracts with more than one contractor for the same item.

4. PARTICIPATING DEPARTMENTS

NATIONAL DEPARTMENTS

South African Military Health Services

Correctional Services

PROVINCIAL DEPARTMENTS

Eastern Cape Department of Health

Free State Department of Health

Kwa-Zulu Natal Department of Health

Limpopo Department of Health

Mpumalanga Department of Health

North West Department of Health

Northern Cape Department of Health

Western Cape Department of Health

5. CONTRACT PERIOD

The contract period shall be for a period of 3 (three) years commencing on 1 September 2011 to 30 June 2014.

6. RESPONSE FIELDS

It is imperative that bidders submit responsive bids by completing all the mandatory response fields and item questionnaires for the individual items. In this regard bidder's attention is drawn to the response field and price structure explanations and examples supplied in the bid document.

Non-compliance with this condition will invalidate the bid for the item/s concerned.

7. VALUE ADDED TAX

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

8. TAX CLEARANCE CERTIFICATE

An original and valid Tax Clearance Certificate issued by the South African Revenue Services certifying that the taxes of the bidder are in order must be submitted at the closing date and time of bid. Failure to comply with this condition will invalidate the bid.

9. DOCUMENTATION OF UNDERTAKING AND LEGISLATIVE REQUIREMENT

9.1 In the event of the bidder not being the actual manufacturer and will be sourcing the product(s) from another company, a letter from that company (ies) / supplier(s) confirming firm supply arrangement(s) including lead times in this regard, must accompany the bid at closing date and time. The attached form 28 must be used as a guide for this purpose.

9.2 The said company/manufacturer/supplier issuing such a letter must confirm that it has familiarised itself with the item description/specification and bid conditions and if the bid consist of more than one item, it should be clearly indicated in respect of which item(s) the supportive letter has been issued.

9.3 It must be indicated in the letter that all the terms and conditions are mutually agreed upon.

9.4 Bidders must comply with one of the following requirements at the closing date and time of bid:

a. ISO 10330:2007 / SANS 10330:2007 “Requirements for HACCP System” and ISO 9001:2008 / SANS 9001:2008 “Requirements for Quality Management Systems”

OR

b. ISO 22000:2005 “Food Safety Management Systems – Requirements for any organisation in the food chain”; (which is a combination of ISO 9001 and ISO 10330 (HACCP)

9.5 A certified copy of the full nutritional analysis report (not older than 12 months) of the product for which the bid is submitted as well as proof that the analytical laboratory has SANAS (South African National Accreditation System) or ILAC (International Laboratory Accreditation Cooperation) accreditation for both the laboratory facility and for each of the

methods used to conduct the nutritional analysis or proof of sample submission at a SANAS accredited institution must be submitted at the closing date and time of bid. Laboratory of analysis should at least have the pre-requisite ISO/IEC 17025 "Requirements for Quality Management System for laboratories" used by testing and calibration laboratories.

Bidders submitting proof of samples submission to SANAS accredited institution for nutritional analysis of products as well as proof that the analytical laboratory has SANAS or ILAC accreditation for both laboratory facility and for each of the methods used to conduct nutritional analysis shall submit their results to National Treasury, Contract Management within 30 days of bid closing date.

A full nutritional analysis report includes the analysed amount of each of the nutrients per 100g/100ml of the product per specification or where applicable, the viable number of live probiotic bacteria per individual capsule or chewable tablet provided the information on the label is based on the analysed values.

9.6 Cost of complying with requirements in paragraph 9.4 and 9.5 shall be for the bidder's own account.

9.7 Labels must comply with the requirements of the applicable labelling regulations under the Food, Cosmetics, and Disinfectants Act, 1972 (ACT 54 of 1972). Regulation 15(1) of the regulations governing the labelling and advertising of foodstuffs, published under Government Notice No. R. 146 of 1 March 2010 clearly stipulates that "No person shall import, manufacture or **sell** any foodstuff unless the foodstuff or its package, or the bulk stock from which it is taken, **is labelled in accordance with the provisions of these regulations."** In other words, all foodstuffs offered for sale in any manner within South Africa (for human consumption) shall comply with these stipulations. All bidders should ensure to be full incompliance with these revised regulations by 1 March 2012 (as per extension granted by Department of Health's Minister)

9.8 All products offered must conform with the Food, Cosmetics, and Disinfectants Act, 1972 (ACT 54 of 1972) and the latest revision of the relevant Codex Alimentarius Standards.

9.9 Bidders offering products which require registration in terms of Act 101 of 1965 (Medicines and Related Substances Control Act, 1965), must be in possession of valid registration certificates or proof of full registration (not call-up) as a medicine, issued in

terms of the said Act at the closing date and time of bid and must comply with the conditions under which the medicines are registered.

9.10 Businesses/entities offering products which require registration in terms of Act 101 of 1965 (Medicines and Related Substances Control Act, 1965), must provide proof of licensing with the Medicines Control Council in terms of section 22C (1) (b) of the Medicines and Related Substances Control Act as amended, at the closing date and time of bid.

9.11 Bidders offering infant food products in terms of this bid must supply a letter giving the undertaking that they will comply with all articles of the International Code for the Marketing of Breastmilk Substitutes and the relevant World Health Assembly Resolutions

9.12 Non-compliance with the abovementioned conditions will invalidate the bid for such item/s offered.

10. PRE AWARD SUPPLIER DUE DILIGENCE

The State reserves the right to conduct supplier due diligence prior to final award.

11. CONTRACT ADMINISTRATION

a. Successful bidders must advise the Chief Directorate: Contract Management, 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.

b. The administration and facilitation of the contract will be the responsibility of Contract Management, National Treasury and all correspondence in this regard must be directed to the following address:

The Chief Directorate: Contract Management, National Treasury, Private Bag X115, Pretoria, 0001.

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

12. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments to any of the Special Conditions by bidders will result in the invalidation of such bids.

13. FRONTING

a. The National Treasury supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the National Treasury condemn any form of fronting.

b. The National Treasury, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiates 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.

14. PRODUCT COMPLIANCE

14.1 PRE AWARD PRODUCT COMPLIANCE PROCEDURES

The following pre-award product compliance procedures will apply:

a. Compliance to specifications as stated in the bid document.

b. Submission of samples of the relevant products with the bid documents at closing date and time.

14.2 SAMPLES

a. Bidders are requested to submit two samples per item to:

Venue: National Department of Health, Nutrition Directorate, CIVITAS, Cnr. Struben & Andries Streets, Pretoria, 0001

Date: 14 - 17 March 2011

Time: From 08:00 to 16:00 (No late samples will be accepted)

Contact persons: Nomasonto Chabangu (012) 395 8769 or
Aaron Manyuha (012) 395 8772

Please note: Samples will only be accepted on these dates and time

b. Samples must be submitted in sealed original packages identical to products that would be supplied during the contract period.

c. Bids not supported by samples will be disregarded in respect of the items for which samples are requested.

d. Samples must be marked on the outside with the correct bid number, item number and bidder's name. Unmarked samples will be disregarded and not evaluated

e. A bidder shall upon notification of being a successful bidder, provide Contract Management with one sample each of product/s awarded to them to be retained for the contract period.

14.3 POST AWARD PROCEDURES

14.3.1 CONSIGNMENT /BATCH TESTING

a. Consignments (products) are inspected on a batch to batch or lot for lot basis to ensure that the product complies with predetermined specifications.

b. The contract and official orders to the successful bidder will reflect that the relevant testing institution is required to carry out consignment/batch inspections. The purchasing institution will send a copy of the official order to the testing institution and notify the testing institution in writing (preferably by means of an official order) that consignment /batch tests must be carried out.

c. It is the responsibility of the purchasing institution to determine and explicitly stipulate the number and frequency of consignment inspections to be carried out, as the costs of such inspections would normally be borne by the purchasing institution provided the item passed the test. If the inspections don't comply with the specifications, the cost of those inspections will be payable directly by the contractor. The consignment inspection can be carried out either before delivery at the supplier's premises or after receipt of the

consignment at the purchasing institution's storage facility. Inspection at the supplier's premises is preferable as any faults are then indisputably the responsibility of the supplier and the correction thereof could be done promptly.

14.3.2 MONITORING AND EVALUATION

a. Monitoring audits may be conducted periodically and randomly by the Department of Health to determine compliance to the product specifications. The cost of the expenses will be for the relevant Department of Health's account. However, should the contractor not comply with the test or audit requirements then the contractor will be liable for the audit costs.

b. The appointed service provider shall conduct the random audit without prior appointment arrangements with the manufacturer.

c. The test report of the random audit shall include the analysis of selected nutrients and microbial hazards which shall be determined by the Department of Health.

d. Any product with deviations that may be hazardous to the client shall be recalled with immediate effect.

e. Upon identifying non-conforming product/s, the National Department of Health will inform the contractor to stop supplying the product/s with immediate effect as well as user departments to stop ordering the said product/s.

f. Any non-conforming product identified by the end-user will require the contractor to take immediate corrective measure (this could include packaging, labelling, reformulation, etc.). A grace period of 30 (thirty) calendar days from initial date of written notification will be granted to rectify non-conformance identified.

g. Once the contractor complies after corrective measures, the National Department of Health will notify user department to start ordering from the contractor.

h. Should the contractor fail to comply after corrective measures, then the contract for the non-conforming product/s may be terminated with the contractor.

i. Contractors should submit in advance any amendments to the label and or product formulation such that there is sufficient time to review and communicate whether product is compliant/non-compliant. No new products must be delivered to end-users without

verification of product compliance by the National Department of Health and approved by the National Treasury.

14.3.3 END USER COMMUNICATION CHANNELS

a. Once an end-user experiences any problem with a contractor, they will first communicate with the relevant contractor in order to resolve the matter.

b. Should the problem not be resolved, the end user shall then inform the National Department of Health which will address the matter.

c. Should the National Department of Health not be in a position to resolve the matter amicably, the end user may consult with the National Treasury in order to resolve the matter.

15. PRICE QUALIFICATION AND CONTRACT PRICE ADJUSTMENT PROCEDURE

15.1 Pricing Structure

a. 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.

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

c. Only one delivered price per item per province must be quoted for the entire contract duration.

15.2 Price Adjustments

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

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

15.3 Formula component definitions

15.3.1 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 (including VAT), then only R850 (incl. VAT) will be subject to adjustment.

15.3.2 Fixed portion

The fixed portion represents those costs which will not change over the adjustment period and DOES NOT represents 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.

15.3.3 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.

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	**100 %**

15.3.4 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	Publication	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)	CPI/PPI Publication OR Supplier / Manufacturer invoice(s) [2]	Please indicate OR Documentary evidence to accompany claim
D3 - Labour	CPI – PO141 Table E OR Labour agreement[3]	All items OR Labour agreement to be provided
D4 – Transport	CPI – PO141 Table E	Transport – Other Running Costs
D5 – Other	Specify	Documentary evidence to accompany claim

15.3.5 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 month is February 2011.

15.3.6 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 (Par. 15.3.7 – Price Adjustment Periods).

15.3.7 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 escalation period.

[2] Same as footnote 1.

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

Adjustment	CPA application to reach the office at the following dates	End Index Date	Dates *from* which adjusted prices will become effective	Dates *until* which adjusted prices will be effective
1st Adjustment	1 August 2011	June 2011	1 September 2011	29 February 2012
2nd Adjustment	1 February 2011	December 2011	1 March 2012	31 August 2012
3rd Adjustment	1 August 2012	June 2012	1 September 2012	28 February 2013
4th Adjustment	1 February 2013	December 2012	1 March 2013	30 August 2013
5th Adjustment	1 August 2013	June 2013	1 September 2013	28 February 2014
6th Adjustment	1 February 2014	December 2013	1 March 2014	30 June 2014

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

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

a. The formula described in par. 15.2 will be used and the imported cost component of the bid price (D1) will be adjusted taking into account the base ROE rate and the average ROE rate over the period under review indicated in paragraph (f) below.

b. In the event where the ROE adjustment goes hand in hand with a material price increase, the material price (in foreign currency) will be converted to South African currency using the base rate for the earlier invoice and the average ROE rate for the period under review as indicated in paragraph (f) below for the later invoice.

c. The imported cost component (D1) will be adjusted together with all the other cost components indicated in paragraph 15.3.4 above and at the predetermined dates indicated in paragraph 15.3.7 above.

d. Rate(s) of exchange to be used in this bid in the conversion of the price of the item(s) to South African currency.

Currency	**Rates of exchange** 6 month average for period 12 August 2010 – 11 February 2011
US Dollar	7.0109
Pound Sterling	11.0472
Euro	9.3821
Yen	0.0844

e. Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period 12 August 2010 – 11 February 2011 using the Reserve Bank published rates for the specific currency. Visit www.reservebank.co.za to obtain the relevant rates. Please refer to Form 34 for instructions on how to download information from the Reserve Bank website.

f. 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:**
1st Adjustment	12 February 2011 to 25 July 2011
2nd Adjustment	26 July 2011 to 25 January 2012
3rd Adjustment	26 January 2012 to 25 July 2012
4th Adjustment	26 July 2012 to 25 January 2013
5th Adjustment	26 January 2013 to 25 June 2013

15.5 General

a. Unless prior approval has been obtained from Contract Management, no adjustment in contract prices will be made.

b. Bidders are referred to paragraph 12 of the Special Conditions regarding counter conditions.

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

16. QUANTITIES, ORDERS AND DELIVERY

16.1 DELIVERY ADHERENCE

a. Firm delivery periods must be quoted for the duration of the contract period.

b. Delivery of products must be made in accordance with the instructions appearing on the official order forms emanating from the above-mentioned institutions placing the orders. Delivery of product/s that is neither in accordance with the order form nor the products on contract is deemed as a contravention of contract conditions.

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

d. In respect of items awarded to them, contractors must adhere strictly to the delivery periods quoted by them in their bids.

e. The instructions appearing on the official order form regarding the supply, dispatch and submission of invoices must be strictly adhered to.

f. All invoices should be delivered/posted to reach the institution that placed the order timeously. The invoices should be original and accompanied by an inspection certificate and proof of delivery.

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

16.2 QUANTITIES AND ORDERS

a. The ordered quantities are required for delivery to the participating departments.

b. Suppliers should under no circumstances deviate from the orders issued by the departments.

c. The State is under no obligation to purchase any stock, which is in excess of the indicated quantities of each item.

d. 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 ordered.

e. The State also reserves the right to purchase its requirements elsewhere outside the contract if:

- The minimum packing or minimum order quantity specified by the contractor be more than that of an institution's requirements
- The item(s) are urgently required and not immediately available
- An emergency arises

f. Only authorised participants listed on paragraph 4 above may place orders with the relevant contractors. Contractors are not allowed to process and/or execute orders received directly from catering companies outsourced by the various hospitals for catering purposes.

17. PACKAGING

a. All deliveries made against this contract whether by road or rail are to be packed in containers, which will be acceptable for further dispatch by rail.

b. Individual packages (except for a tin, a can, tetra pack, or bottle) for powdered products must be hermetically sealed package which is resealable (e.g. ziplock, clip, etc) when the product has been opened.

c. As per the National Health Act No 61 of 2003, *"20.(3) Subject to any applicable law, every health establishment must implement measures to minimise- (a) injury or damage to the person and property of health care personnel at that establishment* " bidders are therefore required to adhere to a maximum weight of 10 kg for bulk packaging when supplying products.

d. The number of "PACK" items in the commercial packing must appear on the bid documents. The packing must be uniform for the duration of the contract period, i.e.:

- The number of "PACK" items per commercial packing.
- The number of commercial packing 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.

17.1 LABELS AND PACKAGE INSERTS

a. The following information must be clearly and indelibly printed on all packaging. All packaging must be water- and airtight.

- Brand Name
- Nett Mass of Container
- Date of manufacture
- Expiry date / sell-by date
- Batch number, where applicable
- The conditions under which the product must be stored

b. Labels and package inserts for these types of products designed for special medical purposes, must comply with the Foodstuff, Cosmetics and Disinfectants Act, 1972 (Act 54 of 1972), as well as the latest adopted Codex Alimentarius Standards,.

c. The labels accompanying leaflets and or other labelling of the products should provide sufficient information on the nature and purpose of the feed as well detailed instructions and precautions for their use.

d. The declaration of nutrient content shall be numerical.

e. The number of servings or portions contained in the package shall be stated on the labels.

f. Adequate directions for the preparation including the requirements to add other ingredients for the use of the feed and for its storage and keeping after the container has been opened shall be provided on the labels or leaflet.

g. A statement that the product is not to be used for parental administration should be clearly visible on all enteral feed.

h. A statement concerning adequate precautions, known side effects, contra-indications and product-drug interactions should appear on the accompanying leaflets, as and where applicable.

i. If a product has been formulated for a specific age group, it should carry a prominent statement to this effect on the label. The Feeding instructions, including the method of administration and serving size, if applicable should be indicated clearly.

j. All powdered products shall be accompanied by a measuring scoop except for single serving products. It is the companies' responsibility to communicate changes in scoops especially scoop sizes.

k. Items supplied to healthcare facilities and institutions must be marked with the wording "**STATE USE ONLY-NOT FOR RE-SALE",** added on the immediate container label and outer label.

l. Bidders are not to make claims of what the product can do other than what is stated on product's label.

17.2 CONTAINERS

a. The function of a container for the products is to maintain the quality, safety and stability of its contents. Containers should withstand the mechanical hazards of handling transport to prevent leakage/breakage and provide an appropriate level of protection from environmental conditions. Ideally, the material of construction should have no chemical or any other effect on the products.

b. Products are to be packed in suitable containers in such a manner as to ensure adequate protection against deterioration in storage from the effect of light or moisture. All products must be packed in acceptable containers, where applicable, hermetically sealed containers.

c. Containers must comply with regulations under the Foodstuffs, Cosmetics and Disinfectant Act of 1972 and the relevant Codex Alimentarius Standards and can include but not limited to a tin, a can, tetra pack, plastic bottle and sachet.

17.3 SHELF-LIFE

Upon delivery, powdered products must have at least 9 months shelf-life and liquid products, 6 months shelf life before the date of expiry.

18. ALTERNATIVE OFFERS

Bidder may offer alternatives against any item.

19. ABBREVIATIONS

The abbreviations used in the bid signify the following:

ug /mcg	=	microgram
mg	=	milligram
g	=	gram
kg	=	kilogram
ml	=	millilitre

L	=	litre
IU	=	International Units

20. REPORTING

Historical value and volume reports are required to be submitted on a six (6) monthly basis to National Treasury: Contract Management, by all successful bidders.

21. CONTACT DETAILS

Chief Directorate: Contract Management, National Treasury, Private Bag x 115, Pretoria, 0001 or Physical address: 240 Vermeulen Street, cnr. Andries- and Vermeulen- Streets, Pretoria

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