



BID DOCUMENT NUMBER: ZNB 5532 /2023-H:

DESCRIPTION: TRANSPORTATION SERVICE FOR PHARMACEUTICAL PRODUCTS AND OTHER NON-MEDICAL ITEMS FROM PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD) TO VARIOUS INSTITUTIONS: THREE YEAR CONTRACT

Name of Bidder.....

Central Supplier's Database Registration Number.....

Income Tax Reference Number.....

BIDDER TO NOTE THE FOLLOWING

CLOSING DATE AND TIME:

DATE: 23 June 2023

TIME: 11: 00AM

BID RESPONSE DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

**Central Supply Chain Management Directorate
Old Boys School, 310 Jabu Ndlovu Street
Pietermaritzburg
3201**

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SECTION A: INVITATION TO BID (SBD1)

PART A

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE KWAZULU-NATAL DEPARTMENT OF HEALTH

BID NUMBER:	ZNB 5532/2023-H	CLOSING DATE:	23/06/2022	CLOSING TIME:	11: H 00 AM
DESCRIPTION	TRANSPORTATION SERVICE FOR PHARMACEUTICAL PRODUCTS AND OTHER NON-MEDICAL ITEMS FROM PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD) TO VARIOUS INSTITUTIONS: THREE YEAR CONTRACT				

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).

BID RESPONSE DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

CENTRAL SUPPLY CHAIN MANAGEMENT DIRECTORATE
OLD BOYS SCHOOL, 310 JABU NDLOVU STREET
PIETERMARITZBURG
3201

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VATREGISTRATION NUMBER					
	TCS PIN:		OR	CSD No:	
STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes		STATUS LEVEL SWORN AFFIDAVIT		<input type="checkbox"/> Yes
	<input type="checkbox"/> No				<input type="checkbox"/> No
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX	<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)			
	<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)			
	<input type="checkbox"/>	A REGISTERED AUDITOR			
		NAME:			

[A STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs& QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS / SERVICES / WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	[IF YES ENCLOSE PROOF]		[IF YES ANSWER PART B:3 BELOW]

SIGNATURE OF BIDDER	DATE	
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CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)			
--	--	--	--

TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE (ALL INCLUSIVE)	
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BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO: TECHNICAL INFORMATION MAY BE DIRECTED TO:

DEPARTMENT	KZN Department of Health	DEPARTMENT	KZN Department of Health
CONTACT PERSON	Demand Management	CONTACT PERSON	Mrs M Lutchman
TELEPHONE NUMBER	033 815 8361	TELEPHONE NUMBER	031 469 8308
E-MAIL ADDRESS	SCM.DemandManagement@kznhealth.gov.za	E-MAIL ADDRESS	Manodha.Lutchman@kznhealth.gov.za

PART B: TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED – (NOT TO BE RE-TYPED) OR ONLINE	
1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). CERTIFICATE OR SWORN AFFIDAVIT FOR MUST BE SUBMITTED TO BIDDING INSTITUTION.	
1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. CERTIFICATE OR SWORN AFFIDAVIT FOR MUST BE SUBMITTED TO BIDDING INSTITUTION.	
1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT AND ANY AMENDMENTS THERETO.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE DEPARTMENT TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.	
2.5 IN BIDS WHERE CONSORTIA/ JOINT VENTURES/ SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.	
2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS/ TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTERED AS PER 2.3 ABOVE.	

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SECTION B: SPECIAL INSTRUCTIONS AND NOTICES TO BIDDERS REGARDING THE COMPLETION OF BIDDING FORMS

PLEASE NOTE THAT THIS BID IS SUBJECT TO TREASURY REGULATIONS 16A ISSUED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999, THE KWAZULU-NATAL SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK AND THE GENERAL CONDITIONS OF CONTRACT. REFER TO THE GENERAL CONDITIONS OF CONTRACT AT THE FOLLOWING WEB ADDRESS:

<http://www.treasury.gov.za/divisions/ocpo/ostb/contracts/default.aspx>

1. Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and visa versa and with words importing the masculine gender shall include the feminine and the neuter.
2. Under no circumstances whatsoever may the bid forms be retyped or redrafted. Photocopies of the original bid documentation may be used, but an original signature must appear on such photocopies.
3. The bidder is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
4. Bids submitted must be complete in all respects.
5. Bids shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the bid documents.
6. Each bid shall be addressed in accordance with the directives in the bid documents and shall be lodged in a separate sealed envelope, with the name and address of the bidder, the bid number and closing date indicated on the envelope. The envelope shall not contain documents relating to any bid other than that shown on the envelope. If this provision is not complied with, such bids may be rejected as being invalid.
7. All bids received in sealed envelopes with the relevant bid numbers on the envelopes are kept unopened in safe custody until the closing time of the bids. Where, however, a bid is received open, it shall be sealed. If it is received without a bid number on the envelope, it shall be opened, the bid number ascertained, the envelope sealed, and the bid number written on the envelope.
8. A specific box is provided for the receipt of bids, and no bid found in any other box or elsewhere subsequent to the closing date and time of bid will be considered.
9. No bid sent through the post will be considered if it is received after the closing date and time stipulated in the bid documentation, and proof of posting will not be accepted as proof of delivery.
10. No bid submitted by telefax, telegraphic or other electronic means will be considered.
11. Bidding documents must not be included in packages containing samples. Such bids may be rejected as being invalid.
12. Any alteration made by the bidder must be initialled.
13. Use of correcting fluid is prohibited.
14. Bids will be opened in public as soon as practicable after the closing time of bid.
15. Where practical, prices are made public at the time of opening bids.
16. If it is desired to make more than one offer against any individual item, such offers should be given on a photocopy of the page in question. Clear indication thereof must be stated on the schedules attached.
17. The bidder must initial each and every page of the bid document.

SECTION C: AUTHORITY TO SIGN A BID

A. COMPANIES

If a Bidder is a company, a certified copy of the resolution by the Board of Directors, personally signed by the Chairperson of the Board, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company must be submitted with this bid, that is before the closing time and date of the bid

AUTHORITY BY BOARD OF DIRECTORS

By resolution passed by the Board of Directors on.....20.....,
..... (Full name)
(whose signature appears below) has been duly authorised to sign all documents in connection with this bid on behalf of
.....(Name of Company).

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF COMPANY: (PRINT NAME)

SIGNATURE OF SIGNATORY: DATE:

WITNESSES: 1 DATE:

2 DATE:

B. SOLE PROPRIETOR (ONE - PERSON BUSINESS)

I, the undersigned..... (Full name) hereby
confirm that I am the sole owner of the business trading as:
.....(Name of Business)

SIGNATURE..... DATE.....

C. PARTNERSHIP

The following particulars in respect of every partner must be furnished and signed by every partner:

Table with 3 columns: FULL NAME OF PARTNER, RESIDENTIAL ADDRESS, SIGNATURE. It contains 5 empty rows for data entry.

.....(Name of cooperative)
SIGNATURE OF AUTHORISED REPRESENTATIVE/SIGNATORY:

.....

IN HIS/ HER CAPACITY AS:

DATE:

SIGNED ON BEHALF OF CO-OPERATIVE:

FULL NAME IN BLOCK LETTERS:

WITNESSES: 1 **DATE:**

2 **DATE:**

F. JOINT VENTURE

If a bidder is a Joint Venture, a certified copy of the resolution/ agreement passed/ reached, signed by the duly authorised representatives of the entities, authorising the representatives who sign this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and /or contract on behalf of the Joint Venture must be submitted with this bid, before the closing time and date of the bid.

AUTHORITY TO SIGN ON BEHALF OF THE JOINT VENTURE

By resolution/agreement passed/reached by the Joint Venture partners on.....20.....

..... (Full name)

..... (Full name)

..... (Full name)

..... (Full name)

whose signatures appear below have been duly authorised to sign all documents in connection with this bid on behalf of:
..... (Name of Joint Venture)

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF (ENTITY NAME):

SIGNATURE: **DATE:**

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF (ENTITY NAME):

SIGNATURE: **DATE:**

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF (ENTITY NAME):

SIGNATURE: **DATE:**

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF (ENTITY NAME):

SIGNATURE: **DATE:**

IN HIS/ HER CAPACITY AS:

G. CONSORTIUM

If a bidder is a Consortium, a certified copy of the resolution/ agreement passed/ reached, signed by the duly authorised representatives of concerned entities, authorising the representatives who sign this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/ or contract on behalf of the Consortium must be submitted with this bid, before the closing time and date of the bid.

AUTHORITY TO SIGN ON BEHALF OF THE CONSORTIUM

By resolution/agreement passed/reached by the Consortium on.....20.....
..... (full name)

whose signature appears below have been duly authorised to sign all documents in connection with this bid on behalf of:

..... (Name of Consortium)

IN HIS/ HER CAPACITY AS:

SIGNATURE: **DATE:**

SECTION D: BIDDER'S DISCLOSURE (SBD 4)

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? YES/NO

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

FULL NAME	IDENTITY NUMBER	NAME OF STATE INSTITUTION

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? YES/NO

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? YES/NO

2.3.1 If so, furnish particulars:

.....
.....

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

3 DECLARATION

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 AND 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

..... Signature Date
..... Position Name of bidder

SECTION E: THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME (SBD 5)

INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

1 PILLARS OF THE PROGRAMME

- 1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NIP obligation. This threshold of US\$ 10 million can be reached as follows:
- (a) Any single contract with imported content exceeding US\$10 million.
or
 - (b) Multiple contracts for the same goods, works or services each with imported content exceeding US\$3 million awarded to one seller over a 2 year period which in total exceeds US\$10 million.
or
 - (c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US\$10 million.
or
 - (d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$10 million.
- 1.2 The NIP obligation applicable to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30 % of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a pro-rata basis.

1.3 A period of seven years has been identified as the time frame within which to discharge the obligation.

2 REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

- 2.1 In order to ensure effective implementation of the programme, successful tenderers (contractors) are required to, immediately after the award of a contract that is in excess of R10 million (ten million Rands), submit details of such a contract to the DTI for reporting purposes.
- 2.2 The purpose for reporting details of contracts in excess of the amount of R10 million (ten million Rands) is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in paragraphs 1.1.(b) to 1.1. (d) above.

3 TENDER SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF TENDERERS AND SUCCESSFUL TENDERERS (CONTRACTORS)

Tenderers are required to sign and submit this Standard Tendering Document (SBD 5) together with the Tender on the closing date and time.

3.2 In order to accommodate multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub- paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful Tenderers (contractors) are required, immediately after being officially notified about any successful Tender with a value in excess of R10 million (ten million Rands), to contact and furnish the DTI with the following information:

- Tender / contract number.
- Description of the goods, works or services.
- Date on which the contract was accepted.
- Name, address and contact details of the government institution.
- Value of the contract.
- Imported content of the contract, if possible.

3.3 The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr. Elias Malapane within five (5) working days after award of the contract. Mr. Malapane may be contacted on telephone (012) 394 1401, facsimile (012) 394 2401 or e-mail at Elias@thedti.gov.za for further details about the programme.

4 PROCESS TO SATISFY THE NIP OBLIGATION

4.1 Once the successful Tenderer (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:

- a. the contractor and the DTI will determine the NIP obligation;
- b. the contractor and the DTI will sign the NIP obligation agreement;
- c. the contractor will submit a performance guarantee to the DTI;
- d. the contractor will submit a business concept for consideration and approval by the DTI;
- e. upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
- f. the contractor will implement the business plans; and
- g. the contractor will submit bi-annual progress reports on approved plans to the DTI.

4.2 The NIP obligation agreement is between the DTI and the successful Tenderer (contractor) and, therefore, does not involve the purchasing institution.

Tender number:	ZNB 5532/2023-H
Name of tenderer:	_____ Closing date: <u>23 JUNE 2023</u>
Postal address:	_____ _____
Signature:	_____ Name (in print): _____
Date:	_____

SECTION F: DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE IS CORRECT AND UP TO DATE (To be completed by bidder)

This is to certify that I

.....
(name of bidder/authorized representative)

who represents

.....
(state name of bidder)

am aware of the contents of the Central Supplier Database with respect to the bidder's details and registration information, and that the said information is correct and up to date as on the date of submitting this bid, and I am aware that incorrect or outdated information may be a cause for disqualification of this bid from the bidding process, and/ or possible cancellation of the contract that may be awarded on the basis of this bid.

.....
SIGNATURE OF BIDDER OR AUTHORISED REPRESENTATIVE

DATE:

SECTION G: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 SBD 6.1

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

- a. The applicable preference point system for this tender is the 80/20 preference point system.
- b. The 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) “**tender**” means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) “**price**” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) “**tender for income-generating contracts**” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) “**the Act**” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) & \text{or} & Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) & \text{or} & Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
In terms of Departmental Preferential Procurement Regulation Policy 2023, section 8.1.2.1. for Historically Disadvantaged Individuals. The Department allocate full 20 or 10 points to companies who are at least 51% Owned by Black People	20 Points	

DECLARATION WITH REGARD TO COMPANY/FIRM

- 4.3. Name of company/firm.....
- 4.4. Company registration number:
- 4.5. TYPE OF COMPANY/ FIRM
- Partnership/Joint Venture / Consortium
 - One-person business/sole propriety
 - Close corporation
 - Public Company
 - Personal Liability Company
 - (Pty) Limited
 - Non-Profit Company
 - State Owned Company
- [TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

..... SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:

SECTION I: GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the

supplier under the contract.

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to harm

- 25. Force Majeure**
- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
- 26. Termination for insolvency**
- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.
- 27. Settlement of Disputes**
- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.
- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 28. Limitation of liability**

- 29. Governing language** 229.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation (NIP) Programme** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34 Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

❖ I have read, understand and accept the General conditions of the contract which are binding upon me.

.....
Signature

.....
Date

.....
Name of Bidder

SECTION J: SPECIAL CONDITIONS OF CONTRACT (SCC)

Note: The special conditions of contract referred as (SCC) are supplementary to that of the General Conditions of Contract (GCC). Where, however, the special conditions of contract are in conflict with the General Conditions of Contract, the special conditions of contract (SCC) shall prevail.

1. ADDITIONAL DEFINITIONS

In addition to the definitions contained in paragraph 1 of the GCC, the following terms shall be interpreted as indicated:

- 1.1. **“Accounting Officer”**: means a person described in Section 36 of the Public Finance Management Act, Act No. 1 of 1999 (As amended by Act 29 of 1999).
- 1.2. **“Contract Duration”**: means the period between the commencement and termination of the contract.
- 1.3. **“Confidential Information”**: means but is not limited to contents of the contract, or any provision thereof, or any specification, plan, know-how, drawing, pattern, sample, or information furnished by or on behalf of the Department in connection therewith, to any person other than a person employed by contractor or service provider in the performance of the contract.
- 1.4. **“Department”**: means the KwaZulu-Natal Department of Health.
- 1.5. **“Head of Department”**: means the Head of Department for KwaZulu-Natal Department of Health as defined in Schedule 2 Column 1 and 2 of the Public Service Act 1994 (Proclamation 103 of 3 June 1994, as amended).
- 1.6. **“Health Facilities”**: means Head Office, District Offices, Hospitals, Community Health Centres, Specialized centres and Clinics under the auspices of the Department of Health in the Province.
- 1.7. **“ISO Standards”**: means standards recognized by International Standard Organisation
- 1.8. **“Parties”**: means the KwaZulu-Natal Department of Health and Contractor or Service provider
- 1.9. **“Province”**: means the Province of KwaZulu-Natal.
- 1.10. **“ROE”**: means the Rate of Exchange.
- 1.11. **“SABS”**: means the South African Bureau of Standards.
- 1.12. **“SANS”**: means the South African National Standards.
- 1.13. **“Vendor”**: means **Contracted Supplier or Service Provider**

2. INTERPRETATIONS

In amplification of the provisions of paragraph 2 of the GCC, unless inconsistent with the context, an expression which denotes:

- 2.1 Any gender includes the other genders.
- 2.2 A natural person includes a juristic person and vice versa.
- 2.3 The singular includes the plural and vice versa.
- 2.4 When any number of days is prescribed in this Contract, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or proclaimed public holiday in the Republic of South Africa, in which event the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday.
- 2.5 Figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail.
- 2.6 Any reference in this contract to "goods" includes works and/or services.
- 2.7 The written and signed contract represents the final agreement between the parties and it super cedes any prior oral agreements or discussions of the Contract.
- 2.8 All annexures and appendices shall form part of the contract.
- 2.9 The headings used throughout the Contract do not have any special significance save to ensure the easy reading of the contract.
- 2.10 Words and phrases defined in this Contract shall bear the meaning assigned to them throughout this Contract.
- 2.11 Words and phrases used in this Contract which are defined or used in any statute or regulation which applies to the subject matter, professional person.
- 2.12 The bid is issued in accordance with Section 217 of the Constitution, The Public Finance Management Act, Treasury Regulations 16A and National Treasury regulations and guidelines.

3. ACCEPTANCE OF A BID

- 3.1 The Department of Health Bid Adjudication Committee is under no obligation to accept any bid.
- 3.2 The financial standing of a bidder and its ability to supply goods or render services may be examined before the bid is considered for acceptance.

4. CERTIFICATE OF COMPLIANCE

- 4.1 If the bidder submits offers for items that make reference to South African National Standards (SANS) or South African Bureau of Standards (SABS) or International Organisation for Standardisation (ISO) specifications, a Certificate of Compliance must be submitted with the bid document at the time of closing of the bid. SABS/SANS can be contacted for testing and conformity services at Tel: 031 203 2900/ Fax: 031 203 2907. SANS, SABS AND CKS specifications will be for the account of the prospective bidder. Failure to submit the certificate, where applicable, will result in the bid being disqualified. The Department reserves its rights to contact SABS/SANS/CKS for testing and conformity services.
- 4.2 The carrier must ensure compliance with the following legislation:
 - 4.2.1 National Road Traffic Act, 1996 (No. 93 of 1996)
 - 4.2.2 National Road Traffic Regulations, 2000
 - 4.2.3 Administrative Adjudication of Road Traffic Offences (AARTO) Act No 46 of 1998
 - 4.2.4 Compensation for Occupational Injuries and Diseases Act (130 of 1993)
- NB: The driver must be in possession of a valid Professional Driving Permit (PDP).
The vehicle and carrier must be compliant with the National Transport Policy, Good Pharmacy Practice (GPP), Good Wholesaling Practice (GWP) (Annexure D), and Good Distribution Practice (GDP) (Annexure E).
- 4.3. The South African National Accreditation System (SANAS) is recognized by the South African Government as the single National Accreditation Body that gives formal recognition that Laboratory, Certification Bodies, Inspection Bodies, Proficiency Testing Scheme Providers and Good Laboratory Practice (GLP) test facilities are competent to carry out specific tasks. This organization can be contacted as follows: Tel: 012 3943760: Fax: 012 3940526.
- 4.4 Prior to an award of the bid being made and/or during the evaluation process, the Department of Health reserves the right to conduct inspections of the premises of the most acceptable bidder. Therefore, premises of the bidder shall be open, at reasonable hours, for inspection by a representative of the Department or organization acting on its behalf. Any specification/s and conformity testing will be for the account of the prospective bidder.
- 4.5 In the event of the winning bidder not being the actual manufacturer and will be sourcing the product(s) from the manufacturer, a letter from the manufacturer confirming firm supply arrangement(s) including lead times in this regard, may be required during evaluation or adjudication phase. If the bidder claim to be the manufacturer, a letter confirming that the bidder is the manufacturer may be may be required during evaluation or adjudication phase.

5. COMPLIANCE WITH SPECIFICATION

- 5.1 Offers must comply strictly with the specification. Offers exceeding specification requirements will be deemed to comply with the specification.
- 5.2 The quality of services/ supply must not be less than what is specified.

6. PERFORMANCE STANDARDS

- 6.1 In amplification of paragraph 4 of the GCC, the preferred bidder shall supply the goods or equipment safe for the use, and shall not endanger or cause harm to the patients, staff and visitors of the Department:
- 6.1.1 The carrier must transport the goods and other non-pharmaceutical items from/to the depot or to/from the supply points/collection points for the remuneration as set out in clause 3 below.
- 6.2 This contract must commence on date of acceptance of the carrier's bid and must remain in force for a period of three (3) years as stipulated on the Service level or contract agreement.
- 6.3 Hours of operations are 07h30 – 16h00 Monday to Friday including after hours, weekends and public holidays if required.
- 6.4 Goods and other non-pharmaceutical items are packaged in cartons, cooler boxes, bags and envelopes of variable sizes and weights.
- 6.4.1 The vehicles must be ready for loading the goods.
- 6.5 All documentation necessary in connection with the goods and the transportation thereof must be fully and correctly prepared timeously.
- 6.6 The carrier must sign such certificates and receipts on loading, off-loading, receipt and/or delivery as the customer may require.
- 6.8 The carrier shall provide all vehicle crew and equipment required for the loading or unloading of any goods.
- 6.8 The carrier, in conducting any packing or loading or other operation or activity in any area or premises, must do so at its own risk.
- 6.9 The carrier must provide monthly management reports in excel format detailing the following:
- 6.9.1. Services rendered eg. Deliveries (include lead times), collections, re-routes, emergencies.
- 6.9.2. Detailed exception reports eg. Damages, short shipments, misroutes, cold chain incidents and undeliverables.
- 6.9.3. Monthly POD stats ie. Total POD's generated, clean/endorsed and 'unclean/not endorsed' POD's, outstanding POD's (no physical POD's to prove delivery of consignment).
- 6.9.4. Total monthly expenditure statement, which includes credits, passed for misroutes, damages, missing goods, short shipments and undeliverable goods.
- 6.9.5. Compliance reports (calibration, qualification, temperature monitoring).
- 6.9.6. Any other reports that may be requested by the customer that is not included in the above.
- 6.9.7. Quarterly or ad hoc meeting to be conducted between PPSD and carrier.

7 QUALITY CONTROL /TESTING OF PRODUCTS AND GUARANTEE

- 7.1 The Department and/or Institution reserves the right to have any product tested with an accredited agent in the Republic of South Africa. The quality control testing administrative procedures will be undertaken by the Department's Supply Chain Management Contract Management section.

- 7.2 If it is discovered that the product supplied is not in accordance with the specification where applicable the following will occur:
- i. Testing charges will be for the account of Contractor.;
 - ii. Possible cancellation of the contract with Contractor.;
 - iii. Reporting such negligence to the Provincial and National Treasury for listing on the Restricted Suppliers Database.
- 7.3 All goods supplied shall be equal in all respects to samples, patterns or specifications where such are provided. Any changes to quality or brands will have to be approved by the Department, as this is a change to the conditions of the contract.
- 7.4 Should the Department, after the award of the Contract and/or during the manufacture of the goods specified, decide on a variation or alteration to the specification, either at the suggestion of Contractor or otherwise, which will be to the Department's advantage, such variation or alteration shall be performed to the Department's satisfaction. Any variation in the Contract Price arising there from shall be subject to agreement between the Department and Contractor. The variation shall comply with thresholds as prescribed by National Treasury regulations.
- 7.5 Contractor shall not be relieved of its obligations with respect to the sufficiency of the materials and workmanship and the quality of the goods supplied by the reason of no objection having been taken thereto by the Department's Representative at the time the goods were delivered.
- 7.6 If any dispute arises between the Department and Contractor, in connection with the quality and guarantee of the goods, either party may give the other notice in writing of the existence of such dispute, and the same shall thereupon be referred to arbitration in South Africa by a person mutually agreed upon by both parties. The submission shall be deemed to be a submission to arbitration within the meaning of the terms of the arbitration laws in force in the Republic of South Africa.

8. EQUAL BIDS AND CRITERIA FOR BREAKING DEADLOCK IN SCORING

During the submission of price quotations, the equal bids and criteria for breaking deadlock in scoring will be as follows:

- 8.1 If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals.
- 8.2 If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

9. LATE BIDS

- 9.1 Bids are permissible to be submitted prior to closing date and time this is to avoid unfortunate or unplanned circumstances that could prevent the bidder from arriving on time during the closing date. If the bidder fail to arrive on time the department will not be held liable.
- 9.2 Bids are late if they are received at the address indicated in the trust bid documents after the closing date and time.

10. MORE THAN ONE OFFER/ COUNTER OFFERS

- 10.1 Should the bidder make more than one offer, where applicable, against any individual item, such offer/s must be detailed in the Schedule of Additional Offer/s. The Department reserves its rights in and to the consideration of any additional offer/s subject to compliance with specification and the bidding conditions.
- 10.2 Bidders' attention is drawn to the fact that counter offers with regard to any of the abovementioned Special Terms and Conditions will invalidate such bids.
- 10.3 Bidders are at liberty to bid for one, a number of items, or bid for all items. If a bidder is not bidding for all the items, the appropriate price page must reflect: 'nil quote'.

11. ONLY ONE OFFER RECEIVED

- 11.1 Where only 1 offer is received, the Department of Health will determine whether the price is fair and reasonable. Proof of reasonableness will be determined as follows:
- (i) Comparison with prices, after discounts, to the bidder's other normal clients and the relative discount that the State enjoys;
 - (ii) Where this is not possible, profit before tax based on a full statement of relevant costs; and
 - (iii) In all cases, comparison with previous bid prices where these are available.

12. AWARD OF BID (S)

- 12.1 The Department of Health Bid Adjudication Committee shall award the bid to various bidders as per the following areas , provided that the respective bidders' offers comply with the specification and meets all the conditions attached to the bid.

Area 1: Ethekewini, Harry Gwala, Ilembe, Ugu, Umgungundlovu and Uthukela

Area 2: Amajuba, King Chetswayo, Umkhanyakude, Umzinyathi and Zululand.

- 1.2.2 In an attempt to broaden participation in the market, as per the Preferential Procurement Policy Framework Act section 2 (1) (f), objective criteria, the Department shall award the bid to compliant bidders as per the following areas:
- a) Area 1
 - b) Area 2

1.2.2.1 No bidders/Service providers will be awarded more than one Area, except in the instance of 1.2.2.2.(d).

1.2.2.2 In the event of one bidder scoring highest points in one or all the Areas, the Department will use the following criteria in application of the principle contemplated in 1.2.2 above:

- a) The bidder that scores highest points in one or two Areas will be awarded only one Area, which is the area with the higher volumes.
- b) For the second Area, the Department will award to the next highest ranking bidder on the proviso that they match the price offered by the highest ranking bidder.
- c) In the event that they decline the offer to match the price, the award will be made to the next highest ranking bidder that is prepared to meet the price.
- d) A bidder may be awarded more than one Area, in the event that none of the other bidders are willing to match the price of the highest ranking bidder.

The Department reserves the right to require either of a bidder, before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the department.

- 12.2 Notification of the intention to award the bid shall be in the same media that the bid was advertised.
- 12.3 In terms of Provincial Treasury Practice Note Number: SCM-07 of 2006, Section 5: Appeal Procedure, 5.1 “A bidder aggrieved by a decision of the Departmental Bid Adjudication Committee or a delegate of an Accounting Officer may appeal to the Bid Appeals Tribunal in the prescribed manner” The bidder must, within five working days of the publication of the notice of intention to award, in the Government Tender Bulletin, deliver a written notification of an intention to appeal to Provincial Treasury, Secretariat, Bid Appeals Tribunal, Tel no: 033-897 4200. After all appeals, should they be lodged, have been dealt with by the Bid Appeals Tribunal, the successful bidder (s) shall be notified in writing by a duly authorised official of the Department of Health, Central Supply Chain Management Unit. A formal contract will then be entered into by parties, using service level agreement or Standard Bidding Document for formal contracts.

13. REGISTRATION ON THE CENTRAL SUPPLIER DATABASE (CSD)

- 13.1 A bidder submitting an offer must be registered on the Central Supplier Database. A bidder who has submitted an offer and is not registered on the Central Supplier Database will not be considered.
- 13.2 Each party to a joint venture/ consortium must be registered on the Central Suppliers Database at the time of submitting the bid.

14. EMPLOYEES TRADING WITH THE ORGANS OF THE STATE

- 14.1 The Public Service Act 103 of 1994 indicates in section 30(1) that “No employee shall perform or engage himself or herself to perform remunerative work outside his or her employment in the relevant department, except with the written permission of the executive authority of the department.”
- 14.2 Furthermore, in terms of the Public Service Regulations paragraph 13(c), “An employee shall not conduct business with any organ of state or be a director of a public or private company conducting business with an organ of state, unless such employee is in an official capacity a director of a company listed in schedule 2 and 3 of the Public Finance Management Act”
- 14.3 If a bidder is found to be employed by the state, through the verification from Central Supplier Database (CSD) Registration Report or Department of Public Service and Administration (DPSA) verification system, the bid will be immediately disqualified. If it is discovered that the winning or contracted bidder is employed by the state through other Computer Assisted Audit Technics (CAATS), the award or contract may be immediately terminated.

15 TRUST, CONSORTIUM OR JOINT VENTURE

- 15.1 To ensure compliance with SCM prescripts, a Trust, Consortium or Joint Venture must submit a consolidated Specific Goals for every separate bid. No award will be made to a Trust/ Joint Venture/ Consortium that is not tax compliant at the finalisation of the award. For verification purposes, each party must submit separate proof of TCS/ PIN / CSD number.
- 15.2 A separate B-BBEE Certificate or Sworn Affidavit will be required from each company participating in the awarded Trust, Consortium or Joint Venture during the formal contract stage.
- 15.3 The Joint Venture agreement must clearly specify the percentage of the contract to be undertaken by each company participating therein.
- 15.4 The Joint Venture/Consortium must submit a formal agreement that outlines the roles and responsibilities of each member of the Joint Venture/ Consortium, nomination of an authorised person to represent the Joint

Venture or Consortium in all matters relating to this bid and the details of the bank account for payments to be affected.

16. VALIDITY PERIOD OF BID AND EXTENSION THEREOF

- 16.1 The validity (binding) period for the bid will be **180 days** from close of bid. However, circumstances may arise whereby the department may request bidders to extend the validity (binding) period. Should this occur, the department will request bidders to extend the validity (binding) period under the same terms and conditions as originally offered for by bidders? This request will be done before the expiry of the original validity (binding) period.

17. CHANGE OF ADDRESS

- 17.1 Bidders must advise the Department of Health's Central Supply Chain Management Unit, Contract Section, should their ownership and/or address (domicilium citandi et executandi) details change from the time of bidding to the expiry of the contract.

18. INVOICES AND PAYMENTS

- 18.1 All invoices must be submitted in the original format.
- 18.2 All invoices submitted by the Contractor must contain the word "INVOICE" for non-VAT vendors or "TAX INVOICE" for VAT vendors only. VAT number must be reflected for VAT vendors.
- 18.3 A tax invoice shall be in the currency of the republic of South Africa and shall contain the following particulars:
- (a) The name, address and registration number of the supplier;
 - (b) The name and address of the recipient;
 - (c) An individual serialized number and the date upon which the tax invoice is issued;
 - (d) A description of the goods or services supplied;
 - (e) The quantity or volume of the goods or services supplied
 - (f) The value of the supply, the amount of tax charged and the consideration for the supply; or
 - (g) Where the amount of tax charged is calculated by applying the tax fraction to the consideration, the consideration for the supply and either the amount of the tax charged, or a statement that it includes a charge in respect of the tax and the rate at which the tax was charged.
- 18.4 A Contractor shall be paid by the institution concerned, in accordance with supplies delivered and services rendered. The goods must be accepted and signed off by the relevant delegated official.
- 18.5 Should a Contractor indicate a special discount on his/her account provided payment is made within a certain time, every effort shall be made to take advantage of such discount. Where discounts or rebates received by the Department, the Contractor to provide credit note.
- 18.6 Any query concerning the non-payment of accounts must be directed to the institution concerned. The following protocol will apply if accounts are queried:
- (i) Contact must be made with the officer-in-charge of Logistics and Accounts Payable;
 - (ii) If there is no response from Logistics and Accounts Payable, the Finance Manager and the Chief Executive Officer of the institution must be contacted.
 - (iii) Failing all of the above, the Contractor must contact the Chief Director: Accounting Services supplying

the following details:

- a) Name/s of person/s contacted at the Institution and dates; and
- b) Details of outstanding account.
- c) The Chief Director: Accounting Services will then take the appropriate action.

18.7 The Institutions shall not be responsible for payment of any statutory increases in tariffs or imports or any fluctuations in foreign exchange rate for any item required Contractor, to realise its obligations in terms of this Contract. The rate of exchange, as agreed upon in this Contract is subject to review if stipulated within this contract and as agreed consented by both Parties.

19. STATEMENT OF SUPPLIES AND SERVICES

19.1 The Contractor shall, monthly, furnish particulars of supplies delivered or services executed. Such information must be submitted to the Department of Health Supply Chain Management, Contract Management as follows:

- (i) Name of institution.
- (ii) Orders received per each institution, order number, catalogue number, quantity delivered and invoice amount all inclusive.

19.2 Historical value and volume reports may be requested by the Department of Health, Supply Chain Management, during the term of the contract for the following:

a) SUPPLIER MEASURES

- Delivery period adherence
- Quality adherence

Note: This information will be submitted at the expense of the Contractor.

20. FIRM PRICES AND ESCALATIONS

20.1 This bid requires that all bid prices offered are firm for the period of the contract. If a non-firm price is offered, the bidder shall be disqualified for not complying with the conditions of the bid. An annual fuel surcharge request will be considered should the fuel price increase by more than **10%** from the base price during the year.

20.2 It is the responsibility of the bidder to take necessary precautions or to cater or include cover for unfavourable rate of exchange. Therefore, a price adjustment in respect of a rate of exchange claim will not be considered.

21. VALUE ADDED TAX (VAT)

21.1 All bid prices must be inclusive of all applicable taxes.

21.2 Bidders who make taxable supplies in excess of R1 million in any 12-month consecutive period are liable for compulsory VAT registration, but an entity may also choose to register voluntarily provided that the minimum threshold of R50 000 (as of 1 March 2010) has been exceeded in the past 12 month period. Bidders who meet the above requirement must register as VAT vendors, if successful, within one month of award of bid.

21.3 VAT will not be included after an award of the bid or during contract management period.

21.4 It is compulsory for bidders to be tax compliant, in the event that they are awarded the bid, Bidders must be tax compliant at time of award, upon placing of orders and during the contract period. Failure to be tax compliant or tax affairs not being in order will result in the disqualification of the bidder or cancellation of the contract or order.

22. ENTERING OF HOSPITAL/CLINIC STORES

- 22.1 No representative from a company shall be permitted to enter the hospital/clinic premises, buildings or containers where stores are kept unless he/she is accompanied by the responsible official in charge of stores. Before entering the hospital/clinic premises, buildings or containers where stores are kept, the company representative must in writing, motivate why entry is necessary and written authority must be obtained to enter from the Head of the Institution or delegated official.

23. DEPARTMENTAL PROPERTY IN POSSESSION OF A CONTRACTOR

- 23.1 The Department's property supplied to a Contractor for the execution of a contract remains the property of the Department and shall at all times be available for inspection by the Department or its representatives. Any such property in the possession of the Contractor on the completion of the contract shall, at the Contractor's expense, be returned to the Department forthwith.
- 23.2 The Contractor shall be responsible at all times for any loss or damages to the Department's property in his possession and, if required, he shall furnish such security for the payment of any such loss or damages as the Department may require.

24 IRREGULARITIES

- 24.1 Companies are encouraged to advise the Department of Health timeously of any possible irregularities which might come to their notice in connection with this or other contracts..

25 UNSATISFACTORY PERFORMANCE

- 25.1 In amplification of, unsatisfactory performance occurs when performance is not in accordance with the contract conditions.
- 25.2 The institution shall warn the Contractor by registered/certified mail or email that action will be taken in accordance with the contract conditions unless the Contractor complies with the contract conditions and delivers satisfactory supplies or services within a specified reasonable time (7 days minimum). If the Contractor does not perform satisfactorily despite the warning the institution will: Take necessary and appropriate action such as termination of contract in terms of its delegated powers.
- 25.3 When correspondence is addressed to the Contractor, reference will be made to the contract number/item number/s and an explanation of the complaint.
- 25.4 Treasury Regulation 16A9.2 specifies that "The accounting officer or accounting authority –
- (a) may disregard the bid of any bidder if that bidder, or any of its directors –
 - (i) have abused the institution's supply chain management system
 - (ii) have committed fraud or any other improper conduct in relation to such system; or have failed to perform on any previous contract
- 25.2. In the event that the awarded bidder fails to perform as per the contract conditions, the bidder shall be registered on the Departmental defaulters register and may be deemed failing to perform as per contract and therefore future bids disregarded.**

26 RESTRICTION OF BIDDING

The Accounting Officer or his/her delegate must:

- a) Notify the supplier and any other person of the intention to restrict it doing business with Department by registered mail or email. The letter of restriction must provide for:
 - i. The grounds for restriction;
 - ii. The period of restriction which must not exceed 10 years;
 - iii. A period of 14 calendar days for the supplier to provide reasons why the restriction should not be imposed.
- b) The Accounting Officer his/her delegate:
 - i. May regard the intended penalty as not objected to and may impose such penalty on the supplier, should the supplier fail to respond within the 14 days; and
 - ii. Must assess the reasons provided by the supplier and take the final decision.
- c) If the penalty is imposed, the Accounting Officer must inform National Treasury of the restriction within 7 calendar days and must furnish the following information:
 - i. The name and address of the entity/ person to be restricted;
 - ii. The identity number of individuals and the registration number of the entity; and
 - iii. The period of restriction.
- d) National Treasury will load the details on the Database of Prohibited Vendors.
- e) The restriction period applicable will be based on the value of award/s made to the supplier over a financial year. The table below illustrates the restriction period that will be applicable per the award threshold:

27 CONTRACTOR'S LIABILITY

- 27.1 In the event of the contract being cancelled by the Department in the exercise of its rights in terms of these conditions, the Contractor shall be liable to pay to the Department any losses sustained and/or additional costs or expenditure incurred as a result of such cancellation, and the Department shall have the right to recover such losses, damages or additional costs by means of set-off from moneys due or which may become due in terms of the contract or any other contract or from guarantee provided for the due fulfilment of the contract and, until such time as the amount of such losses, damages or additional costs have been determined, to retain such moneys or guarantee or any deposit as security for any loss which the Department may suffer or may have suffered.
- 27.2 The Contractor may be held responsible for any consequential damages and loss sustained which may be caused by any defect, latent or otherwise, in supply or service rendered or if the goods or service as a result of such defect, latent or otherwise, does not conform to any condition or requirement of the contract.

28 RIGHTS TO PROCURE OUTSIDE THE CONTRACT

- 28.1 The Department reserves the right to procure goods outside the contract in cases of urgency or emergency or if the quantities are too small to justify delivery costs, or if the goods are obtainable from another organ of State or if the Contractor's point of supply is not situated at or near the place where the goods are required or if the Contractor's goods are not readily available.

28.2 No provision in a contract shall be deemed to prohibit the obtaining of goods or services from a Department or local authority.

28.3 If contracted item/s become available from National Treasury transversal contract, the Department reserve a right to cancel the contract with a winning bidder by giving thirty (30) days' notice. If it in the advantage and interest of the department to participate.

29. PATENTS

29.1 The Contractor shall pay all royalties and expenses and be liable for all claims in respect of the use of patent rights, trademarks or other protected rights, and hereby indemnifies the Department against any claims arising there from.

30 WAIVER

30.1 The granting by any party of any indulgence or postponement shall not be a waiver of its rights arising from this contract to demand full and specific performance of the contract.

30.2 No favour, delay or relaxation or indulgence on the part of any party in exercising any power or right conferred on each party in terms of this contract shall operate as a waiver of such power or right nor preclude any other or further exercises thereof or the exercise of any other power or right under this contract.

31 SUSPENSION

31.1 The Department may temporarily suspend whole or part of the supplied goods by providing no less than 5 days written notice to the Contractor, who shall on receipt of such written notice immediately cease the supply the goods. The Department will indicate the date on which the contract will be resumed in the aforementioned notice. No suspension shall exceed a total of 90 days unless otherwise agreed to by the parties in writing.

31.2 When the supply of the goods is suspended, the Contractor shall be entitled to pro-rata payment for the goods already delivered and reimbursement of all costs incidental to the prompt and orderly suspension of the contract.

31.3 Suspension of the contract shall not prejudice or affect the accrued rights and liabilities of the parties as at the date of suspension.

32 BREACH

32.1 Any termination notice referred to in GCC paragraph 23.1 shall be preceded by written notice requiring the defaulting party to remedy a breach of this contract within 14 days of the date of receipt of the notice.

32.2 If the defaulting party fails to remedy the breach within the 14 days, the aggrieved party shall be entitled without notice, in addition to any other remedy available to them at law or under this contract:

32.3 To claim specific performance of any obligation whether or not the due date for performance has arrived; or

34.4 To terminate this contract in accordance with paragraph 23.1 of the GCC, against the defaulting party, in either event without prejudice to the aggrieved party's rights to claim damages.

32.5 The Contractor shall immediately advise the Department of the same, upon which the Department shall, in its sole and absolute discretion, decide whether to proceed with this contract or to terminate forthwith. Failure by

the Contractor to advise the Department of a conflict of interest shall amount to a material breach of this contract.

32.6 A Party shall be deemed to be in breach of this Contract should the Party fail to comply with any material provisions of this Contract.

32.7 The aggrieved Party shall be obliged to first attempt to settle the matter by way of consultation with the defaulting Party. If the consultation fails, then the aggrieved Party shall promptly give the defaulting Party fourteen (14) days written notice to remedy the breach. If the defaulting Party fails to comply with such notice, the aggrieved Party may, without prejudice to any other's right at law:

32.7.1 Cancel this Contract in the event the defaulting Party committed a material breach.

32.7.2 Claim specific performance by the defaulting Party if such is a competent remedy in the circumstance.

32.7.3 Claim damages suffered, as limited under this Contract.

33. PREFERENCES

33.1 Should the Contractor apply for preferences in the submission of his bid, and it is found at a later stage that these applications were incorrect or made under false pretences, the Department may, at its own right:

i. Recover from the Contractor all costs, losses or damages incurred or sustained by the Department as a result of the award of the Contract; and/or

ii. Cancel the contract and claim any damages which the Department may suffer by having to make less favourable arrangements after such cancellation.

iii. The Department may impose penalties, however, only if provision therefore is made in the Special Conditions of Contract and Bid.

34. SEVERABILITY

34.1 The finding of any invalidity to any provision of the contract shall not render the whole contract a nullity. A court of law or arbitrator may sever the invalid provision and the remainder of the contract shall remain enforceable.

35. EXPORT LICENSES

35.1 When orders are placed for goods in respect of which an export licence from the country of origin of supplies is required, Contractor shall:

35.1.1 Not incur any direct or indirect costs in connection with the supply or dispatch of such supplies before they have obtained such license;

35.1.2 If the government of the country from which the supplies are to be exported refuses, or fails to grant such license within three months of the placing of the order, the order shall be considered to be cancelled and no liability will be accepted for any loss or expenses irrespective of the nature thereof, including loss or expenditure suffered or incurred by Contractor or any other person in respect of the production, supply, transportation or delivery of such supplies.

36 INSURANCE

- 36.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery.
- 36.2 Any insurance policies taken out by Contractor to cover goods delivered for a contract must be taken out with a company registered in South Africa in terms of relevant insurance and companies acts.
- 36.3 The Department and the Contractor must ensure that the insurance remains in force throughout the contract period.
- 36.4 In the event that the Department requests for such Certificate of Insurance, the Contractor shall submit such Certificate within 5 days, if this was not a mandatory requirement.
- 36.5 The carrier shall, at its own expense, effect and maintain adequate insurance cover at its own expense with a reputable insurer, so as to cover the goods and cover the risks undertaken.
- 36.3 The carrier shall provide the customer with a certificate of insurance confirming the insurance cover bi-annually and as and when requested by the customer.

37. ESTIMATED QUANTITIES

- 37.1 The Department is under no obligation to purchase any stock, which is in excess of the indicated quantities of each item. Should there be quantities reflected in the bid forms these will be estimated figures and no guarantee is given or implied as to the actual quantity which will be ordered.

38. EXTENSION OF CONTRACT

- 38.1 This contract may be extended on a month-to-month basis for a period not exceeding six (6) months, provided that the procedures for the treatment of irregular expenditure are complied with in terms of the National Treasury regulations and the Departmental SCM Policy and delegations.
- 38.2 Further extension of the contract, authority will be granted by Head of Department: Health, subject to the provisions of National Treasury regulations and instruction notes.

39. CESSION OF CONTRACT

- 39.1 Cession refers to the transfer of only the rights a service provider has in terms of a contract from it to a third party. In commercial contracts, the main right involved is the right to be paid for services rendered. While the appointed bidder remains the service provider that continues to render the services, the service provider may cede (transfer) its right to be paid for the services it rendered in terms of the contract to a third party. This means that the service provider renders the services to an organ of state, while the organ of state pays for the services rendered to a third party instead, most commonly, a financial institution.
- 39.2 Cession will only be permissible on approval by the Accounting Officer.

40. CONTRACT AMENDMENTS / VARIATIONS

- 40.1 In amplification of paragraph 18 of the GCC, any amendments/variatioins, of the Contract shall come into effect in terms of the conditions contained in on “**Contract Amendments/Variations Register**”. This register must be signed by the duly authorised signatories of winning bidder and the Head of Department: Health or his/her delegated official.
- 40.2 Contracted winning bidder shall not, in performing its obligation, vary from the terms and conditions stated in this Contract whether by way of addition thereto or by way of omission therefrom, without the prior written consent from the Department (Accounting Officer/delegated official), and no claim on the part of winning bidder for any extra payments on the grounds of any alterations or extra work will be entertained.
- 40.3 If, after the commencement of the contract, the cost or duration of the services is altered as a result of changes in, or in additions to, any statute, regulation or by-law, or the requirements of any authority having jurisdiction over any matter in respect of the contract, then the contract price and time for completion shall be adjusted in order to reflect the impact of those changes, provided that, within 14 days of first having become aware of the change, winning bidder shall furnish the Department with a detailed justification for the adjustment to the contract price.

41. INTELLECTUAL PROPERTY

- 41.1 In amplification of paragraph 6 of the GCC, the intellectual property discovered or created as the direct or indirect result of this contract shall remain the property of the Department.

42. INSOLVENCY

- 42.1 In the event to winning bidder institutes insolvency proceedings or has insolvency proceedings involuntarily instituted against it, the Department may terminate this Contract immediately.
- 42.2 In the event of assets and monies issued to winning bidder in terms of this Contract, such assets and monies shall be excluded from the estate of winning bidder and shall be returned immediately upon clause 40.1 coming into effect.

43. DISPUTE RESOLUTION

- 43.1. If any dispute arises between the Department and Contractor, in connection with the Specification and deliverables, either party may give the other notice in writing of the existence of such dispute, and the same shall thereupon be referred to arbitration in South Africa by a person mutually agreed upon by both parties. The submission shall be deemed to be a submission to arbitration within the meaning of the terms of the arbitration laws in force in the Republic of South Africa.

44. DOMICILLIA CITANDI ET EXECUTANDI

For the purpose of this contract, the parties choose their respective domicilia citandi et executandi as follows :

The Department Physical and Postal Address :

Department Name	The KwaZulu-Natal Department of Health
Physical Address	Natalia Building, 330 Langalibalele Street, Pietermaritzburg, 3201
Postal Address:	Private Bag X9051, Pietermaritzburg, 3200
Telephone numbers	033 – 395 2111
Telefax:	Nil

The Contractor or Bidder Physical and Postal Address:

Bidder/ Contractor Name	
Physical Address	
Postal Address:	
Telephone numbers	
Telefax:	
Email Address	

44.1 The parties hereby choose domicilium citandi et executandi for all notices and processes to be given and served in pursuance hereof at their respective addresses given on the first page of this Contract. Any notice of any change in such address shall be given in writing by the parties concerned and delivered by hand or sent by registered mail to the other party, upon notification of which address so notified shall serve as the new citandi et executandi.

44.2 A party may at any time change that party's domicilium by notice in writing, provided that the new domicilium is in the Republic of South Africa and consists of, or includes, a physical address at which the process can be served.

44.3 Any notice to a party:

44.3.1 Sent by prepaid registered post in a correctly addressed envelope, to it, shall be deemed to have been received on the 7th (seventh) day after posting unless the contrary is proved);

44.3.2 Delivered by hand to a responsible person during ordinary business hours at the physical address chosen as its domicilium, shall be deemed to have been received on the day of delivery; or

44.3.3 Sent by telefax or email to its chosen telefax or email number, shall be deemed to have been received on the date of despatch (unless the contrary is proved)

45 PERIOD OF CONTRACT

45.1 The period of this contract is three years.

SECTION K: SPECIFICATIONS

TRANSPORTATION SERVICE FOR PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD)

SCOPE OF WORK

This bid calls for the service for the transportation of goods and other non-pharmaceutical items from/to Provincial Pharmaceutical Supply Depot (PPSD) to/from various health facilities throughout the different districts in KwaZulu-Natal. Demander listing (**Annexure A**) and estimated volumes distributed annually (**Annexure B**) are attached.

ABBREVIATIONS (Refer to Annexure C)

DEFINITIONS

No.	Definition	
1.1	Calibration	The set of operations which establish, under specified conditions, the relationship between values indicated by an instrument or system for measuring, recording and controlling, or the values represented by a material measure and the corresponding known values of a reference standard. Limits for acceptance of the results of measuring should be established. Including the maximum permissible error or uncertainty of measurement.
1.2	Carrier	The Carrier as set out on the special conditions of contract and includes the carrier servants, agent and subcontractors:
1.3	Cold chain	All of the materials, equipment, processes and procedures used to maintain the Products within the required temperature range from the time of manufacture until the Products are administered to individuals
1.4	Cold chain incident	The exposure of a product/s (which requires cold chain conditions) to a temperature outside the required temperature range of 2 °C - 8 °C, -20°C and -70°C for any period of time and the potency of the product is potentially compromised.
1.5	Cold chain pharmaceuticals	Refers to all products which require constant storage between 2°C - 8°C. This also includes vaccines and other products that require storage at product specific temperatures (-20°C and -70°C).
1.6	Cold chain solutions	Three cold chain ranges for different types of Products– between 2–8 °C (cold chain solution 1), at –20°C (cold chain solution 2) and at – 70°C (cold chain solution 3)
1.7	Consignment:	The quantity of pharmaceutical products supplied in response to a particular request or order. A consignment may comprise one or more packages or containers and may include pharmaceutical and non-pharmaceutical products belonging to more than one batch.
1.8	Contamination:	The undesired introduction of impurities of a chemical or microbiological nature, or of foreign matter, into or onto manufacturing material or onto, goods during handling, storage or transportation.

No.	Definition	
1.9	Customer	Provincial Pharmaceutical Supply Depot (PPSD), a division of the Department of Health (DoH) and health facilities.
1.10	Cytotoxics	Pharmaceuticals (including cold chain pharmaceuticals and <u>cytotoxics</u>), medical supplies, surgical dressings, documents and related goods.
1.11	Delivery Sites	Public and private sector vaccination sites, provincial pharmaceutical depots and other approved storage sites. These sites may change during the course of the contract period
1.12	Department	The Department of Health of the Republic of South Africa or any successor department designated by the Government of the Republic of South Africa from time to time
1.13	Distribution Plan/Schedule	The frequency (monthly, quarterly, semi-annually or annually) of Depot and Direct Delivery order schedule from demanders to PPSD. It entails the dates that the demander's orders are due at PPSD up to when the orders are to be delivered to the demanders. This is an internal tool to facilitate work processes within PPSD and to release goods to the carrier for transportation.
1.14	Fridge item	See cold-chain pharmaceuticals.
1.15	Goods	Pharmaceuticals (including cold chain pharmaceuticals), medical supplies, surgical dressings, documents and related goods.
1.16	Handling of the goods:	Includes act of loading and unloading and moving goods within, warehoused, held, controlled, loaded, carried, transported or otherwise possessed by the carrier or any other purpose whatsoever.
1.17	Logistics Services:	The services provided by Service Provider/s in relation to the Products in South Africa including, but not limited to, customs clearance (where applicable), collection and transportation, warehousing, inventory control, material handling, order and batch order processing and administration, packaging, batch tracking and tracing, cold chain storage, data processing, the communications network necessary for effective management and delivery to the Delivery Sites. It includes all activities related to physical distribution, as well as the return of goods.
1.18	Medicines Act:	The Medicines and Related Substances Act, 101 of 1965.
1.19	Non pharmaceutical item	Refers to documents, empty cooler boxes, ice bricks, etc.
1.20	PFMA	The Public Finance Management Act, 1 of 1999.
1.21	Pharmacy Act	The Pharmacy Act, 53 of 1974
1.22	PPPFA	The Preferential Procurement Policy Framework Act, 5 of 2000.
1.23	Preferential Procurement Regulations:	The Preferential Procurement Regulations published under the PPPFA in Government Notice R32, Government Gazette 40553 on 20 January 2017.
1.24	Qualification	An action of proving that any premises, systems and item of equipment work correctly and actually lead to the expected results. The meaning of the word 'validation' is sometimes extended to incorporate the concept of qualification.

No.	Definition	
1.25	Service Provider:	The name of the person or entity awarded a contract to provide the Importation and/or Logistics Services, as the case may be.
1.26	Supply/collection points	Hospitals, clinics, pharmacies and warehousing within the Province of KwaZulu-Natal which are supplied with/collection of the goods and other non-pharmaceutical items from time to time by the customer, being currently those set out in Annexure A hereto: which is subject to amendments to include additional supply points/collection points as and when made available; (incorporating all health facilities in the following health districts: UGu, UMgungundlovu, UThukela, UMzinyathi, Amajuba, Zululand, UMkhanyakude, King Cetshwayo, ILembe, Harry Gwala And EThekwini).
1.27	Thermolabile products	Is interchangeable with Cold chain pharmaceuticals.
1.28	Validation:	Establishing documented evidence, which provides a high degree of assurance that a specific packaging process performed will consistently produce a result that meets the temperature control requirements for the cold chain solution required.

2. TECHNICAL SPECIFICATION

- 2.1 The carrier must transport the goods and other non-pharmaceutical items from/to the depot or to/from the supply points/collection points for the remuneration as set out in clause 3 below.
- 2.2 This contract must commence on date of acceptance of the carrier's bid and must remain in force for a period of three (3) years as stipulated on the Service level or contract agreement.
- 2.3 Hours of operations are 07h30 – 16h00 Monday to Friday including after hours, weekends and public holidays if required.
- 2.4 Goods and other non-pharmaceutical items are packaged in cartons, cooler boxes, bags and envelopes of variable sizes and weights.

3. REMUNERATION

- 3.1 The carrier is liable for any duty, tax, toll, fine or outlay of whatsoever nature levied by the authorities at any place in connection with the handling of the goods.
- 3.2 In the event of the carrier being obliged to take out or obtain any licences or permits, or to comply with the requirements of any lawful authority, the carrier must be obliged to do so at its own cost.
- 3.3 In the event of the carrier deviating from the set route or carrying the goods over another route for any reason whatsoever including but not linked to adverse weather conditions, impassable or dangerous roads, bridges, pontoons and ferry, or instructions of any competent authority the carrier must not be entitled to charge an additional remuneration in respect thereof.

4. CARRIERS UNDERTAKING AND LIABILITY

- 4.1 The carrier must accept all goods and other non-pharmaceutical items for carriage and to transport same from/to the depot as and when requested by the customer and to dispatch/uplift same without delay. The carrier must consolidate the goods and other non-pharmaceutical items from the customer into a single consignment before dispatch.
NB: The distribution plan is an internal tool to facilitate the work processes within PPSD and to release goods and other non-pharmaceutical items to the carrier for transportation. Clause 4.3 below must always be adhered to by the carrier irrespective of the distribution plan.
- 4.2 The carrier must carry the goods and other non-pharmaceutical items from/to the customer's medical depot to/from the relevant supply points/collection points, safely and without delay thereby ensuring that patient care is not compromised.

- 4.3 The carrier must deliver/uplift the goods to/from the designated supply points/collection points. This delivery must coincide with collection whether it be documents or any other goods. The exceptions are purchase orders and payment packs. Purchase orders must be delivered within 48 hours of receipt. Payment packs must be uplifted within 48 hours of request.
- 4.3.1 Where goods and non-pharmaceutical items that are to be delivered to/from supply points within the Ethekeeni district bordered by Ilembe, Ugu and Umgungundlovu districts, delivery must take place within 24 (**twenty four**) hours of upliftment. Failure to comply with the contractual Lead Time may result in penalties being enforced as set out in the SRCC, without prejudice to any other remedies available to the customer in terms of the Agreement or applicable law.
- 4.3.2 Where goods and non-pharmaceutical items that are to be delivered to/from supply points/collection points outside the areas set out in 4.3.1, delivery must take place within 48 (**forty eight**) hours of upliftment. Failure to comply with the contractual Lead Time may result in penalties being enforced as set out in the SRCC, without prejudice to any other remedies available to the customer in terms of the Agreement or applicable law.
- 4.3.3 Goods and other non-pharmaceutical items must be delivered/ uplifted to/from various facilities between the hours of 08h00 and 14h00 during weekdays. The service provider must notify the various facilities of the delivery or upliftment by means of a pre-alert (either via telecom and /or email).
- 4.3.4 The carrier must provide express/overnight services for emergency deliveries/collections as required so that patient care is not compromised.
- 4.3.5 The carrier may be requested during the contract period to uplift/collect cooler boxes and ice bricks on the day of delivery. The carrier must therefore wait for the cooler boxes to be unpacked by the facilities and uplift/collect the cooler boxes together with the ice bricks for return to PPSD.
- 4.4 The carrier must furnish the customer with proof of delivery of goods within 72 hours of delivery. Such proof of delivery must be in the form as approved by the customer (hard copy) and must bear the date and time of delivery; the signature of the carrier's representative; the signature and name of the recipient; and the rubber stamp of the supply point. The carrier will be responsible for reconciliation and attaching of the proof of delivery to the document bundle.
- 4.5 The carrier will be responsible for the on-site collection of goods and other non-pharmaceutical items from the depot by the health facilities and suppliers. The carrier must ensure that the correct goods are handed over to the facilities and suppliers according to the documents provided. This will be at no charge to the customer.

- 4.6 Return undeliverable goods (stating reasons for non-delivery to health facilities) to PPSD by pre-alerting the section supervisor at PPSD via telecom supported by an email of the undeliverable goods. Return goods within 72 hours, however cold chain goods must be returned within 48 hours of upliftment from PPSD. Damaged goods must not be repacked but be returned to PPSD enclosed in clear plastic.
- 4.7 The Department of Health must have the right to inspect the courier premises, vehicles and/or other equipment.
- 4.8 Any cost incurred due to incorrect delivery will become a liability of the carrier.
- 4.9 The carrier must provide, at its own cost, all staff, crew (to load and off-load), vehicles and equipment necessary to carry all its obligations efficiently. This is not limited to the information indicated below under staff:
- 4.10 The carrier must ensure compliance with the following legislation:
 - 4.10.1 National Road Traffic Act, 1996 (No. 93 of 1996)
 - 4.10.2 National Road Traffic Regulations, 2000
 - 4.10.3 Administrative Adjudication of Road Traffic Offences (AARTO) Act No 46 of 1998
 - 4.10.4 Compensation for Occupational Injuries and Diseases Act (130 of 1993)

5. STAFF

- 5.1. The carrier must provide trained staff (including supervisor), subject to rotation if, in the opinion of the customer, the need arises.
- 5.2. The carrier's employees shall be obliged to display a clear worn uniform and a clear identification card from the contractor with the members photo identification worn conspicuously on his/her person at all times and every time they enter the premises of the Provincial Pharmaceutical Supply Depot or facility premises.
- 5.3. Staff must be appropriately attired to comply with health and safety regulations.
- 5.4. A key contact person who will be responsible for the implementation and coordination of the agreement and who shall be available to meet at monthly intervals, or as frequently as required by PPSD to discuss issues pertaining to service delivery, risks and other emerging issues as required.
- 5.5. The driver must be in possession of a valid Professional Driving Permit (PDP).
- 5.6. The carrier must notify PPSD within 24 hours of any staff changes.

6. EQUIPMENT

- 6.1. Computer with a backup system and Website "real-time" tracking system that can be utilized/accessed twenty four (24) hours a day and seven (7) days a week by the customer at all times.
- 6.2. Cold Chain management equipment (Cold rooms with temperatures compatible with storage conditions applicable to the various pharmaceutical and surgical items)
- 6.3. Transport Equipment
- 6.4. Security Equipment
- 6.5. Weighing equipment such as electronic scales (sufficient to cover the workload) with 1 ton capacity, weighing platform, pallet 1200mm x 1200mm. Carrier to provide certificate for proof of calibration annually. Electronic scales are to be linked to IT systems to enable electronic population of weights on the required documents

7. VEHICLES

- 7.1. The vehicles must be covered, have solid sides, be water proof, lockable, and temperature insulated.
- 7.2. The vehicles must be clean and free of contamination of rats, vermin, birds, fungi, cockroaches, ants or any other contaminants.
- 7.3. Vehicles used to transport pharmaceutical products should be suitable for their use to prevent exposure of products to conditions that could affect their safety, stability and packaging integrity.
- 7.4. Vehicles should be of sufficient capacity to allow orderly storage of the various categories of pharmaceutical products during transportation.
- 7.5. The vehicles must not be used to transport non-pharmaceutical products which could result in contamination except for goods that are linked to pharmaceutical services.
- 7.6. Vehicles are equipped with lockable doors and an intruder alarm.
- 7.7. Vehicles use unique seal lock indicating devices such as cable seal locks with unique identifiers that are tamper-resistant to protect against unauthorized access during transit.
- 7.8. Vehicles will be inspected by PPSD to ensure compliance.
- 7.9. The vehicle and carrier must be compliant with the National Transport Policy, Good Pharmacy Practice (GPP), Good Wholesaling Practice (GWP) (Annexure D), and Good Distribution Practice (GDP) (Annexure E).
- 7.10. Stock must be placed on pallets during transportation.
- 7.11. Implement a cleaning and decontamination procedure for vehicles and maintain cleaning records to demonstrate compliance.

8. LOADING AND OFF-LOADING

- 8.1 The vehicles must be ready for loading the goods on the upliftment of the goods by the carrier.
- 8.2 All documentation necessary in connection with the goods and the transportation thereof must be fully and correctly prepared timeously.
- 8.3 The carrier must sign such certificates and receipts on loading, off-loading, receipt and/or delivery as the customer may require.
- 8.4 The carrier shall provide all vehicle crew and equipment required for the loading or unloading of any goods.
- 8.5 The carrier, in conducting any packing or loading or other operation or activity in any area or premises, must do so at its own risk.

9. ROUTE

- 9.1 When carrying goods, the carrier shall follow major and/or established routes and shall stop en route only when strictly necessary in the course and scope of the delivery of the goods.
- 9.2 Delivery schedules should be established and routes planned, taking local needs and conditions into account.
- 9.3 Such schedules and plans should be realistic and systematic.
- 9.4 Security risks should be taken into account when planning the schedules and routes of the delivery.

10. DAMAGES AND CLAIMS

- 10.1 The carrier must inform PPSD in writing and submit a report of any damages within 72 hours of any damages that are required to be investigated and claims raised.
- 10.2 All claims raised by PPSD will be rand for rand value and must be settled within 30 days of having received such claims.
- 10.3 Further, any discrepancies endorsed on the POD by the receiving health facilities will be raised accordingly by the depot.

11. REPORTS

Provide monthly management reports in excel format detailing the following:

- 11.1 Services rendered eg. Deliveries (include lead times), collections, re-routes, emergencies.
- 11.2 Detailed exception reports eg. Damages, short shipments, misroutes, cold chain incidents and undeliverables.
- 11.3 Monthly POD stats ie. total POD's generated, clean/endorsed and 'unclean/not endorsed' POD's, outstanding POD's (no physical POD's to prove delivery of consignment).
- 11.4 Total monthly expenditure statement which includes credits passed for misroutes, damages, missing goods, short shipments and undeliverable goods.
- 11.5 Compliance reports (calibration, qualification, temperature monitoring).
- 11.6 Any other reports that may be requested by the customer that is not included in the above.
- 11.7 Quarterly or ad hoc meeting to be conducted between PPSD and carrier.

12. PENALTIES

- 12.1. The carrier shall be liable to penalties in cases where the carrier has deviated from the condition as stipulated on the contract.
 - 12.2. All services not conforming to the requirements and standards set in the contract, including any substitutions and alterations not properly approved and authorized by the customer, shall be deemed to be defective.
 - 12.3. The customer shall be entitled to impose penalties for a proven breach of the carrier's obligations resulting in either a late or defective performance of any service. In this regard, the customer shall deduct 20% (twenty percent) of the service fee per consignment.
 - 12.4. Damage in transit (rand for rand value of items lost)
 - 12.5. Loss of goods due to fire/ theft / vehicle accidents/ vehicle hijack (rand for rand value of items lost)
- Expiry of cold chain items due to incorrect storage in transit (rand for rand value of items expired)

13. INSURANCE

- 13.1 The carrier shall, at its own expense, effect and maintain adequate insurance cover at its own expense with a reputable insurer, so as to cover the goods and cover the risks undertaken.
- 13.2 The carrier shall provide the customer with a certificate of insurance confirming the insurance cover bi-annually and as and when requested by the customer.

14. SECURITY

- 14.1 Sufficient security should be provided to prevent theft and other misappropriation of pharmaceutical products. Steps should be taken to prevent unauthorised access to these products during transport.
- 14.2 The carrier must ensure appropriate security levels and access control to the Warehouses and other storage/transit sites under the control of the carrier. These must include, but not be limited to, physical and electronic security (for example, closed circuit television monitoring).
- 14.3 The carrier must ensure that all deliveries are actively tracked and monitored with an appropriate tracking system. Tracking link or app details must be made available by the service provider.
- 14.4 The carrier should perform appropriate risk assessments to inform their decision to use armed escorts as necessary.
- 14.5 The carrier may be required to coordinate with national security and/or police services to ensure the security of the products.
- 14.6 Drivers of vehicles should identify themselves and present appropriate documentation to demonstrate that they are authorised to transport the load.
- 14.7 Vehicles must be equipped with lockable doors and an intruder alarm.
- 14.8 Vehicles may use unique seal lock indicating devices such as cable seal locks with unique identifiers that are tamper-resistant to protect against unauthorized access during transit.
- 14.9 Security-cleared delivery drivers are employed.

15. TRANSPORTATION

- 15.1 The transportation process should not compromise the integrity and quality of pharmaceutical products.
- 15.2 Goods must be transported in such a way that identification is not lost.
- 15.3 They do not contaminate, and are not contaminated by other products or materials.
- 15.4 They are secure and not subjected to unacceptable degrees of heat, cold, light, moisture or other adverse influence, or to attack by micro-organisms or pests.
- 15.5 Appropriate temperature and relative humidity conditions are maintained in the case of pharmaceutical products, e.g. using cold chain for thermolabile products.
- 15.6 Adequate precautions are taken against spillage, breakage and theft. Written procedures should be in place for the handling of such occurrences.

- 15.7 The goods are secured so as to prevent unauthorised possession.
- 15.8 Freight forwarders (carriers) and courier companies are not licensed by the South African Health Products Regulatory Authority (SAHPRA) and therefore pharmaceutical products should not be stored in the local sorting or consolidation hubs for longer than 24 hours.

16. TRANSPORTATION OF COLD CHAIN PHARMACEUTICALS

- 16.1 Company must comply with WHO GDP (Annexure D) and SAHPRA GWP (Annexure E) guidelines.
- 16.2 Transport cold chain pharmaceuticals in such a manner that transport temperatures meet local regulatory requirements at the sending and receiving sites and/or so that temperature excursions above or below the manufacturer's labelled storage temperature range do not adversely affect product quality.
- 16.3 Profile and qualify transport routes to ensure that cold chain pharmaceuticals can be safely transported within the transport temperature profile defined for each product and that compliance can be demonstrated to the regulatory authorities and other interested parties.
- 16.4 Temperature controlled road vehicles must be qualified and qualification to be documented. This is to ensure that the carrier is responsible for maintaining load temperatures within the transport temperature profile defined for each product and that compliance can be demonstrated to the contracting organization, the regulatory authorities and other interested parties.
- 16.5 Temperature controlled road vehicles must be capable of maintaining the ambient temperature range, equipped with a low temperature protection circuit, equipped with calibrated temperature monitoring devices, equipped with alarms to alert the driver in the event of temperature excursions and/or refrigeration unit failure, fitted with doors with security seals and/or security locks that protect against unauthorized access during transit, and regularly calibrated and maintained and records kept to demonstrate compliance.
- 16.6 Provide thermostatic temperature control systems for all temperature controlled vehicles, including air temperature and humidity monitoring systems.
- 16.7 Calibration of transport monitoring devices must be done against a certified, traceable reference standard at least once a year.
- 16.8 Functionality of temperature and humidity alarms systems must be checked at least once a year. Maintain records to demonstrate compliance.
- 16.9 Ensure that returned or recalled cold chain pharmaceuticals are transported under the same conditions as those used for the initial delivery.
- 16.10 Drivers must be about the nature of the product and the maximum acceptable transport time.

SECTION L: PRICING SCHEDULE:**SBD 3.1**Name of bidder.....
Closing Time 11:00Bid number: **ZNB5532/2023-H**
Closing Date: **23 June 2023**OFFER TO BE VALID FOR **180** DAYS FROM THE CLOSING DATE OF BID.**TRANSPORTATION SERVICE FOR PHARMACEUTICAL PRODUCTS AND OTHER NON-MEDICAL ITEMS FROM PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD) TO VARIOUS INSTITUTIONS: THREE-YEAR CONTRACT****AREA 1:** EThekwini, Harry Gwala, ILembe, Ugu, Umgungundlovu and Uthukela

****NB** As full compensation for the services provided by the carrier pursuant to the terms and conditions of this contract, the customer will pay the carrier for goods delivered/uplifted to/from the supply/collection points, which are situated in the various health districts a service of:

DISTRICT NO	HEALTH DISTRICT	MINIMUM CHARGE (R) FOR FIRST 10KG	STANDARD CHARGE (R) PER 1KG
	EThekwini		
	Harry Gwala		
	ILembe,		
	UGu,		
	UMgungundlovu		
	UThukela		

Charges must be inclusive of all applicable taxes.

Note:

- For all districts, it is not economically viable to deliver/collect to/from the health facilities according to the standard charge per kg. Hence a minimum charge may be levied for the first 10kg and thereafter the standard charge per kg applies.
- For deliveries/collections out of the province, the Provincial Pharmaceutical Supply Depot will request quotations from the awarded service providers.
- An annual fuel surcharge request will be considered should the fuel price increase by more than **10%** from the base price during the year.

Required by: KZN DEPARTMENT OF HEALTH

-At: **PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD)**

Brand

Delivery period (on order)

Failure to comply with the above shall invalidate the offer received.

Note: All delivery costs must be included in the bid price, for delivery at prescribed destination.

.....
(Signature of Bidder).....
Date.....
(Signature of Witness).....
Date

SECTION L: PRICING SCHEDULE:

SBD 3.1

Name of bidder.....	Bid number: ZNB5532/2023-H
Closing Time 11:00	Closing Date: 23/06/2023

OFFER TO BE VALID FOR **180** DAYS FROM THE CLOSING DATE OF BID.

TRANSPORTATION SERVICE FOR PHARMACEUTICAL PRODUCTS AND OTHER NON-MEDICAL ITEMS FROM PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD) TO VARIOUS INSTITUTIONS: THREE-YEAR CONTRACT.

AREA 1: Ethekewini, Harry Gwala, Ilembe, Ugu, Umgungundlovu and Uthukela

(Overnight/express emergency delivery/collection)

As full compensation for the express/overnight services for emergency deliveries/collections provided by the carrier pursuant to the terms and conditions of this contract, the customer will pay the carrier for goods delivered/uplifted to/from the supply/collection points, which are situated in the various health districts a service of:

DISTRICT NO	HEALTH DISTRICT	MINIMUM CHARGE (R) FOR FIRST 1KG	STANDARD CHARGE (R) PER 1KG
	EThekwini	Not applicable	
	Harry Gwala		
	Ilembe,		
	UGu,		
	UMgungundlovu		
	UThukela		

Charges must be inclusive of VAT.

Note:

- Charges for overnight/express emergency deliveries/collections is not applicable to the Ethekewini district as goods are delivered within 24 hours.
- For all the other districts where goods are delivered within 48 hours and where mileage is to be considered, charges for overnight/express deliveries/collection are applicable.

Required by: **KZN DEPARTMENT OF HEALTH**

-At: **PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD)**

Brand

Delivery period (on order)

Failure to comply with the above shall invalidate the offer received.

Note: All delivery costs must be included in the bid price, for delivery at prescribed destination.

.....
(Signature of Bidder) Date (Signature of Witness) Date

SECTION L: PRICING SCHEDULE:

SBD 3.1

Name of bidder.....	Bid number: ZNB5532/2023-H
Closing Time 11:00	Closing Date: 23/06/2023

OFFER TO BE VALID FOR **180** DAYS FROM THE CLOSING DATE OF BID.

TRANSPORTATION SERVICE FOR PHARMACEUTICAL PRODUCTS AND OTHER NON-MEDICAL ITEMS FROM PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD) TO VARIOUS INSTITUTIONS: THREE-YEAR CONTRACT

AREA 2: Amajuba, King Chetswayo, Umkhanyakude, Umzinyathi and Zululand.

****NB** As full compensation for the services provided by the carrier pursuant to the terms and conditions of this contract, the customer will pay the carrier for goods delivered/uplifted to/from the supply/collection points, which are situated in the various health districts a service of:

DISTRICT NO	HEALTH DISTRICT	MINIMUM CHARGE (R) FOR FIRST 10KG	STANDARD CHARGE (R) PER 1KG
	Amajuba		
	King Chetswayo		
	UMkhanyakude		
	UMzinyathi		
	Zululand.		

Charges must be inclusive of all applicable taxes.

Note:

- For all districts, it is not economically viable to deliver/collect to/from the health facilities according to the standard charge per kg. Hence a minimum charge may be levied for the first 10kg and thereafter the standard charge per kg applies.
- For deliveries/collections out of the province, the Provincial Pharmaceutical Supply Depot will request quotations from the awarded service providers.
- An annual fuel surcharge request will be considered should the fuel price increase by more than **10%** from the base price during the year

Required by: **KZN DEPARTMENT OF HEALTH**

-At: **PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD)**

Brand

Delivery period (on order)

Failure to comply with the above shall invalidate the offer received.

Note: All delivery costs must be included in the bid price, for delivery at prescribed destination.

.....
 (Signature of Bidder) Date (Signature of Witness) Date

SECTION L: PRICING SCHEDULE:

SBD 3.1

Name of bidder.....	Bid number: ZNB5532/2023-H
Closing Time 11:00	Closing Date: 23/06/2023

OFFER TO BE VALID FOR **180** DAYS FROM THE CLOSING DATE OF BID.

TRANSPORTATION SERVICE FOR PHARMACEUTICAL PRODUCTS AND OTHER NON-MEDICAL ITEMS FROM PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD) TO VARIOUS INSTITUTIONS: THREE YEAR CONTRACT.

AREA 2 : Amajuba, King Chetswayo, Umkhanyakude, Umzinyathi and Zululand.

(overnight/express emergency delivery/collection)

As full compensation for the express/overnight services for emergency deliveries/collections provided by the carrier pursuant to the terms and conditions of this contract, the customer will pay the carrier for goods delivered/uplifted to/from the supply/collection points which are situated in the various health districts a service of:

DISTRICT NO	HEALTH DISTRICT	MINIMUM CHARGE (R) FOR FIRST 1KG	STANDARD CHARGE (R) PER 1KG
	Amajuba		
	King Chetswayo		
	UMkhanyakude		
	UMzinyathi		
	Zululand.		

Charges must be inclusive of VAT.

Note:

1. Charges for overnight/express emergency deliveries/collections is not applicable to the EThekweni district as goods are delivered within 24 hours.

2. For all the other districts where goods are delivered within 48 hours and where mileage is to be considered, charges for overnight/express deliveries/collection are applicable.

Required by: **KZN DEPARTMENT OF HEALTH**

-At: **PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT (PPSD)**

Brand

Delivery period (on order)

Failure to comply with the above shall invalidate the offer received.

Note: All delivery costs must be included in the bid price, for delivery at prescribed destination.

.....
 (Signature of Bidder) Date (Signature of Witness) Date

SECTION M: EVALUATION CRITERIA

The Department will evaluate bids received before the closing date and time using Five (05) phases, these are peremptory requirements, should the bidder fail to comply, the bid will be regarded as non-responsive and be disqualified, namely:

Phase 1: Minimum Compulsory Requirements

Phase 2: Technical Evaluation/Functionality

Phase 3: Site visit

Phase 4: Price and Preference Points System

Phase 5: Objective criteria

Phase 1: Minimum Compulsory Requirements

NO.	REQUIREMENTS		COMPULSORY FOR PHASE 1	COMPULSORY FOR BID EVALUATION PURPOSES FOR PHASES 2 AND 3	FOR OFFICIAL USE ONLY		
					YES	NO	N/A
1. Prospective Bidders MUST ensure that the following Sections of the bid document MUST be completed/adhered to, in ALL respects to qualify for the next stage of evaluation:							
1.1	Section A: Invitation To Bid (Sbd1)		Yes				
1.2	Section B: Special Instructions And Notices To Bidders Regarding The Completion Of Bidding Forms		Yes				
1.3	Section C: Authority To Sign A Bid		Yes				
1.4	Section D: Bidder's Disclosure (SBD 4)		Yes				
1.5	Section E: The National Industrial Participation Programme (SBD 5)		Yes				
1.6	Section F: Declaration That Information On Central Supplier Database Is Correct And Up To Date (To Be Completed By Bidder)		Yes	Yes (Phase 3)			
1.7	Section G: Preference Points Claim Form In Terms Of The Preferential Procurement Regulations 2022 (SBD 6.1)		Yes				
1.8	Section H: Record Of Amendments To Bid Documents		Yes				
1.9	Section I: General Conditions Of Contract (GCC)		Yes				
1.10	Section J: Special Conditions Of Contract (SCC)		Yes				
1.11	Section K: Specifications		Yes				
1.12	Section L: Pricing Schedule:		Yes				
2. Prospective Bidders MUST provide the following as Mandatory Requirements: Main Contractor							
2.1	A certified copy of the Consortium/ Joint Venture/ Partnership agreement.		Yes	Yes			
2.2	Detailed execution plan		Yes (Phase 2)	Yes (Phase 2)			
2.3	Trade References		Yes (Phase 2)	Yes (Phase 2)			
2.4	Vehicle registration documents/ agreement letter with the hiring company in line with the National Road Traffic Act		Yes (Phase 2)	Yes (Phase 2)			
2.5	Curriculum Vitae (CV) for distribution management ,/ Trained Supervisor and adequate support personnel and Security vetting and certification of employees on site		Yes (Phase 2)	Yes (Phase 2)			

NO.	REQUIREMENTS		COMPULSORY FOR PHASE 1	COMPULSORY FOR BID EVALUATION PURPOSES FOR PHASES 2 AND 3	FOR OFFICIAL USE ONLY		
					YES	NO	N/A
2.6	Proof of ownership/lease agreement, colour photographs and site plans		Yes (Phase 2)	Yes (Phase 2)			
3. Prospective bidder must provide the following as additional Requirement from Main Contractor during contract stage							
3.1	<p>B-BBEE certificate indicating the B-BBEE status level of contributor. The B-BBEE certificate must be issued by a SANAS accredited verification agency;</p> <p>Or</p> <p>A duly completed Sworn Affidavit signed by the deponent and commissioned by the authorized commissioner of oaths. The sworn affidavit must indicate the day, month and year on which the annual total revenue is based on and the level of black ownership that is claimed;</p> <p>or</p> <p>A sworn affidavit on an accredited template issued by the DTI/CIPC for both EME or QSE,</p> <p>Note:</p> <ol style="list-style-type: none"> i. Bidders must ensure that the correct sworn affidavit for the Financial Sector are submitted, ii. A trust, consortium, or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level certificate. iii. The B-BBEE certificate or sworn affidavit will be required from service provider, during signing of contract not as 		Yes	Will only be Required from awarded service provider during Contract Management phase			

Note: The bidder who fails to comply with administrative and mandatory requirements will be treated as non-responsive; therefore will not progress to the next stage of evaluation.

Phase 2: Technical Evaluation / Functionality

The Bidder will be scored as per the following functionality criteria, which will form part of Phase 2: (Technical Evaluation) of the evaluation criteria

No.	EVALUATION CRITERIA	WEIGHTING	SCORING (FOR OFFICIAL USE)
1	TRADE REFERENCES	20	
1.1.	<p>Number of valid contracts in the past 3 years: Previous experience in providing transportation services of goods and non-pharmaceutical products in South Africa</p> <ul style="list-style-type: none"> • Above 5 years =20 points • 3 years to 5 years =15 points • 1 - 3 years = 10 points • Below 1year = 5 points • No proof of contract =0 Points <p>Required returnable document: Minimum of 3 references as proof of current or previous copy of signed service level agreement or copy of signed contract agreement or copy of the valid order issued by your client.</p> <p>Note: No proof of number of contracts zero points will be scored, the Department reserves a right to verify information provided</p>	Sub Point 20	
2	CAPACITY TO DELIVER	45	
	<p>Physical Resources</p> <ul style="list-style-type: none"> • Availability / accessibility of purpose designed insulated trucks that are temperature controlled. =15 points <p>Required returnable document: Vehicle registration documents/ agreement letter with the hiring company in line with the National Road Traffic Act in line with the duration of the contract Compliance with National Transport Policy, Good Pharmacy Practice, Good Wholesaling Practise and Good Distribution Practise For cold chain pharmaceuticals, bidder must comply with WHO GDP and SAHPRA GWP</p>	Sub Point 15	
	<p>Experience</p> <ul style="list-style-type: none"> • Proven and verifiable experience of a trained distribution management personnel and appropriate code 8 and code 10 drivers license • Trained Supervisor and adequate support personnel (Freight Processors & General Assistants) based at clients warehouse (Medicine Depot- PPSD) =15 Points. • The personnel are required to understand the following duties: <ul style="list-style-type: none"> ○ Weighing 	Sub Point 15	

No.	EVALUATION CRITERIA	WEIGHTING	SCORING (FOR OFFICIAL USE)
	<ul style="list-style-type: none"> ○ Loading of the truck ○ Capturing ○ Site supervisor ○ Personnel responsible for facility callings/ emergency orders <p>Required returnable document: Submit Curriculum Vitae (CV) for distribution management ,/ Trained Supervisor and adequate support personnel and Security vetting and certification of employees on site</p> <p>Note: No proof of Curriculum Vitae (CV) zero points will be scored, the Department reserves a right to verify information provided</p>		
	<p>Distribution Centers</p> <p>Number / Location of Hubs/sub Distribution centers with cold chain monitoring equipment, Air-conditioning facilities = 15 points</p> <p>Required returnable document: Submit Proof of ownership/lease agreement, colour photographs and site plans</p> <p>Note: No proof of ownership/lease agreement zero points will be scored, the Department reserves a right to verify information provided</p>	Sub Point 15	
	EXECUTION PLAN	35	
3	<p>Execution plan</p> <p>Execution plan to establish how the service will be rendered as per specification to include availability of equipment required to render service Secured Warehouse premises.</p> <ul style="list-style-type: none"> ● Cold chain Management equipment ● Computer Systems with backup and web based real time tracking system inclusive of client access ● Transport equipment ● Security equipment ● Warehouse Weighing & lifting equipment ● Profile of organisation as well as communication plan to be included <p>Required returnable document: Submit Proof of a detailed execution plan.</p> <p>Note: No proof of a detailed execution plan zero points will be scored, the Department reserves a right to verify information provided</p>	Sub Point 35	
	Total	100	

MINIMUM QUALIFYING SCORE: (Bidder who fail to obtain 70 minimum qualifying score for this evaluation criteria will be treated as non- responsive, and will not qualify for phase 3 evaluation)

Phase 3: Site visit

A site visit will be conducted of shortlisted bidders.

Elements of Inspection	Evaluation Score
i) Company Policies and guidelines - documentation	10
ii) Management of Operations	30
iii) Occupational Health &. General Safety	30
iv) Equipment	5
v) Human Resources Management	10
vi) Vehicles	20
Total	105

CHECKLIST FOR SITE INSPECTION

TRANSPORTATION SERVICES CHECKLIST					
COMPANY NAME OF BIDDER:					
Sections	Element	Standard	Findings	Score	
				Score	Achieved
1. Policies, SOPs and Guidelines	Are all company operational policies available and accessible to the staff?	All company operational policies available and must be accessible to the staff		5	
	Are all company standard operating procedures (SOP) available and implemented?	All company standard operating procedures (SOPs) must be available and practised by all staff.		5	
				10	
Management of operations	Is the entire warehouse managed professionally applying knowledgeable experience, policies and procedures?	The company must manage the warehouse professionally, applying all relevant policies and SOPs.		5	
Storage Procedure:	Are correct storage procedures followed for all pharmaceuticals including cold chain items?	Stock must be stored at the correct temperatures in accordance to WHO and SAHPRA guidelines.		5	
Sorting & Issuing Procedure:	Are there procedures for sorting and consolidation of parcels at the hubs? How are returned goods handled?	Parcels must be sorted for distribution to the various delivery sites. There should be a procedure for handling returned goods.		5	
Delivery Planning Procedure:	Are there delivery schedules and planned routes?	There must be a planned delivery schedule, that will tally with the expected delivery dates to delivery sites.		5	
Security	Is there sufficient security to safeguard the goods?	There must be visible security and security equipment.		5	
Insurance policies	Are there insurance policies to cover the goods?	The company must provide insurance cover throughout the contract period.		5	
				30	

Occupational Health & General Safety	Environmental Hygiene Are floors, walls, shelving, and equipment clean?	Floors, walls and shelving must be clean and free of grease or dust, fixtures and equipment must be clean and serviced regularly.		5	
	Pest Control Is pest control applied periodically?	The company must have a pest control company who fumigate regularly, and register signed by service provider available as a proof.		5	
	Is staff trained on how to use warehouse equipment, and vehicle handling?	Staff must be trained on how to work and handle themselves at the warehouse, as well as on handling equipment and vehicle.		5	
	Safety Rep: Is there an appointed Health & Safety Rep in the Company, trained to conduct safety Inspections.	The company must have appoint a Health & Safety Rep, who is trained to conduct safety inspections		5	
	Fire Fighting: Are there Fire extinguishers in the warehouse and in each vehicle?	Fire extinguishers must be serviced annually, installed in designated areas and in each vehicle.		5	
	Are all staff trained on firefighting?	All staff must be trained on fire fighting		5	
				30	
Equipment	Is the equipment and machinery suitable for warehouse available, functional and kept clean at all times?	The warehouse must have all equipment and machinery suitable for warehouse functions, and must be well maintained and kept clean at all times. These include; but not limited to the following; forklift, pallets, pallet jacks, wrapping machine, electronic platform scale, security equipment, computers.		5	
				5	

Human Resources	Human Resource Management: Do all staff members have job descriptions, provided with regular training, and performance assessments are done periodically as per sectoral determination?	All staff members must have job descriptions, trainings must provide regularly, and performance assessments must be done periodically as per sectoral guide.		5	
	Training: Is there a staff Training plan, schedules and attendance registers in the company, which incorporates all staff?	Company must have a staff training plan and training schedule and attendance registers that is developed annually, to fulfil staff training gaps.		5	
				10	
Vehicles	Delivery Vehicles: Are dry goods transported in insulated vehicles?	Pharmaceuticals must be transported in enclosed, waterproof and insulated vehicles.		5	
	Cleaning Procedure: Is there a cleaning and decontamination procedure?	All vehicles must be cleaned according to a procedure and cleaning records must be maintained.		5	
	Are vehicles equipped with lockable doors and intruder alarms?	All vehicles must be lockable and have intruder alarms.		5	
	Temperature controlled vehicles: Are the vehicles qualified, equipped with calibrated temperature monitoring devices?	All temperature controlled vehicles must be qualified and qualification documents must be provided. All temperature monitoring devices must be calibrated and calibration records must be kept.		5	
				20	
		Sub total			
		Grand Total		105	
		Percentage		100%	

Note: The bidder who fails to obtain 80% on the site visit, will be treated as non-responsive, and will not progress to the next stage of evaluation.

Phase 4: Price and Preference Points

The value of this bid is estimated not to exceed R 50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable.

Points for this bid shall be awarded for:

Price; and

Specific Goals

The maximum points for this bid are allocated as follows:

CATEGORY	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and must not exceed	100

The Department has identified the following specific goal:

- full points(20 points) to companies who are at least 51% Owned by Black People

Ownership verification will be conducted through Central Suppliers (CSD) Database by National Treasury, through the B-BBEE scorecard attributes or Companies and Intellectual Property Commission (CIPC). Bidders must submit CSD report and CIPC

Failure on the part of a bidder to submit proof of specific goals together with the bid will be interpreted to mean that preference points for specific goals are not claimed.

Phase 05: Objective criteria: in line with section 2 (1) (f) of the Preferential Procurement Policy Framework Act

The Department of Health Bid Adjudication Committee shall award the bid to various bidders as per the following areas , provided that the respective bidders' offers comply with the specification and meets all the conditions attached to the bid.

Area 1: Ethekewini, Harry Gwala, Ilembe, Ugu, Umgungundlovu and Uthukela

Area 2: Amajuba, King Chetswayo, Umkhanyakude, Umzinyathi and Zululand.

1.2.2 In an attempt to broaden participation in the market, as per the Preferential Procurement Policy Framework Act section 2 (1) (f), objective criteria, the Department shall award the bid to compliant bidders as per the following areas:

- c) Area 1
- d) Area 2

1.2.2.1 No bidders /Service providers will be awarded more than one Area, except in the instance of 1.2.2.2.(d).

1.2.2.2 In the event of one bidder scoring highest points in one or all the Areas, the Department will use the following criteria in application of the principle contemplated in 1.2.2 above:

- a) The bidder that scores highest points in one or two Areas will be awarded only one Area is the area with the higher volumes.
- b) For the second Area, the Department will award to the next highest ranking bidder on the proviso that they match the price offered by the highest ranking bidder.
- c) In the event that they decline the offer to match the price, the award will be made to the next highest ranking bidder that is prepared to meet the price.

- d) A bidder may be awarded more than one Area, in the event that none of the other bidders are willing to match the price of the highest ranking bidder.

The Department reserves the right to require either of a bidder, before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the department.