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## **SPECIAL CONDITIONS OF CONTRACT**

**RT45-2025**

**SUPPLY AND DELIVERY OF GENUINE OEM PARTS, OEM APPROVED PARTS AND AFTERMARKET PARTS FOR STATE VEHICLES, VESSELS, AGRICULTURAL EQUIPMENT, CONSTRUCTION EQUIPMENT AND ARMoured VEHICLES TO THE STATE FOR THE PERIOD OF 60 MONTHS.**

**NON-COMPULSORY BRIEFING SESSION TO BE HELD ON THE 10 MARCH 2025 ON MICROSOFT TEAMS**

**CLOSING DATE AND TIME OF BID**

**31 MARCH 2025 AT 11H00**

**BID VALIDITY PERIOD: 180 DAYS**

National Treasury

Transversal Contracting

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**LIST OF ABBREVIATIONS**

BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
BQRC	Bid Quality Review Committee
B-BBEE	Broad-Based Black Economic Empowerment
CIPC	Companies and Intellectual Property Commission
CPA	Contract Price Adjustment
CPI	Consumer Price Index
CSD	Central Supplier Database
NT	National Treasury
OCPO	Office of the Chief Procurement Office
PPR 2022	Preferential Procurement Regulation 2022
QSE	Qualified Small Enterprise
RSA	Republic of South Africa
SLA	Service Level Agreement
SABS	South African Bureau of Standards
SARS	South African Revenue Service
SCC	Special Conditions of Contract
SBD	Standard Bidding Document
TCBD	Transversal Contract Bidding Documents
TC	Transversal Contracts
TIC	Tender Information Centre
VAT	Value Added Tax

## **LIST OF ANNEXURES**

- i. Annexure A : General Conditions of Contract (GCC)
- ii. Annexure B : Standard Bidding Documents (SDD's)
- iii. Annexure C : Pricing Schedule
- iv. Annexure D : Guide for online bid submission

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**DEFINITIONS**

Customer	A participant on the transversal contract who procures goods and/or services from the appointed Supplier(s).
Delivery	The process of transporting goods from a bidder's source location to a predefined destination by the participants.
Due Diligence	The investigation or exercise of care that the State conducts before entering into an agreement with the bidders to validate the bid responses.
Historically Disadvantaged Individuals	<p>South African citizen:</p> <ul style="list-style-type: none"><li>i) Who, due to the apartheid policy that had been in place, had no franchise in national elections before the introduction of the constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (the interim Constitution) and/or</li><li>ii) Who is female; and/or</li><li>iii) Who has a disability.</li></ul> <p>Provided that a person who obtained South African citizenship on or after the coming to effect of the interim Constitution, is deemed not to be an HDI.</p>
OEM	Original Equipment Manufacturer, OEM replacement part will be identical to those installed on your vehicle when it was initially built. OEM parts are the same as the original in the sense that they are made by the same manufacturer, with the same materials, to the same specifications.
Agricultural equipment	Agricultural equipment refers to machinery and implements used in farming and agricultural production to improve efficiency, reduce labor, and increase output.
Genuine OEM parts	Genuine OEM (Original Equipment Manufacturer) parts are parts that are made by the same company that originally manufactured the components for a vehicle or equipment. These parts are identical to the ones that came with the product when it was first built.
OEM Approved	OEM Approved refers to parts, materials, or components that meet the standards set by the Original Equipment Manufacturer (OEM) but are not necessarily produced by the OEM itself. These parts are typically manufactured by third-party suppliers and have been tested and approved by the OEM for use in their products.



Aftermarket Parts	Aftermarket parts are parts made by companies other than the Original Equipment Manufacturer (OEM). These parts are designed to replace or enhance OEM components in vehicles, machinery, or other equipment.
Construction Equipment	Construction equipment refers to the heavy machinery used in construction projects to move materials, dig, lift, and build structures. These include excavators, bulldozers, cranes, backhoes, and loaders. These machines are essential for tasks such as site preparation, earthmoving, foundation work, and infrastructure development.
Bank Guarantee	A bank guarantee is a financial assurance provided by a bank on behalf of a customer, ensuring that payment or obligation will be fulfilled.



Table 1: Bid Document Checklist and Returnable Documents

#	Document Name <sup>1</sup>	Included in the published bid document?	To be returned by bidder?	Bidder to tick Yes if document is submitted
<b>PHASE 1: LEGISLATIVE AND OTHER STANDARD BIDDING REQUIREMENTS</b>				
1.	SBD 1 Invitation to Bid	Yes	Yes	
2.	Proof of authority must be submitted as per SBD 1 e.g., company resolution for the capacity under which this bid is signed	Yes	Yes	
3.	SBD 4 Declaration of Interest	Yes	Yes	
4.	SBD 6.1 Preference Points Claim Form	Yes	Yes	
5.	Full CSD report	No	Yes	
6.	CIPC documents	No	Yes	
7.	TCD 13 Authorization Declaration	Yes	Yes	
8.	TCD 13.1 List of goods or services offered	Yes	Yes	
<b>PHASE 2: MANDATORY REQUIREMENTS</b>				
9.	Footprint per province	No	Yes	
10.	Pricing Schedule	Yes	Yes	
<b>PHASE 3: FUNCTIONALITY</b>				
11.	Bidder must submit supporting documents. Minimum threshold of 66,67% must be achieved	Yes	Yes	
<b>PHASE 4: TECHNICAL REQUIREMENTS</b>				
12.	TCD 13.2 Letter of undertaking	Yes	Yes	
13.	Warranty for automotive parts	No	Yes	

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



#	Document Name <sup>1</sup>	Included in the published bid document?	To be returned by bidder?	Bidder to tick Yes if document is submitted
14.	Quality Management Systems	No	Yes	
15.	Letter Of Authority Certificate	No	Yes	
16.	Test reports for lead-acid starter batteries	No	Yes	
<b>PHASE 5: PRICE &amp; SPECIFIC GOALS</b>				
17.	Pricing Schedule	Yes	Yes	
18.	Proof of specific goals requirements	No	Yes	
19.	Cost Breakdown	Yes	Yes	



## **SECTION A: INTRODUCTION AND TERMS OF REFERENCE**

### **1. DESCRIPTION AND FORMAT OF THE BID**

- 1.1 This bid is for the appointment of a service provider to supply and delivery of genuine OEM parts, OEM approved parts and aftermarket parts for state vehicles, vessels, agricultural equipment, construction equipment and armoured vehicle to the state for the period of sixty (60) months.
- 1.2 This bid document is structured as follows:
- 1.2.1 Section A : Introduction and Terms of Reference
- 1.2.2 Section B : Conditions of Bid
- 1.2.3 Part 1 : Evaluation Criteria
- 1.2.4 Part 2 : Additional Bid Requirements
- 1.2.5 Part 3 : Recommendation and Appointment of Bidders
- 1.2.6 Section C : Conditions of Contract

### **2. LEGISLATIVE AND REGULATORY FRAMEWORK**

- 2.1 This bid and all contracts emanating there from will be subject to General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) as well as the Preferential Procurement Policy Framework Act 2000 (PPPFA) with its latest 2022 regulations.
- 2.2 The Special Conditions of Contract (SCC) are supplementary to that of General Conditions of Contract (GCC). However, where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

### **3. DURATION OF TRANSVERSAL CONTRACT**

- 3.1 The transversal contract shall be for a period of sixty (60) months.

### **4. OBJECTIVE OF THE BID**

- 4.1 To arrange a transversal contract for supply and delivery of genuine OEM parts, OEM approved parts and aftermarket parts for state vehicles, vessels, agricultural equipment , construction equipment and armoured vehicle to the state for the period of sixty (60) months
- 4.2 For the promotion of historically disadvantaged individuals as per the specific goals (maximum 10 points) allocated in terms of Preferential Procurement Regulations 2022 issued according to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000).



## 5. BRIEFING SESSION

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

Venue : TEAMS

Date : 10 March 2025

Link : [RT45-2025 Briefing session link](#)

Time : 10:00 – 12:00

5.2 The bid information session is not compulsory but will provide bidders with an opportunity to obtain clarity on certain aspects of the procurement process as set out in this bid document.

5.3 The National Treasury reserves the right to answer questions at the briefing session and/or to respond formally after the briefing session.

## 6. TERMS OF REFERENCE

### 6.1 TECHNICAL SPECIFICATIONS

6.1.1 This bid is for the appointment of a supply and deliver of genuine OEM parts, OEM approved parts and aftermarket parts for state vehicles, vessels, agricultural equipment, construction equipment and armoured vehicle to the state for the period of sixty (60) months.

6.1.2 This contract will supply and deliver replacement parts for state owned vehicles, vessels, agricultural/ construction equipment and armoured vehicle.

6.1.3 The contract will consist of the following components:

Table 2: Summary of Technical Specifications Categories

Category Description	Category Description
1. BRAKE SYSTEMS	2. DRIVE LINE COMPONENTS
3. SERVICE PARTS	4. STEERING COMPONENTS
5. ENGINE COMPONENTS	6. COOLING SYSTEMS
7. ELECTRICAL SYSTEMS	8. HYDRAULIC SYSTEMS
9. SUSPENSION	10. MOTOR BODY PARTS
11. GROUND ENGAGING TOOLS	

### 6.1.4 BRAKE SYSTEMS

6.1.4.1 A brake system is designed to restrain motion by absorbing energy from a moving system usually by means of friction. It is used to slow or stop a moving vehicle, wheels, axle, and including all relevant



components.

#### 6.1.5 **SERVICE PARTS**

6.1.5.1 The service parts mean the replacement parts and components used to service, maintain, and repair the OEM Products.

#### 6.1.6 **ENGINE COMPONENTS**

6.1.6.1 An engine or motor is a machine designed to convert one or more forms of energy into mechanical energy. The engine components are components used in automotive and other applications.

#### 6.1.7 **ELECTRICAL SYSTEMS**

6.1.7.1 The electrical system in any automotive is a network of components and circuits that deliver current to power, switch, signal, or otherwise help perform operations. The electrical system comprises a storage battery, generator, starting (cranking) motor, lighting system, ignition system, and various accessories and controls. Internal combustion engine-powered vehicles, it's considered a closed circuit that generates its own electricity whenever the engine is running.

#### 6.1.8 **SUSPENSION**

6.1.8.1 The suspension system of a vehicle refers to the group of mechanical components that connect the wheels to the frame or body. The suspension system of any vehicle consists of several components that work to maximise the friction between the tyres and the road surface. It is committed to keeping the ride as smooth as possible while allowing the driver to have complete control over the vehicle.

#### 6.1.9 **DRIVE LINE COMPONENTS**

6.1.9.1 On most automotives a drive line consists of main parts: the gearbox/transmission, drive shafts, differential and including all relevant components.

#### 6.1.10 **STEERING COMPONENTS**

6.1.10.1 Steering is the collection of components, linkages, etc. which allows any vehicle to follow the desired course. A motor vehicle's steering system contains different components and all relevant parts.

#### 6.1.11 **COOLING SYSTEMS**

6.1.11.1 The main function of a cooling system is to regulate normal operating temperature. There are different types of cooling systems: (i) Air cooling system (ii) Oil-coolers and (iii) Water-cooling system and including all relevant components.

#### 6.1.12 **HYDRAULIC SYSTEMS**

6.1.12.1 In a hydraulic – based system, mechanical movement is produced by contained, pumped liquid, typically through hydraulic cylinders moving pistons.



**6.1.13 MOTOR BODY PARTS**

6.1.13.1 Motor Vehicle Body means that portion of the Motor Vehicle mounted on the chassis or frame or unibody, including fenders, bumpers, windshields, glass and similar components of motor vehicle bodies as distinguished from the chassis, seats, motor, transmission, air conditioning condenser, radiator and other accessories and including all relevant components.

**6.1.14 GROUND ENGAGING TOOLS**

6.1.14.1 Ground engaging tools (GET) are the parts of heavy construction equipment that make ground contact to cut, move and grade materials during work. These parts typically come as attachments to bigger machines so you can detach them to conduct maintenance, attach them or switch them out depending on your needs.

**6.1.15 EXCLUSION**

6.1.15.1 The following items cannot be procured through this contract.

- a) Tyres
- b) Oils and Lubricants
- c) Fuel
- d) Emergency lights, vehicle branding and decals.
- e) Tow bars, cameras, air purifier, canopies or any other accessory or fitment
- f) Tools and replacement parts for handheld tools.

**SECTION B: CONDITIONS OF BID****7. PART 1: EVALUATION CRITERIA**

7.1 The details of the evaluation phases are outlined below:

**Table 3: Evaluation Criteria**

Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
Legislation and other standard bidding Requirements	Mandatory requirements	Functionality Requirements	Technical requirements & Due Diligence	Price and Specific Goals
Compliance with mandatory requirements	Compliance with legislative and other bid requirement	Minimum threshold of 66,67%	Technical Requirements & Due Diligence	Bids evaluated in terms of the 90/10 preference system

**7.2 PHASE 1: LEGISLATIVE AND OTHER STANDARD BIDDING DOCUMENTS**

7.2.1 Legislative Requirements

7.2.2 It is also a requirement for bidders to submit the other legislative documents as detailed below.

7.2.3 SBD 1 invitation form to bid.

7.2.4 SBD 4 bidder's disclosure.

7.2.5 SBD 6.1 preference points claim form.

7.2.6 Central Supplier Database – A Central Supplier Database report must be submitted

7.2.7 CIPC documents

7.2.7.1 Shareholding portfolio by proof of registration of the company with Companies Intellectual Property Commission. An additional document detailing the shareholding of the bidder in an organogram format in support of the proof of company registration must be submitted by bidders at the closing date and time.

7.2.8 TCD 13 Authorization Declaration

7.2.8.1 TCD 13 and 13.1 Authorization Declaration – All bidders must complete the "Authorization Declaration" form (TCD 13 and TCD 13.1) for all relevant goods and/or service in full, sign and submit together with the bid response at the closing date and time of the bid.

7.2.8.2 Failure to submit the documents indicated above even after the bidder has been notified and given a maximum of seven calendar days to rectify may invalidate the bid.



### 7.3 PHASE 2: MANDATORY REQUIREMENTS

#### 7.3.1 Pricing Schedule

- 7.3.1.1 Bidders are required to submit responsive bids by completing all pricing and item information on the provided pricing schedule (Annexure C) for the individual items and all required forms. Non-submission of the pricing schedule (Annexure C) will invalidate the bid.
- 7.3.1.2 The pricing schedule (Annexure C) provided in this bid forms an integral part of the bid document and bidders must ensure that it is completed without changing the structure thereof.
- 7.3.1.3 Bidders are required to submit pricing in terms of the percentage mark-up per order placed.
- 7.3.1.4 Bid prices must be inclusive of all costs, and VAT.
- 7.3.1.5 All prices must be in rands and rounded off to two (2) decimal places.
- 7.3.1.6 The pricing schedule (Annexure C) must be submitted in an excel format.

#### 7.3.2 Footprint

- 7.3.2.1 It is a mandatory requirement that the bidder must submit valid proof of their operational footprint in each province they are bidding for.
- 7.3.2.2 Acceptable proof of footprint must include one or more of the following documents:
  - a) Utility bill not older than three months in the name of the bidder, or
  - b) Lease agreement in the name of the bidder, or
  - c) Valid partnership agreement with a local entity, or
  - d) Statement from a property managing agent confirming the bidder's occupancy.
- 7.3.3 Failure to submit any of the required documents will invalidate your bid.

### 7.4 PHASE 3: FUNCTIONALITY EVALUATION

- 7.4.1 During this phase, bidders' responses will be assessed based on functionality. To proceed to the next phase of evaluation, bidders must achieve a minimum total score of **66.67%** for the functional requirements. Only bidders who have met all mandatory requirements will be considered for functionality evaluation. Failure to meet the minimum functionality threshold will result in disqualification from further evaluation.
- 7.4.2 Bidders are required to submit supporting documentation for all functional requirements as part of their bid submission. The Bid Evaluation Committee (BEC) will assess and score each bid based solely on the submitted documentation and the information provided. Failure to provide adequate supporting



documents may result in a lower functionality score.

- 7.4.3 Each criterion will be assigned a score, which will then be multiplied by the designated weighting for that criterion. The total score will be calculated by summing these weighted scores and expressing the result as a percentage of the highest possible score. Bidders are encouraged to ensure that their submissions are complete and clearly demonstrate compliance with the functional requirements.

**Table 4: Functionality**

Criteria	Measure	Rating Scale	Weight
1.Distribution Strategy	Bidders are required to submit a delivery plan with clear timelines and deliverables.		5
	Delivery beyond 4 weeks after parts have been delivered to the bidder's warehouse	0	
	Deliveries between 3 and 4 weeks after parts have been delivered to the bidder's warehouse	1	
	Deliveries between 1 and 2 weeks after parts have been delivered to the bidder's warehouse.	2	
	Deliveries less than 5 days after parts have been delivered to the bidder's warehouse.	3	
2.Company Trade Reference	Bidders must submit contactable references demonstrating a proven track record in the automotive parts industry over the past five years. Reference letters must be on the client's official letterhead, signed, dated within the last 90 days, and include details of the product supplied and contract value.		20
	A reference letter indicating one (1) year or less of experience in the automotive parts industry.	0	
	A reference letter indicating two (2) to four (4) years of experience in the automotive parts industry.	1	
	A reference letter indicating more than four (4) years and up to five (5) years of experience in the automotive parts industry.	2	
	A reference letter indicating more than five (5) years of experience in the automotive parts industry.	3	
3. Bank Guarantee	Bidders are required to submit a bank guarantee from a bank that is accredited by the South African Reserve Bank. The bank guarantee must be in the bank's letterhead, signed by an authorized representative. The letter must contain the guaranteed amount, contract reference, terms and conditions of the guarantee. The guarantee must be valid for the duration of the contract. The bidder must submit a minimum of R 5 million Bank guarantee per province.  Acceptable proof will be the original bank guarantee or a certified copy of the bank guarantee.		40
	Non submission of bank guarantee	0	
	R3,5 million bank guarantee per province	1	
	R5 million and above bank guarantee per province	2	
	R10 million and above bank guarantee per province	3	
4.Parts Management System Experience	Bidders are required to have a web portal for orders: If yes, please provide proof of confirmation.  Acceptable proof will be (Not older than 90 days) 1. System generated reports		20



Criteria	Measure	Rating Scale	Weight
	2. System Screenshot/ pictured/images		
	Does the company have real-time information of orders, transactions, and delivery times for end users to be able to view the status of their orders?	Yes =1 No =0	0 to 1 = 1 2 to 3 =2 4 to 6 =3
	Inventory Management System: Is the system able to record received goods, per line item per supplier, indicate dispatched and stock on hand?	Yes =1 No =0	
	Is your system mobile friendly (application) web interface?	Yes =1 No =0	
	Is your system able to bill accurately per account with clear indication of costs and quantity?	Yes =1 No =0	
	Do you have a calibrated scale to measure weight?	Yes =1 No =0	
	Is the system able to generate reports (e.g. missed orders, rejected orders, on time deliveries)?	Yes =1 No =0	
5. Return policy, timelines and process flow	Return policy, timelines and process flow for returns. Bidders must provide Return Policy, clear timelines and process flow for Returns. The policy must address the following:		5
	Does the bidder provide a clear and structured return policy?	Yes =1 No =0	0 to 3 = 1 4 to 6 = 2 7 to 9 = 3
	Does the policy specify the conditions under which returns are accepted (e.g., defective items, incorrect deliveries, expired stock)?	Yes =1 No =0	
	Does the bidder specify a reasonable timeframe for initiating and processing returns?	Yes =1 No =0	
	Are the timelines aligned with industry standards and operational needs? Are the timelines aligned with industry standards and operational needs?	Yes =1 No =0	
	Does the bidder outline a step-by-step process for handling returns, how return requests are initiated?	Yes =1 No =0	
	Who is responsible for authorizing returns?	Yes =1 No =0	
	The logistics of returning the product (collection, shipping, or drop-off)?	Yes =1 No =0	
	Timeframe for issuing replacements, refunds, or credits?	Yes =1 No =0	
	Does the process include updates or tracking of return progress?	Yes =1 No =0	
	Is your IT system able to do the following? If yes, please provide proof of confirmation. Acceptable proof will be (Not older than 90 days)		10



Criteria	Measure	Rating Scale	Weight
6. IT System for Reporting and Analytics	1. System generated reports		
	2. System Screenshot/ pictured/images		
	a) Is the system able to integrate with accounting systems and 3rd party systems?	Yes =1 No =0	<b>0 to 2 = 1</b> <b>3 to 4 = 2</b> <b>5 to 7 = 3</b>
	b) Ability to electronically track minimum 4 years, maximum 5-year-old / archived tracking number and be able to print archived POD.	Yes =1 No =0	
	c) Is the system able to generate monthly invoices and statements per account, per category / department.	Yes =1 No =0	
	d) Is the system able to generate system generated reports e.g. Management reports to measure compliance with SLA, incident / deviation reports, proof of delivery / collection reports etc?	Yes =1 No =0	
	e) Is the system able to generate a detailed report in the event of parcels/parts being lost in transit - via pick-up codes?	Yes =1 No =0	
	f) Is the system able to generate a flat file daily with events of the progress of all parts for the previous day?	Yes =1 No =0	
	g) Is the system able to generate annual, monthly, weekly, and daily reports indicating total deliveries and non-deliveries with reasons?	Yes =1 No =0	
<b>Functionality Threshold is 66,67%</b>			<b>100%</b>

**7.5 PHASE 4: TECHNICAL REQUIREMENTS****7.5.1 PART A: EVALUATION**

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

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

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

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

**7.6.1 TCD 13 Authorization Declaration**

7.6.1.1 Any bidder who is not an original manufacturer of the product must submit a valid Third-Party Undertaking letter (template provided as TCBD 13.2) in full for all relevant goods or services. The letter of undertaking from the manufacturer must include but not be limited to the following:

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

7.6.1.2 Letter of undertaking must be from an Original Product/Equipment Manufacturer (OPM/OEM) OR authorized importer/distributor OR partner/subcontracting partner (in case of service) that the service of product is offered. In the case where the letter of undertaking is from an authorized importer/distributor, proof from OPM/ OEM authorizing the importer or distributor must also be submitted with the bid at the closing date and time of the bid, such proof must not be older than the advertisement date of the bid.

7.6.1.3 The State reserves the right to verify any information supplied by the bidder in the Authorisation Declaration and should the information be found to be false or incorrect, the bidder will be disqualified for all items and further, the State may exercise additional legal remedies available.

7.6.1.4 The bidder must ensure that all financial and supply arrangements for goods or services have been



mutually agreed upon between the bidder and the third party. No agreement between the bidder and the third party will be binding on the State.

7.6.1.5 Failure to submit the required documents will result in the disqualification of the relevant component.

#### 7.6.2 **Warranty for automotive parts**

7.6.2.1 Bidders must provide documented proof of warranty for the automotive parts offered, with coverage ranging from a minimum of six (6) months to a maximum of twenty-four (24) months. **Failure to submit the required documents will result in the disqualification of the relevant component.**

#### 7.6.3 **Quality Management Systems**

7.6.3.1 Bidders must submit at the closing date and time of bid, valid quality assurance certificates to confirm compliance for the items offered as per the pricing schedule. The holder of the certificates must be the original product/ equipment manufacturer of the product.

- a) SANS 20013 – Performance requirements for automotive electrical cables.
- b) SANS 1796 – Regulations for replacement brake pads and linings.
- c) SANS 9001 (ISO 9001) – General quality management system for auto part manufacturers.
- d) SANS 10216 – Testing procedures for automotive components.
- e) SANS 20049 – Safety standards for fuel system components.

7.6.3.2 Failure to submit the required documents will result in the disqualification of the relevant component.

#### 7.6.4 **Letter Of Authority Certificate**

7.6.4.1 It is a requirement of this bid that the following items be compliant with NRCS' compulsory specifications:

- a) Front brake disc NRCS compulsory specification VC 8053
- b) Rear brake disc NRCS compulsory specification VC 8053
- c) Front brake pads NRCS compulsory specification VC 8053
- d) Rear brake pads NRCS compulsory specification VC 8053
- e) Rear brake drums NRCS compulsory specification VC 8053
- f) Front brake drums NRCS compulsory specification VC 8053
- g) Front brake shoes NRCS compulsory specification VC 8053
- h) Headlight bulbs NRCS compulsory specification VC 8048
- i) Taillight bulb NRCS compulsory specification VC 8048



7.6.4.2 Bidders are required to submit a Letter of authority Certificate (LoA) issued by NRCS with the bid at the closing date and time proving that the items complies with the specified compulsory specification.

7.6.4.3 **Failure to submit the LoA will result in the disqualification of the relevant component.**

#### 7.6.5 **TEST REPORTS FOR LEAD-ACID STARTER BATTERIES**

7.6.5.1 It is a requirement of this bid that Lead-acid starter batteries be compliant to SANS IEC60095 standard.

7.6.5.2 For this purpose, a test report issued by a SANAS accredited or recognized institution must be submitted with the bid at the closing date and time proving that the Lead-acid starter batteries comply with the SANS IEC60095 standard. The Test reports must not be older than twelve (12) months at the closing date of the bid.

7.6.5.3 **Failure to submit the test report will result in the disqualification of the relevant component.**

#### 7.6.6 **PART B: DUE DILIGENCE**

7.6.7 Due diligence will be conducted on the bidder who is shortlisted for part A of Phase 4.

7.6.7.1 Submitting false or misleading information in the bid will result in immediate disqualification.

#### 7.7 **PHASE 5: PRICE AND SPECIF GOALS**

##### 7.7.1 **Preference Point System**

7.7.1.1 Prices quoted (Markup %) for all categories/provinces must be furnished based on supply and delivery.

7.7.1.2 The pricing schedule provided in this bid forms an integral part of the bid document and bidders must ensure that it is completed without changing the structure thereof. Bidders are required to complete a mandatory Pricing Schedule as a response on how much the items offered will be charged.

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

7.7.1.4 The bid prices (markup %) must include all handling fees, delivery costs, and VAT.

7.7.1.5 The bidder shall only claim the OEM invoiced amount plus the approved markup percentage as submitted in their bid.

7.7.1.6 The pricing evaluation will be in terms of regulation 5 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 90/10 preference point system.

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

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



Where,

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

#### 7.7.2 **Applicable Taxes**

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

7.7.2.2 Failure to comply with this condition may invalidate the bid.

7.7.2.3 All bid prices must be inclusive of fifteen percent (15%) Value Added Tax.

7.7.2.4 Failure to comply with this condition may invalidate the bid.

#### 7.7.3 **Points Scored for Specific Goals**

7.7.3.1 The following formular will be used to calculate the points for specific goals:

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

Where,

PSSG = Points scored for specific goals

MPA = Maximum points allocated for a specific goal

POE = Percentage of equity ownership by an HDI

#### 7.7.4 **Proof of equity ownership and related matters**

7.7.4.1 The specific goals contemplated in paragraph 7.7.3.1 above must be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company's shares that are owned by individuals, who are actively involved in the management of the enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.

7.7.4.2 In the event that the percentage of ownership contemplated in paragraph 7.7.3.1 above changes after the closing date of the tender, the tenderer must notify the Office, and such tenderer will not be eligible for any preference points.

7.7.4.3 Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.

7.7.4.4 all claims made for specific goals must be considered according to the following criteria:



- a) equity in private companies must be based on the percentage of equity ownership, and
  - b) preference points may not be awarded to public companies and tertiary institutions.
- 7.7.4.5 equity claims for a Trust may only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust,
- 7.7.4.6 documentation to substantiate the validity of the credentials of the trustees contemplated in paragraph 7.7.4.5 above must be submitted to the Office.
- 7.7.4.7 A consortium or Joint Venture may claim points for specific goals, based on the percentage of the contract value managed or executed by individuals who are actively involved in the management or exercise control of the respective parties of the consortium or Joint Venture.
- 7.7.4.8 A tenderer must submit proof of its ownership.
- 7.7.4.9 A tenderer who does not submit proof of their ownership may not be disqualified from the bidding process, but they score points out of 90/10 for price and zero (0) points out of 90/10 for specific goals.
- 7.7.4.10 Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.
- 7.7.5 **Responsive Bids**
- 7.7.5.1 Bidders are required to submit responsive bids by completing all pricing and item information on the provided pricing schedule (Annexure C) for the individual items and all required forms. Non-submission of the pricing schedule (Annexure C) will invalidate the bid response.
- 7.7.6 **Specific Goals**
- 7.7.6.1 The following will be used to calculate the points for Historically disadvantaged individuals as well as specific goals.
- a) A maximum of 10 points may be awarded to a bidder for being a historically disadvantaged individual and/or subcontracting with a historically disadvantaged individual and/or achieving any of the specified goals stipulated in regulation 2022 of the Preferential Procurement regulations. For this bid, the maximum number of points that could be allocated to a bidder is indicated in the paragraph above. The State reserves the right to arrange contracts with more than one contractor.
  - b) The government intends to promote the following goals with this bid, and the points to be allocated are indicated against each goal:

**Table 4: Preference Point System**



SPECIFIC GOALS	POINTS ALLOCATED OUT OF 10	FORMULA TO CALCULATE THE POINTS OUT OF 10
Preference points for equity ownership by historically disadvantaged Individuals who, due to the apartheid policy that had been in place had no franchise in national elections before the introduction of the Constitution of the RSA, 1983 (Act 110 of 1983) or the Constitution of the RSA, 1993 (Act 200 of 1993), ("the Interim Constitution") and or	10	$PSSG = MPA \times \frac{PEO}{100}$ <p>Where: PSSG = Points scored for a specific goal MPA = Maximum points allocated for a specific goal PEO = Percentage of equity by an HDI</p>
<b>POINTS</b>	<b>10</b>	

- c) The points scored by a bidder in respect of the goals indicated above will be added to the points scored for price.
- d) Bidders are required to complete the SBD 6.1 forms in order to claim preference points. Only a bidder who has completed and signed the declaration part of the SBD 6.1 preference points claim forms will be considered for preference points.
- e) The bidders must submit Identity Documents (ID), Central Supplier Database (CSD) and CIPC registration documents. These documents will serve as proof of ownership and directorship of the company.
- f) Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender will not be allocated with the points claimed.
- g) The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made about preference.
- h) Points scored will be rounded off to the nearest 2 decimals.
- i) If two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for the specified goals. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- j) A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.
- k) Preference points may not be claimed in respect of individuals who are not actively involved in the



management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.

- I) Failure on the part of the bidder to claim points for specific goals will give the bidder a score of zero (0).

**8. PART 2: ADDITIONAL BID REQUIREMENTS****9. TERMS AND CONDITIONS****9.1.1 Counter Conditions**

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

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

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

**9.1.2 Fronting**

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

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

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

**9.1.3 Right Of Award**

9.1.3.1 The State reserves its following rights -

- a) To award the bid in part or in full,
- b) Not to make any award in this bid or accept any bids submitted,
- c) Request further technical information from any bidder after the closing date,
- d) Verify information and documentation of the bidder(s),



- e) Not to accept any of the bids submitted,
- f) To withdraw or amend any of the bid conditions by notice in writing to all bidders prior to closing of the bid and post award, and
- g) If an incorrect award has been made to remedy the matter in any lawful manner it may deem fit.

## 9.2 **THIRD PARTY AGREEMENTS AND SUB-CONTRACTOR AGREEMENTS**

- 9.2.1.1 No agreement between the bidder and any third party will be binding to the State.
- 9.2.1.2 In the event that bidder intends using sub-contractors to execute the Contract or part thereof, the bidder must note that it shall remain responsible and accountable for the completion of the work or delivery of services requirements.
- 9.2.1.3 The bidder must declare its intention to subcontract and the percentage of subcontracting thereof and must provide full description of subcontractor.

## 9.3 **SUBMISSION OF BIDS**

### 9.3.1 **ONLINE BID SUBMISSION**

- 9.3.1.1 Bidders must submit their bids online through the e-Tender Publication portal.
- 9.3.1.2 Manual or hardcopy bids are not acceptable.
- 9.3.1.3 The online e-Tender publication portal can be accessed on the following link:  
<https://www.etenders.gov.za/>
- 9.3.1.4 The guide for online bid submission is attached as Annexure D.
- 9.3.1.5 Bidders to adhere to all the rules for the online bid submission.
- 9.3.1.6 Bidders' attention is drawn to the sequential submission format as per the checklist on Table 1.
- 9.3.1.7 The Pricing Schedule (Annexure C) should be in an XLSX excel sheet format and not any other format.
- 9.3.1.8 Non-compliance with online bid submission WILL invalidate the bidder's response.
- 9.3.1.9 Submit all bid queries via email to [Demand.Acquisition3@treasury.gov.za](mailto:Demand.Acquisition3@treasury.gov.za).

## 9.4 **COMMUNICATION AND CONFIDENTIALITY**

- 9.4.1 The Chief Directorate: Transversal Contracting (TC) within the Office of the Chief Procurement Officer (OCPO) may communicate with bidders where clarity is sought after the closing date and time of the bid and prior to the award of the transversal contract, or to extend the validity period of the bid, if necessary.
- 9.4.2 Any communication to any State official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.



- 9.4.3 Whilst all due care has been taken in connection with the preparation of this bid, the National Treasury makes no representations or warranties that the content in this bid or any information communicated to or provided to bidders during the bidding process is, or will be, accurate, current, or complete. The National Treasury, and its officers, employees and advisors will not be liable with respect to any information communicated which is not accurate, current, or complete.
- 9.4.4 If a bidder finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the National Treasury (other than minor clerical matters), the bidder must promptly notify the National Treasury in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the National Treasury an opportunity to consider what corrective action is necessary (if any).
- 9.4.5 Any actual discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the National Treasury will, if possible, be corrected and provided to all bidders without attribution to the bidder who provided the written notice.
- 9.4.6 All communication between the bidder and the National Treasury TC office must be done in writing as per the Contact Details below.
- 9.4.7 No representations made by or on behalf of the National Treasury in relation to this bid will be binding on the National Treasury unless that representation is expressly incorporated into the contract ultimately entered between the National Treasury and the successful bidder(s).
- 9.4.8 All persons (including all bidders) obtaining or receiving this bid and any other information in connection with this bid, or the tendering process must keep the contents of the bid and other such information confidential and not disclose or use the information except as required for the purpose of developing a response to this bid.
- 9.5 **CONTACT DETAILS**
- 9.5.1 **General:** - National Treasury, Office of the Chief Procurement Officer, Chief Directorate: Transversal Contracting, Private Bag x115, Pretoria, 0001. Physical address: 240 Madiba Street, corner Thabo Sehume and Madiba Streets, Pretoria
- 9.5.2 **Bid Enquiries:** - All enquiries should be in writing to [demand.acquisition3@treasury.gov.za](mailto:demand.acquisition3@treasury.gov.za) The closing date for receipt of all enquiries is **21 March 2025**. All enquiries beyond the closing date will not be considered.

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

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

10.1.2 On approval of the recommendation/s and appointment/s, the successful bidder(s) will sign an appointment letter together with the transversal contract agreement for of genuine OEM parts, OEM approved parts and aftermarket parts for state vehicles, vessels, agricultural equipment, construction equipment and armored vehicle to the state for the period of 60 months and unsuccessful bidder(s) will be informed accordingly.

**10.2 Tax Compliance Requirements**

10.2.1 It is a condition of this bid that the tax matters of the successful bidder(s) are in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

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

10.2.3 It is a requirement that bidders grant a written confirmation when submitting this bid response that SARS may on an on-going basis during the tenure of the transversal contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.

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

10.2.5 Where Consortia / Joint Ventures / Sub-Contractors are involved, each party must be registered on the CSD, and their tax compliance status will be verified through the CSD or through SARS.

**10.3 NEGOTIATIONS**

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

**10.4 DUE DILIGENCE**

10.4.1 The State reserves the right to:

10.4.1.1 Conduct due diligence during the evaluation process to determine the ability of the bidder to honour contractual obligations that might emanate from this tendering process. The due diligence is not only



limited to the bidder but to all parties the bidder might have confirmed to do business with for the fulfilment of the contract that might be awarded.

10.4.1.2 Conduct due diligence prior to final award or at any time during the transversal contract period and this may include pre-announced/ non-announced site visits. During the due diligence process the information submitted by the bidder will be verified and any misrepresentation thereof may disqualify the bid in whole or parts thereof.

10.4.1.3 Conduct any evaluation verifications prior to final award or at any time during the transversal term contract period.

10.4.1.4 Where applicable, through the BEC subject item samples to applicable clinical evaluations, applications, or test at any State facility to verify compliance with the technical specifications. This will be arranged with the bidder.

10.5 **MULTIPLE AWARD**

10.5.1 The State reserves the right to award the same item to more than one (1) bidder to address item availability and compatibility. Due diligence will be applied to ensure that pricing is affordable, market related and aligned to end-user requirements.

**SECTION C: CONDITIONS OF CONTRACT****11. CONCLUSION OF TRANSVERSAL CONTRACT AGREEMENT**

- 11.1 The Transversal Contract Agreement between National Treasury and the Supplier(s)<sup>2</sup> collectively referred to as Parties shall come into effect after the Supplier(s) have been issued with an unconditional letter of acceptance of their bids.
- 11.2 The preferred bidder(s) shall be appointed in terms of this bid. The Parties must ensure that the terms and conditions of the do Transversal Contract Agreement not contradict the provisions of this bid document. If the terms of the Transversal Contract Agreement contradict the provisions of this bid document to the extent that the duration, pricing as well as the good and/or services have changed in terms of this transversal contract, such Transversal Contract Agreement shall be deemed not to be in terms of this RT45-2025 transversal contract. Therefore, any transaction that flows therefrom shall not be considered a transaction in terms of the RT45-2025 transversal contract.
- 11.3 The following will form part of the Transversal Contract Agreement documents between the Parties in as far as RT45-2025 is concerned:
- 11.3.1 Bid Documents,
  - 11.3.2 Award Letters,
  - 11.3.3 Contract Circular and its annexures,
  - 11.3.4 Transversal Contract Agreement, and
- 11.4 If there is any contradiction between the abovementioned documents, the order of precedence will be as follows; only in as far as it relates to goods and/or service -related matters:
- 11.4.1 Transversal Contract Agreement, and
  - 11.4.2 Bid documents.
- 11.5 If there is any contradiction relation to all other matters,
- 11.5.1 Transversal Contract Agreement
  - 11.5.2 Service Request, and
  - 11.5.3 Bid documents.

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<sup>2</sup> For section C of this Special Conditions of Contract, awarded bidders are referred to Suppliers.

**12. PARTICIPATING STATE INSTITUTIONS**

- 12.1 Limpopo Department of Public Works, Roads and Infrastructure
- 12.2 Western Cape Department of Infrastructure
- 12.3 Northwest Department of Public Works and Roads
- 12.4 KZN Department of Transport
- 12.5 Northern Cape Fleet Management Trading Entity

**13. POST AWARD PARTICIPATION**

- 13.1 PFMA public institutions listed in Schedules 1, 2, 3A, 3B, 3C, 3D and Local Government are all welcome to participate on the transversal contract.
- 13.2 The participating letter will be customised to allow participation on completion and signing thereof as the transversal contract is arranged by means of a competitive bidding process by National Treasury, subject to a written letter by the Contract Manager or a delegate from TC.
- 13.3 Supplier(s) will be notified of new participants; the list of participants will be published on the website. Model change, price adjustments and any other transversal contract information will be published on the website for both the benefit of Supplier(s) and Participants.
- 13.4 In terms of Treasury Regulation 16A6.5 Accounting Officer/Accounting Authority of National and Provincial departments, constitutional institutions and public entities listed in schedule 1, 3A and 3C to the PFMA may opt to participate in a transversal term contract facilitated by the relevant treasury.
- 13.5 Public entities listed in schedule 2, 3B and 3D to the PFMA, may participate in transversal term contract facilitated by the relevant treasury through approval from their accounting authorities.
- 13.6 Regulation 32 of the Municipal SCM Regulations provides that a Supply Chain Management policy may allow the accounting officer to procure goods or services for a municipality or municipal entity under a contract secured by another organ of the state.

**14. STANDARDS/SPECIFICATIONS**

- 14.1 Bidders are required to comply with the detailed technical specifications for Aftermarkets parts and non-compliance to the specification requirement will invalidate the items which the compliance is not adhered to.
- 14.2 SANS 20013 – Performance requirements for automotive electrical cables.
- 14.3 SANS 1796 – Regulations for replacement brake pads and linings.
- 14.4 SANS 9001 (ISO 9001) – General quality management system for auto part manufacturers.



14.5 SANS 10216 – Testing procedures for automotive components.

14.6 SANS 20049 – Safety standards for fuel system components.

**15. SOUTH AFRICAN BUREAU OF STANDARDS (SABS):**

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

15.2 Email: Postal Address: Private Bag X191, Pretoria, 0001; Physical Address: 1 Dr Lategan Road, Groenkloof, Pretoria. Tel: (012) 428 6883, Fax: (012) 428 6928, E-mail: sales@sabs.co.za Website: www.sabs.co.za and follow the "Search/Buy Standards"

**16. TRANSVERSAL CONTRACT PRICE ADJUSTMENT**

16.1 There will be no price adjustment on the percentage (%) mark up during the transversal contract period.

**17. DELIVERY AND SERVICE REQUEST**

**17.1 Delivery requirements**

17.1.1 No delivery must take place without the contractor being in possession of a duly completed written or electronic order.

17.1.2 The contractor must ensure that deliveries are only handed over and accepted by duly authorised personnel.

17.1.3 The contractor must ensure that all delivery notes are duly signed by authorized personnel.

17.1.4 For a delivery note to be regarded as duly signed, the following information must be reflected on the delivery note in neat and legible handwriting:

a) signature of authorised personnel with full particulars (initials, surname, rank, and PERSAL number); and

b) Date and time of receipt of the delivery.

**17.2 Ordering requirements**

17.2.1 The order will be submitted to the contractor per any of the e-mail numbers as contemplated in the contract.

17.2.2 The Departments, through a specific Departments Office, will submit an order to the contractor to provide the Departments with the required Parts.

17.2.3 The contractor shall immediately upon receipt of the order, ensure and verify that such order is duly



completed, and that such order reflects at least the following information:

- a) Bulk orders – Detailed description of the item required, item code, quantity, and price.
- b) Individual orders – Departments vehicle number; Departments vehicle identification number (VIN), detailed description of the item required, item code, quantity, and price.

17.2.4 The contractor must verify the technical aspects and pricing of the order in detail and must ensure that all information is correct and that such orders correspond with the contract pricing.

### 17.3 **Delivery timelines**

17.3.1 Response time on quotation for parts (day to day) is 48 hours working, and for bulk stock, it is five (5) days.

17.3.2 An order placed with a contractor BEFORE 10:00 AM must be delivered on the same day by no later than 16:00 PM.

17.3.3 An order placed with a contractor AFTER 10:00 AM must be delivered the following day by 13:00 PM.

17.3.4 Bulk orders placed must be delivered within seven (7) business days from the date of the order.

17.3.5 Response time on quotation for Vessels, Agricultural Equipment and Construction Equipment parts (day to day) are 48 hours working, and for bulk stock, it is five (5) days. An order placed with a contractor BEFORE 10:00 AM must be delivered on the same day by no later than 16:00 PM.

17.3.6 If, at any point during the contract's performance, the supplier encounter circumstances that prevent the timely delivery of the goods and performance of the services, the supplier must promptly notify the buyer in writing of any delay, its anticipated duration, and its cause(s). The buyer will assess the situation upon receiving the supplier's notice, and the buyer may decide to extend the supplier's time for performance with or without penalties. Subsequent to the decision, the parties will need to amend their agreement to approve the extension

### 17.4 **INVOICES**

17.4.1 The contractor must verify all information on the invoice and must ensure that all information is correct and corresponds with the information detailed in the written or electronic order before the delivery of the Parts.

17.4.2 The contractor shall ensure and verify that each invoice reflects at least the following information:

17.4.3 detailed description of the item/s;

17.4.4 item code/s;

17.4.5 quantity;



- 17.4.6 Departments vehicle Number (where applicable)
- 17.4.7 price; and
- 17.4.8 Order number.
- 17.4.9 Invoices must be delivered simultaneously with the delivery of the Parts and must only be handed over to duly authorised personnel of the Departments.
- 17.4.10 Invoice must be accompanied by supplier's invoice to verify the correct mark-up % as per approved bid.

**17.5 WARRANTY**

- 17.5.1 The contractor must indicate on each order, invoice warranty, and guarantee applicable on each part / item supplied on the contract.
- 17.5.2 The contractor should provide warranty as per industry related norms and standards.
- 17.5.3 The contractor shall notify participating department of the forfeiting of any possible warrantees or guarantees on parts supplied.
- 17.5.4 The contractor shall supply new and unused parts.
- 17.5.5 The contractor will be held responsible for any consequential damage.

**17.6 PRODUCT ADHERENCE / BRAND CHANGE**

- 17.6.1 If a bidder offers a specific brand against an item and the item is subsequently awarded to the bidder, it is required of the successful bidder to continue to supply the brand awarded throughout the contract period. No alternative will be accepted within the first year of the contract. Alternative brand will only be done on a six-month basis.
- 17.6.2 If the brand is discontinued and or replaced with a new brand, National Treasury, Transversal Contracting must be notified of such an occurrence and upon approval, an official amendment will be issued. The service provider is required to submit supporting documents from the manufacturer substantiating the changes.
- 17.6.3 No approval will be granted without a letter from a manufacturer.
- 17.6.4 It must be noted that the new brand will be required to undergo the evaluation process before receiving approval for the brand change issued by the National Treasury. The new brand must adhere to the technical specifications for the item.
- 17.6.5 Furthermore, service providers are to take note that the price of the new brand should not be higher than the current contract price of the original brand.
- 17.6.6 Service providers are not allowed to deliver new brands other than the brand awarded to them before the approval of brand change from the National Treasury.



17.6.7 The National Treasury reserves the right not to approve any brand change applications.

**17.7 REDUNDANT PARTS**

17.7.1 Concerning redundant parts, the state reserves the right to return redundant parts.

17.7.2 The contractor is liable to take back redundant parts for exchange for other parts for a refund or discounted refund during the tenure of the contract and up to six months after the expiry of the contract.

**17.8 OWNERSHIP OF DATA**

17.8.1 All documents produced by the contractor, including its employees and agents, in the execution of this contract, shall be and remain the sole property of the state and any and all copyrights and ownership of all documents and data shall vest with the state.

**17.9 INSURANCE AND INDEMNITY**

17.9.1 The contractor is responsible for the safekeeping of the parts and bears the risk of loss of the parts up until delivery is confirmed.

17.9.2 After delivery, the state will indemnify itself of any loss.

**17.10 INSPECTION AND AUDIT**

17.10.1 The state reserves the right to inspect and audit any document pertaining to this SLA. This may also include queries and complaints. The contractor shall provide any assistance that may be required in this regard, free of charge. The cost of inspections and audits shall be borne by the DEPARTMENTS.

17.10.2 The state reserves the right to conduct performance and financial audits on the status of the contract, and the contractor shall provide any assistance that may be required in this regard, free of charge.

17.10.3 Should any audit or inspection reveal that the contractor has not complied with any of the terms of this contract.

**17.11 DELAYS AND/OR UNSATISFACTORY PERFORMANCE**

17.11.1 The contractor shall, at all times, ensure that it renders the services in accordance with the provisions of this contract and within the delivery times or periods as agreed to between the parties.

17.11.2 In a case where a contractor is unable to deliver or honour the contract, the provisions of paragraph 12.3 of the General Conditions of contract must be followed.

**18. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES**

**18.1 Contract Administration**

18.1.1 The administration and facilitation of the transversal contract is the responsibility of National Treasury and all correspondence in this regard must be directed to TCcontracts2@treasury.gov.za



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

**18.2 Contract Performance Management**

18.2.1 Contract performance management will be the responsibility of Participants and where Supplier performance disputes cannot be resolved between the Supplier and the Participant, National Treasury: Transversal Contracting must be informed for corrective action.

18.2.2 The reporting template for Participants to effect contract performance management will be provided post award.

**18.3 Procurement Guideline**

18.3.1 The procurement guideline will guide on the operational functioning of the transversal contract for both Participants and Suppliers to ensure effective implementation and equal opportunities for Suppliers.

**18.4 Post Award Reporting**

18.4.1 Suppliers will be expected to report on the implementation of the transversal contract on a quarterly basis.

18.4.2 A reporting template will be provided post-award of the transversal contract.

a) National Treasury may conduct implementation meetings with either the Participants and/or Suppliers to discuss any transversal contracting implementation matters.

b) All supplier performance reports must be submitted to: TCcontracts2@treasury.gov.za.

**19. RISK MANAGEMENT**

19.1 The contractor's systems and procedures shall incorporate both preventative and detective safeguards capable of preventing and detecting fraudulent transactions.

19.2 The contractor shall report in writing to the state any suspected irregularities involving an official, or any other person immediately upon the suspicion arising.

19.3 In terms of the operations of this contract, the contractor shall:

19.4 Take adequate steps (including rotation of staff where practical) to minimize the risk of collusion among its staff and/ or government officials.

19.5 Assist the state in investigating such irregularities by providing any information and/ or evidence that it may have. The information provided shall be sufficient to enable the state to institute investigations and / or take corrective action or institute disciplinary action against employees in the employment of the state.



- 19.6 Avail any of its staff at no additional cost to the state to assist in any investigations, disciplinary or criminal actions.
- 19.7 The contractor shall be liable for all costs or damages incurred by the state where:
- 19.8 Costs or damages are a result of irregularities involving the staff of the contractor.
- 19.9 Where preventative and detective safeguards failed.
- 19.10 **Product support**
- 19.11 In a case where the state requires product support regarding the operations of parts, that support must be provide to the state at no additional cost.
- 19.12 In a case where the contractor is not the manufacture of the product, the contractor will be expected to have arrangements with the manufacture to provide product support to the state.
- 19.13 Such product support may be but not limited to the following:
- a) Broachers
  - b) Presentations
  - c) Information sessions
  - d) Invitation to product launches.

## **20. DISPUTE RESOLUTION**

- 20.1 In the event of any dispute arising from this contract, the Parties shall make every effort to settle such dispute amicably within a period of 7 (seven) days.
- 20.2 If the Parties (the contractor and end-user institution) are not capable of settling the dispute amicably, within a period of 7 (seven) days, such dispute shall be elevated to the National Treasury.

## **21. TERMINATION**

- 21.1 **The State shall be entitled to terminate this agreement if one or more of the following occur: –**
- 21.1.1 The service provider decides to transfer the contract or cede the contract;
  - 21.1.2 The service provider does not honour contractual obligations including submission of information;
    - 21.1.2.1 The service provider is provisionally or finally liquidated, making it impossible for the service provider to perform its functions in terms of this Contract;
  - 21.1.3 The service provider enters settlement arrangements with their creditors;
  - 21.1.4 The service provider commits an act of insolvency;
    - 21.1.4.1 In the event that the service provider is a member of an unincorporated joint venture or consortium and



the membership of such joint venture or Consortium changes.

- 21.1.4.2 The State reserves its right to terminate the Contract in the event that there is a change in ownership of the service provider that has the effect that over 50% ownership of the service provider belongs to the new owner without prior written approval of the State.
- 21.1.4.3 Either Party may terminate this Contract for breach in the event that the other party fails to comply with any of its obligations in terms of this Contract and have failed to remedy such breach within fourteen (14) calendar day's written notice to remedy such non-compliance.
- 21.1.4.4 Notwithstanding the provisions above, either Party may terminate this Contract by giving the other Party 30 (thirty) days' written notice to that effect.

**END**