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## **SPECIAL CONDITIONS OF CONTRACT**

**RT6M-01-2019 (Grad 4-9)**

**SUPPLY, DELIVERY AND OFFLOADING OF MATHEMATICS LEARNING MATERIAL,  
CONSUMABLES, APPARATUS AND EQUIPMENT TO SCHOOLS FOR THE DEPARTMENT OF  
BASIC EDUCATION FOR THE PERIOD ENDING**

**30 NOVEMBER 2023**

**NON-COMPULSORY BRIEFING SESSION:**

**VIRTUAL MEETING: 6 DECEMBER 2021 @ 11:00-13:00**

**CLOSING DATE AND TIME OF BID**

**14 JANUARY 2022 AT 11H00**

**BID VALIDITY PERIOD: 120 DAYS**

National Treasury



## Transversal Contracting

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CONFIDENTIAL



## 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
ROE	Rates of Exchange
CSD	Central Supplier Database
EME	Exempted Micro Enterprise
NT	National Treasury
OCPO	Office of the Chief Procurement Officer
CFST	Cross Functional Sourcing Team
DBE	Department of Basic Education
PDBE	Provincial Departments of Basic Education
LTSM	Learner Teacher Support Materials
FMIP	Financial Management Improvement Programme III
PPPFA	Preferential Procurement Policy Framework Act
PPR	Preferential Procurement Regulations, 2017
QSE	Qualifying Small Enterprise
RSA	Republic of South Africa
SLA	Service Level Agreement
TC	Transversal Contracting
TCBD	Transversal Contracting Bidding Document
TIC	Tender Information Centre
VAT	Value Added Tax



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**Table 1: Returnable Standard Bid Document and Mandatory Document Checklist**

#	Document Name	Included in the published bid document?	To be returned by bidder
<b>LEGISLATIVE REQUIREMENTS DOCUMENTS</b>			
1	SBD 1: Invitation to Bid	Yes	Yes
2	Letter of Authority (As per SBD1)	No	Yes
3	Central Supplier Database Report (CSD report)	No	Yes
4	SBD 4 Declaration of Interest	Yes	Yes
5	SBD 6.1 Preference Points Claim Form	Yes	Yes
6	SBD 8 Declaration of Bidder's Past SCM Practises	Yes	Yes
7	SBD 9 Certificate of Independent Bid Determination	Yes	Yes
<b>PHASE I: PRE-QUALIFICATION REQUIREMENTS</b>			
8	a) Original valid B-BBEE status level verification certificate OR originally certified copy of the B-BBEE certificate b) Original Sworn affidavit signed by the EME representative and attested by a Commissioner of oaths or originally certified copy of a sworn affidavit. c) CIPC B-BBEE certificate : Must either be an original (as per electronic communications Act ) via email or certified copy of the B-BBEE Certificate with the bid document	No	Yes
<b>PHASE II: MANDATORY REQUIREMENTS</b>			
9	Annexure 1 - Pricing Schedule - Soft Copy ( <b>Excel Format</b> ) and Hard Copy Pricing Schedule	Yes	Yes (only items offered)
10	TCBD 1 Authorisation Declaration Form	Yes	Yes
11	TCBD 1.1 (List of goods or services offered)	Yes	Yes
12	TCBD 1.2 Letter of undertaking/authorisation	Yes	Yes
<b>PHASE III: TECHNICAL REQUIREMENTS</b>			



#	Document Name	Included in the published bid document?	To be returned by bidder
13	Marking of samples to be submitted for Visual Screen Evaluation : Samples must be clearly marked on the outside with the bid number, bid item number, and the bidder's name. This detail must appear on a label attached to each individual box.		
<b>OTHER DOCUMENTS</b>			
14	Special Conditions of Contract	Yes	Yes
15	General Condition of Contract	Yes	Yes
16	Company Profile	No	Yes
17	Company Registration certificate	No	Yes
18	TCBD 6 – Response Field Explanation (To be read for information purposes only)	Yes	No
19	Read me – CSD Fact sheet and leaflet (To be read for information purposes only)	Yes	No



## 1. INTRODUCTION

- 1.1 This bid is for the supply, delivery and offloading of Mathematics learning material, consumables and apparatus to schools for the Departments of Basic Education for the period ending **30 November 2023**.
- 1.2 This is a new requirement from the Department of Basic Education for the Conditional Grant Schools. There is currently no contract in place for the required items, as used by the schools within the Provincial Departments of Basic Education. Products/items are procured randomly by schools on a provincial level, as and when required.
- 1.3 The objective of this bid is to identify and develop opportunities within the public sector spending that can be leveraged to further contribute to sustainable economic, social and environmental development in the Education Sector, specifically developing a transversal contract for Learner Teacher Support Materials (LTSM).
- 1.4 This is in line with Key Result Areas (KRA) of the Financial Management Improvement Programme III (FMIP). The purpose of the FMIP III is to develop public financial management capacity of national, provincial and local government to contribute to improve financial performance of the government of South Africa.

This bid document is divided as follows:

- 1.5 Section A : Conditions of bid
- 1.5.1 Part 1 : Evaluation criteria
- 1.5.2 Part 2 : Bid requirements
- 1.6 Section B : 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) as well as the Preferential Procurement Policy Framework Act 2000 (PPPFA) with its latest 2017 Regulations. The Special Conditions of Contract (SCC) are supplementary to that of General Conditions of Contract. However, where the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.





2.2 This contract is subject to all applicable industry related legislation, particularly the legislation stated below. Contravention of any provision of the below mentioned legislation as well as the following legislation may result in disqualification of this bid or termination of Contract in the event that the contravention occurs after the contract award: -

- i. Division of Revenue Act 9 of 2021
- ii. Conditional Grant Framework
- iii. National Curriculum and Assessment Policy Statement (CAPS)

### 2.3 **Tax Compliance Requirements**

- 2.3.1 It is a condition of this bid that the tax matters of the successful bidder(s) are in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
- 2.3.2 The Tax Compliance status requirements are also applicable to potential foreign bidders / individuals who wish to submit bids.
- 2.3.3 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.
- 2.3.4 Bidders are required to be registered on the Central Supplier Database (CSD) and NT shall verify the bidder's tax compliance status through the CSD or through SARS.

### 2.4 **Standard Bidding Documents**

- 2.4.1 SBD 1: Invitation to bid;
- 2.4.2 SBD 4: Declaration of Interest;
- 2.4.3 SBD 6.1: Preference Points Claim Form;
- 2.4.4 SBD 8: Declaration of Bidder's Past SCM Practises;
- 2.4.5 SBD 9: Certificate of Independent Bid Determination;
- 2.4.6 All standard bidding documents must be completed in full, signed and submitted at the closing date and time of the bid.



### 3. BID INFORMATION SESSION

3.1 The briefing session presentation will provide bidders with an opportunity to obtain clarity on certain aspects of the procurement process as set out in this bid document.

3.2 Briefing session document will be shared after presentation.

3.3 A non-compulsory information session will be held virtually as follows:

**Date: 6 December 2021**

**Venue: Virtual Meeting (Online – MS Teams) Link: [Click here to join the meeting](#)**

**Time: 11:00 am to 13:00pm**

3.4 Briefing presentation will be made available on the following link:

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

3.5 The state reserves the right to answer questions at the briefing session and/or to respond formally after the briefing session.

3.6 Bidders are encouraged to prepare questions upfront and send them to National Treasury (NT) by e-mail to [Transversal.Contracting6@treasury.gov.za](mailto:Transversal.Contracting6@treasury.gov.za) before the briefing session. The closing date for receipt of all enquiries is **10 January 2022**. All enquiries beyond this closing date will not be considered.

### 4. SCOPE OF SERVICES

The successful bidder/s is/are expected to perform the following key deliverables in the execution of the contracts. A bid will be considered responsive if it addresses the scope of work below:

4.1 Supply, deliver and offload learning material, consumables and apparatus to schools for the Departments of Basic Education Provincially.

4.2 Ensure that the mathematics materials are in accordance with relevant specifications and purchase order/s and or instructions received from Provincial Education Departments.

4.3 Prepare necessary documentation for delivery of mathematics materials to relevant schools.

4.4 Ensure that mathematics materials are delivered at the correct school/s address in proper condition, in correct quantities, signed for by the correct school representative with proof of receipt and school stamp.

4.5 Proof of delivery documentation must be submitted together with invoices as proof that the mathematics material was/were received by the correct school in good condition and quantities.



## SECTION A

### CONDITIONS OF BID

#### 5. PART 1: EVALUATION CRITERIA

The bid shall be evaluated in four (4) phases as per the table below:

**Table 2: Evaluation criteria**

Phase I	Phase II	Phase III	Phase IV
<b>Pre -Qualifying Criteria</b>	<b>Compliance with mandatory and standard bidding requirements</b>	<b>Technical specification compliance</b>	<b>Price and B-BBEE</b>
Compliance with pre-qualification criteria i.e. A bidder who is an EME or QSE	Standard bidding documents must complete and signed. Signed Pricing Schedule Valid Authorisation letter	Compliance to technical requirements (sample submission)	Bids evaluated in terms of the 90/10 preference system

#### 5.1 Phase I: Pre- Qualifying Criteria for Preferential Procurement

##### 5.1.1 A bidder who is an EME or QSE

A bidder who is an EME or QSE as per Regulation 4(1)(b) of Preferential Procurement Regulations, 2017.

Bidders are required to complete the preference claim form (SBD 6.1) in full, and submit original and valid B-BBEE status level verification certificates OR originally certified copies thereof OR original and valid sworn affidavit signed by the EME representative and attested by Commissioner of oaths.

**In order to proceed to Phase II**, bidders are required to submit proof of the following:

- a) Original valid B-BBEE status level verification certificate OR originally certified copy of the B-BBEE certificate
- b) Original Sworn affidavit signed by the EME representative and attested by a Commissioner of oaths or originally certified copy of a sworn affidavit.



- c) CIPC B-BBEE certificate : Must either be an original (as per electronic communications Act ) via email or certified copy of the B-BBEE Certificate with the bid document
- 5.1.2 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level verification certificate on closing date and time of the bid.
- 5.1.3 Public entities and tertiary institutions must also submit their B-BBEE certificates.
- 5.1.4 **A tender that fails to meet the pre-qualifying criteria above is an unacceptable tender and will be disqualified.**
- 5.1.5 **Phase II: Mandatory and Standard Bidding Documents Requirements**
- 5.1.6 Bidders must submit required documents indicated hereunder with the bid documents at the closing date and time of the bid. During this evaluation phase, bidder's responses will be evaluated based on the documents submitted under mandatory requirements. Bidders who fail to comply with any of the mandatory criteria at the closing date and time of the bid will be disqualified.
- 5.1.7 **Standard Bidding Documents**
- The following standard bidding documents must be submitted with the bid at the closing date and time of bid.
- ✓ SBD 1 – Invitation to bid
  - ✓ SBD 4 – Declaration of interest
  - ✓ SBD 6.1 – Preference Points Claimed (BBBEE)
  - ✓ SBD 8 – Declaration of Past SCM Practices
  - ✓ SBD 9– Certificate of Independent Bid Determination
- 5.1.8 **Pricing Structure and Schedule**
- 5.1.8.1 The pricing schedule (see Annexure 1) 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. All pricing offered must be on a national level.
- 5.1.8.2 Bidders can tender on provincial level for each line item and prices quoted must be furnished per line item. 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. The prices quoted must be inclusive of all applicable taxes.

- 5.1.8.3 Prices submitted for this bid must be inserted on the pricing schedule included with the bid in the field provided.
- 5.1.8.4 The pricing schedule (Annexure 1) must be sent in an excel format on a USB drive, not as a scanned PDF.
- 5.1.8.5 Pricing schedule must be printed, signed and submitted with the bid on the closing date and time of the bid.
- 5.1.8.6 Failure to submit the pricing schedule at the closing date and time of the bid will invalidate the bid. Non-compliance with this condition will invalidate the bid for such service offered.

#### 5.1.9 **Authorisation Declaration**

- 5.1.9.1 All bidders must complete the "Authorisation Declaration" (TCBD 1) in full for all relevant goods or services, sign it and submit it together with the bid response at the closing date and time of the bid invitation.
- 5.1.9.2 Any bidders who is sourcing from a Third Party must complete TCBD 1.1 and TCBD 1.2 in full for all relevant goods and/or services. The letter of undertaking from the Third Party must include but not limited to the following:
  - (i) List of item(s) number and item description.
  - (ii) Letter must be on the Third Party letter head, dated and originally signed.
  - (iii) Have the contact's name, physical and postal address, telephone, and email details and the capacity which a person is signing the letter.
  - (iv) All the information on the letter must be in English.
- 5.1.9.3 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 State will exercise any of the remedies available to it in this bid document.
- 5.1.9.4 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 (3<sup>rd</sup>) party will be binding on the State.
- 5.1.9.5 Failure to submit a duly completed and signed Authorisation Declaration, with the required annexure(s), in accordance with the above provisions may invalidate the bid for such goods or services offered.



- 5.1.9.6 It remains the sole responsibility of the main bidder to ensure that any subcontract/s or third (3<sup>rd</sup>) party involvement complies with the requirements of this bid as this may invalidate your bid.

**5.2 Phase III: Technical Specification Compliance**

- 5.2.1 The specification as per the pricing schedule is a complete description as per the attached Annexure 1. Non compliance to the specifications requirement will invalidate the items which the compliance is not adhered to.

**Quality**

- 5.2.2 Where specific specifications and/ or standards are applicable on materials and supplies, the quality of products shall not be less than the requirements of the latest edition of such specifications and/or standards.

**5.2.3 Samples submission for Visual Screening Evaluation**

- 5.2.3.1 All items must comply with technical specification as provided in this bid as stated in the technical specification detail of each item. Failure to comply will invalidate the items concerned.
- 5.2.3.2 Bidders are required to submit samples for visual screening evaluation for all items offered to verify compliance with technical specifications. Failure to submit the samples as required will invalidate the bid for the items which samples are not submitted.

**5.2.4 Sample Submission –**

- 5.2.4.1 National Treasury will send a schedule indicating a date, time, place, and venue to short listed bidders to submit samples for the evaluation. Bidders' attention is drawn to the fact that a schedule for sample submission may be forwarded to bidders at a short notice of at least two weeks prior to the date of sample submission. The request to submit samples may be immediately after the closing date and therefore bidders are required to be ready to submit the samples from the closing date of the bid.
- 5.2.4.2 It is a responsibility of the bidder to ensure that correct contact details are provided in the bid document and to ensure that samples are submitted on time, at the correct venue.
- 5.2.4.3 Where different sizes of the same item are called for against different item numbers, samples of each size must be submitted.
- 5.2.4.4 All samples submitted must be a true representation of the product which will be supplied during the contract period. Must be in the in the original pack and comply to labelling requirements.



5.2.4.5 All samples must be in original packaging for sample evaluation.

5.2.4.6 The quantity of samples required for each item is one (1).

**5.2.5 Marking of samples to be submitted for Visual Screen Evaluation**

5.2.5.1 Samples must be clearly marked on the outside with the bid number, bid item number, and the bidder's name. This detail must appear on a label attached to each individual box.

5.2.5.2 Failure to comply with this condition may invalidate the bid against the relevant item.

**5.2.6 Collection of all samples –**

5.2.6.1 If practical for samples to be collected, bidders will be informed of the date, time, and place where samples may be collected. If samples have not been collected by the bidder after National Treasury have issued a request to bidders to collect the samples, the samples will be disposed of at the discretion of National Treasury.

**5.2.7 Phase IV: Price and B-BBEE (90/10 Criteria)**

**5.2.7.1 Response Field**

Bidders are required to submit responsive bids by completing all the prices per line items they are bidding for, mandatory response fields and item questionnaires on the provided pricing schedule for the individual items. In this regard bidders' attention is drawn to the response field and price structure explanations and examples supplied in the document (TCBD-Response Field).

**5.2.7.2 Applicable Taxes**

All bid prices must be inclusive of all applicable taxes.

Failure to comply with this condition will invalidate the bid.

**5.2.8 Value Added Tax**

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

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

**5.2.9 Pricing Structure**



- 5.2.9.1 Bidders can tender on provincial level for each line item and prices quoted must be furnished per line item. 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. The prices quoted must be inclusive of all applicable taxes.
- 5.2.9.2 Prices submitted for this bid must be inserted on the pricing schedule included with the bid in the field provided.
- 5.2.9.3 The pricing schedule (Annexure 1) must be sent in an excel format on a USB drive, not as a scanned PDF.
- 5.2.9.4 Pricing schedule must be printed, signed and submitted with the bid on the closing date and time of the bid.
- 5.2.9.5 Failure to submit the pricing schedule at the closing date and time of the bid will invalidate the bid. Non-compliance with this condition will invalidate the bid for such service offered.

#### 5.2.10 **Preferential Point System**

- 5.2.10.1 In terms of regulation 7 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 90/10 preference point system in terms of which points are awarded to bidders on the basis of:

- i. The bid price (Maximum of 90 points)
- ii. B-BBEE status level of contributor (maximum 10 points)

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

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

Where

$P_s$  = Points scored for comparative price of bid under consideration

$P_t$  = Comparative price of bid under consideration

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

- 5.2.10.3 A maximum of 90 points may be allocated to a bidder for attaining their B-BBEE status level of contributor in accordance with the table below:



**Table 3: Preference Point System**

<b>B-BBEE Status Level of Contributor</b>	<b>Number of Points for the 90/10 system</b>
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non- compliant contributor	0

- 5.2.10.4 Bidders are required to complete the preference claim form SBD 6.1, and submit their original and valid B-BBEE status level verification certificate or a certified copy thereof or a sworn affidavit at the closing date and time of the bid in order to claim the B-BBEE status level point.
- 5.2.10.5 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- 5.2.10.6 Only bidders who have completed and signed the declaration part of the preference claim form and who have submitted a B-BBEE status level certificate issued by an accredited verification agency or an original sworn affidavit will be considered for preference points.
- 5.2.10.7 Failure on the part of the bidder to comply with the above paragraphs will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).
- 5.2.10.8 The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.
- 5.2.10.9 The points scored will be rounded off to the nearest two (2) decimals.



- 5.2.10.10 In the event that two (2) or more bids have scored equal total points, the award will be to the bidder scoring the highest number of preference points for B-BBEE.
- 5.2.10.11 However, when functionality is part of the evaluation process and two (2) or more bidders have scored equal points including equal preference points for B-BBEE, the awarded will be to the bidder scoring the highest for functionality.
- 5.2.10.12 Should two (2) or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- 5.2.10.13 A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points in line with Regulation 11 of the Preferential Procurement Regulation (PPR).

### 5.3 **Recommendation and appointment of bidders**

- 5.3.1 The Bid Evaluation Committee will recommend a preferred responsive bidder based on Phase I, Phase II, Phase III and Phase IV, the Contract Manager will compile a memo which will be presented to the Bid Adjudication Committee for award and approval.
- 5.3.2 The award of the Contract is subject to meeting all the requirements of the bid.



## **6. PART 2: ADDITIONAL BID REQUIREMENT**

### **6.1 Introduction**

All bidders must comply with the requirements below as well as submit all required documents referred below. Unless the requirements specifically provide for mandatory compliance, the National Treasury reserves the right to disqualify a bid that does not comply with any of the requirements in clause .

### **6.2 Company Profile**

The bidder must submit a company profile which includes, but is not limited, to the following: -

- i. Business Structure
- ii. Business Functions
- iii. Details of the bidder's directors/owners (Full name and surname and ID or passport number)

The company profile must further include a shareholding portfolio with valid proof of registration of the company with CIPC. If by law registration with CIPC is not required, proof of ownership/shareholding must be provided.

## **7. TERMS AND CONDITIONS**

### **7.1 Third Party Agreements and Subcontractor Agreements**

- 7.1.1 No Agreement between the bidder and any third party will be binding to the State.
- 7.1.2 The bidder must declare as required in terms of SBD 6.1 its intention to subcontract and the percentage of subcontracting thereof and must provide full description of subcontractor.
- 7.1.3 User department will not make a payment to or consult with a third party.
- 7.1.4 No third party is entitled to put an account of a user department on hold.
- 7.1.5 Sub contracting is not part of this bid, however should bidder wish to sub contract they are allowed to do so.



## 7.2 **Verification of goods per product catalogue/brochures**

- 7.2.1 Suppliers must ensure that their pricing schedule and items bidden for are accompanied by a product brochure/catalogue from where the products are sourced. Each product must be clearly marked in the product brochure/catalogue in order to ensure that products that will be awarded, will be done according to clear picture/pictures of the products offered. The product brochure/catalogue must be in colour presented in the bid documentation.

## 7.3 **Supplier Due Diligence**

- 7.3.1 The State reserves the right to conduct supplier 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.
- 7.3.2 It is the responsibility of the main bidder to conduct due diligence on the sub-contractor.

## 7.4 **Counter Conditions**

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

## 7.5 **Fronting**

- 7.5.1 The NT 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 NT does not support any form of fronting.
- 7.5.2 The NT, 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 DTI, be established during such enquiry / investigation, the onus will be on the bidder to prove that fronting does not exist. Failure to do so by the bidder within a period



of fourteen (14) days from date of notification by NT 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 NT may have against the bidder concerned.

## 7.6 **Right of Award**

The State reserves its following rights;

- 7.6.1 To award the bid in part or in full;
- 7.6.2 Not to make any award in this bid;
- 7.6.3 Award the bid to more than one (1) bidder for the same item;
- 7.6.4 Request further technical information from any bidder after the closing date;
- 7.6.5 Verify information and documentation of the service provider;
- 7.6.6 Not to accept any of the bids submitted;
- 7.6.7 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
- 7.6.8 In the event that an incorrect award has been made to remedy the matter in any lawful manner it may deem fit.

## 7.7 **Multiple Award**

- 7.7.1 The State reserves the right to issue multiple awards, to ensure availability of service. Due diligence will be applied to ensure that pricing is affordable, market related and aligned to end-user requirements.
- 7.7.2 The maximum number of bidders to be awarded will be at the discretion of the Bid Evaluation Committee.
- 7.7.3 The following shall be taken into consideration when contemplating a multiple award:
  - 7.7.3.1 Capacity to meet the expected demand according to the end-user requirements;
  - 7.7.3.2 Mitigation of risk if the item is unavailable.



## 8. NEGOTIATION

The State reserves the right to negotiate with the preferred bidders prior to award and with the successful bidders(s) post award.

## 9. SUBMISSION OF BIDS

9.1 Bidders must respond to the bid as follows:

9.1.1 Submit hard copies at the **National Treasury, 240 Madiba Street, Tender Information Centre (TIC), Deposit the bid in the tender box.**

9.1.2 Bidders are requested to initial each page of the bid document on the bottom right hand corner; and

9.1.3 Submit any bid queries via email to [Transversal.Contracting6@treasury.gov.za](mailto:Transversal.Contracting6@treasury.gov.za)

9.2 The hard copy of the bid response will serve as the legal bid document.

9.3 Bidders must submit the bid to TIC in the following format:

- i. One (1) original hard copy clearly marked as "original";
- ii. One (1) memory stick or USB with all the documents on the original hard copy and a soft copy of the pricing schedule to the National Treasury (NT)): TIC by the closing date and time of the bid.
- iii. Bidders must ensure that the USB is properly secured

9.4 Non-compliance with 9.1.1 and 9.3 (i-iii) above may invalidate the bidder's response.

9.5 All soft copy documents submitted must be an exact copy of the hard copy documents. Any discrepancies between the soft copy and the hard copy, the hard copy will take precedence.

9.6 After completing the pricing schedule on excel, the bidder must print, sign and submitted together with the other bid documents which will serve as the card copy of the bid.

9.7 A bid should be submitted in a sealed envelope or sealed suitable cover on which the name and address of the bidder, the bid number and the closing date must be clearly visible.

9.8 In the event that a hard copy of the bid document and the electronic response are not received on or before the closing date and time, the bid will be invalidated.

9.9 The bid will accessible on the below listed links:

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



#### 9.10 **Late Bids**

Bids received after the closing date and time, at the TIC and according to 9 above will NOT be accepted for consideration and where practicable, be returned unopened to the bidder.

### 10. **COMMUNICATION AND CONFIDENTIALITY**

- 10.1 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 contract, or to extend the validity period of the bid, if necessary.
- 10.2 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 NT (other than minor clerical matters), the bidder must promptly notify the NT in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the NT an opportunity to consider what corrective action is necessary (if any).
- 10.3 Any actual discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the NT will, if possible, be corrected and provided to all bidders without attribution to the bidder who provided the written notice.
- 10.4 All communication between the bidder and the National Treasury Transversal Contracting office must be done in writing.

### 11. **CONTACT DETAILS**

#### 11.1 **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.**

#### 11.2 **Bid Enquiries**

All enquiries should be in writing to [Transversal.Contracting6@treasury.gov.za](mailto:Transversal.Contracting6@treasury.gov.za) The closing date for receipt of all enquiries is **10 January 2022**. All enquiries beyond the closing date will not be considered.

**SECTION B:****CONDITIONS OF CONTRACT****12. CONCLUSION OF MASTER TRANSVERSAL AGREEMENT AND PARTICIPATION AGREEMENT**

- 12.1 The Master Transversal Agreement (MTA) between National Treasury and the preferred bidder(s) collectively referred to as the Parties shall come into effect after the preferred bidder(s) has been issued with an unconditional letter of acceptance to their bid.
- 12.2 It is a requirement that the preferred bidder (s) and the end user State institutions sign a Participation Agreement (PA) within thirty (30) days upon receipt of order.
- 12.3 The preferred bidder (s) shall be appointed in terms of this bid. The Parties must ensure that the terms and conditions of the PA do not contradict the provisions of this bid document. In the event that the terms of the PA contradict the provisions of this bid document to the extent that the duration, pricing as well as the services have changed in terms of this transversal contract, such PA shall be deemed not to be in terms of this RT6M-01-2019(Grade 4-6) transversal contract. Therefore, any transaction that flows therefrom shall not be considered a transaction in terms of this RT6M -01- 2019 (Grade 4-6) transversal contract.
- 12.4 The following will form part of the Contract documents between the Parties in as far as RT6M - 01-2019 (Grade 4-6) is concerned:
- 12.4.1 Bid Documents;
  - 12.4.2 Letter of Appointment;
  - 12.4.3 Award Documents;
  - 12.4.4 Master Transversal Agreement and;
  - 12.4.5 Participation Agreement.
- 12.5 In the event that there is any contradiction between the abovementioned documents, the order of precedence will be as follows; only in as far as it relates to their service delivery:
- 12.5.1 Special Condition of Contract;
  - 12.5.2 Participating Agreement;
  - 12.5.3 Master Transversal Agreement and;
  - 12.5.4 Bid documents.





- 12.6 Regarding all other matters
- 12.6.1 Master Transversal Agreement
- 12.6.2 Participation Agreement;
- 12.6.3 Service Level Agreement and;
- 12.6.4 Bid Documents.

### **13. PARTICIPATING STATE INSTITUTIONS**

- 13.1.1 Department of Education Northern Cape
- 13.1.2 National Department of Basic Education and all Provincial Departments of Basic Education (Via MST Grant).

### **14. POST AWARD PARTICIPATION**

- 14.1 Treasury Regulation 16A6.5 provides that "The Accounting Officer or Accounting Authority may opt to participate in transversal contract facilitated by the relevant treasury. Should the accounting officer or accounting authority opt to participate in a transversal contract facilitated by the relevant treasury, the accounting officer or accounting authority may not solicit bids for the same or similar product or services during the tenure of the transversal term contract.
- 14.2 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 an electronic (e.g. e-mail, NOT written approval/consent) acceptance by the Contract Manager or a delegate from TC.
- 14.3 Supplier(s) will be notified of new participants and the list of participants will be published on the website together with any model changes, price adjustments and any other transversal contract information for the benefit of bidder(s) and participants.



## 15. CONTRACT PRICE ADJUSTMENT

### 15.1 Formula

- 15.1.1 Prices submitted for this bid will be regarded as non-firm and subject to adjustment(s) in terms of the following formula, defined areas of cost and defined periods of time.
- 15.1.2 Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.
- 15.1.3 The following price adjustment formula will be applicable for calculating contract price adjustments (CPA).

**Table 4: Contract Price Adjustment Formula**

$Pa = (1 - V)Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + ..... + Dn \frac{Rnt}{Rno} \right) + VPt$		
Pa	=	The new adjusted price to be calculated
V	=	Fixed portion of the bid price (15% or 0.15)
Pt	=	Original bid price. Note that Pt must always be the original bid price and not an adjusted price
(1-V)Pt	=	Adjustable portion of the bid price (85% or 0.85)
D1 – Dn	=	Each factor (or percentage) of the bid price, e.g. material, labour, transport, overheads, etc. The total of the various factors (or percentages) D1 – Dn must add up to 1 (or 100%)
R1t – Rnt	=	End Index. Index figure obtained from the index at the end of each adjustment period
R1o–Rno	=	Base Index. Index figure at the time of bidding
VPt	=	15% (or 0.15) of the original bid price. This portion of the bid price remains fixed, i.e. it is not subject to price adjustment



## 15.2 **Formula component definitions**

### 15.2.1 **Adjustable amount**

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

### 15.2.2 **Fixed portion**

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

### 15.2.3 **Cost components and proportions**

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

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

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

**Table 5: Contract Price Adjustment Cost Components**

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



#### 15.2.4 **Applicable indices / references**

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

**Table 6: Applicable Indices**

Cost component	Index Publication	Index Reference
D1 – Imported Raw Material/Finished Product	Supplier/Manufacturer invoices(s) and remittance advice.	Documentary evidence to accompany claim.
D2 – Local Raw Material/Finished Product	Stats SA P0142.1 (PPI) Final Manufactured Goods OR Supplier/Manufacturer invoice(s)	Table 1: Final Manufactured Goods – Rubber and Plastic Products OR Documentary evidence to accompany claim.
D3 – Labour	Stats SA P0141 CPI OR Labour agreement <sup>1</sup>	Table E: All items OR Labour agreement to be provided
D4 – Transport	Stats SA P0141(CPI) Table E	Table E-Transport –Other running Costs

#### 15.2.5 **Base Index Date**

The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date is **November 2021**.

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<sup>1</sup> *In the absence of a labour agreement, the labour cost component will be adjusted with CPI Headline inflation.*



#### 15.2.6 **End Index Date**

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

#### 15.2.7 **Price Adjustment Periods**

Price adjustment shall be applied on an annual basis at the anniversary of the transversal contract from commencement date.

The application must be sent to National Treasury one (1) months before the effective date of the new adjusted price.

**Table 7: Contract Price Adjustment Periods**

Adjustment	CPA application to reach National Treasury at the following dates	End Index Date	Dates from which adjusted price will become effective
1 <sup>st</sup> Adjustment	1 December 2022	March 2023	1 January 2023

#### 15.2.8 **General**

15.2.8.1 Unless prior approval has been obtained from National Treasury, Transversal Contracting, no adjustment in contract prices will be made.

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

15.2.8.3 CPA applications will be applied strictly according to the specified formula and parameters above as well as the cost breakdown supplied by bidders in their bid documents.



- 15.2.8.4 In the event where the supplier's CPA application, based on the above formula and parameters, differs from Transversal Contracting verification, Transversal Contracting will consult with the supplier to resolve the differences.
- 15.2.8.5 Bidders are referred to the paragraph regarding counter conditions.
- 15.2.8.6 An electronic price adjustment calculator will be available on request from Transversal Contracting.
- 15.2.8.7 The State reserves the right to negotiate a price adjustment or not to grant any price adjustment.
- 15.2.9 The warehouse and the grounds must kept clean all the time.

## **16. DELIVERY AND SERVICE REQUEST**

### **16.1 Packaging Material**

- 16.1.1 Suitable packaging material must be used, which will ensure that goods delivered are in the exact state as when it was originally packed.
- 16.1.2 All deliveries made against this contract are to be packed in suitable and acceptable packaging.
- 16.1.3 Goods must be packaged according to the institution's instruction.

### **16.2 Service Request**

- 16.2.1 Suppliers should note that each institution is responsible for generating service request as well as the payment(s) thereof.
- 16.2.2 Suppliers should note that the service request will be placed as and when required during the contract period and delivery points will be specified by the relevant purchasing institution(s).
- 16.2.3 The instructions appearing on the service request form regarding the supply, dispatch, delivery and submission of invoices must be strictly adhered to and under no circumstances should the Supplier deviate from the service request issued by the purchasing institutions.
- 16.2.4 The State is under no obligation to accept any quantity which is in excess of the requested quantity.

**16.3 Delivery Adherence**

- 16.3.1 Delivery of goods must be made in accordance with the instructions appearing on the service request forms issued by the institutions.
- 16.3.2 Delivery vehicles must be sealed at all times during transit.
- 16.3.3 Transit and storage conditions applicable to the relevant products must be adhered to at all times.
- 16.3.4 All deliveries or dispatches must be accompanied by a delivery note stating the seal number and service request number against which the delivery has been affected
- 16.3.5 In respect of items awarded, Suppliers must adhere strictly to the delivery lead times quoted in their bids.
- 16.3.6 Suppliers are required to deliver the goods at the required institutions, off-load the goods from the trucks at the designated area as indicated on the service request form.

**17. PAYMENT OF SERVICES PROVIDERS**

- 17.1 Payment to the Service Providers by the user department will take place once an invoice is received from the Service Provider.
- 17.2 The invoice must contain the following information:
  - i. Price applicable according to service line item
  - ii. Total cost as owed by the institution
  - iii. Service Request Number and delivery seal number





## **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 the National Treasury and all correspondence in this regard must be directed to the Transversal Contracting Department via email on [Transversal.Contracting6@treasury.gov.za](mailto:Transversal.Contracting6@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 end-user State institutions and where Supplier performance disputes cannot be resolved between the Supplier and the relevant purchasing institution, National Treasury: Transversal Contracting must be informed for corrective action.
- 18.2.2 The details of how end-user State institutions should do contract performance management will be provided post award.
- 18.2.3 End-user State institutions are required to report to National Treasury on quarterly orders including values of the orders to ascertain if the transportation of cargo and furniture removal needs are being fulfilled by the transversal contract.

### **18.3 Post Award Monitoring and Reporting**

- 18.3.1 National Treasury will conduct meetings with the end users and Suppliers to discuss transversal contracting issues.
- 18.3.2 Reporting and bidder(s) meetings will be on a quarterly basis and will be scheduled post award.

All successful bidders are required to submit historical value and volume reports via e-mail at the end of each quarterly to: [Transversal.Contracting6@treasury.gov.za](mailto:Transversal.Contracting6@treasury.gov.za)



#### 18.4 HISTORICAL DATA

All successful bidders are required to submit historical value and volume reports via e-mail on a six (6) monthly basis to Lebogang Mosuwe and email to: **lebogang.mosuwe@treasury.gov.za**:

**Table 8: Reporting Periods**

Period	Period for which information must be submitted	Dates at which reports must be submitted
1	1 February 2022 – 31 July 2022	By 07 August 2022
2	1 August 2022 – 31 January 2023	By 07 February 2023
3	1 February 2023 – 31 July 2023	By 07 August 2023
4	1 August 2023 – 30 November 2023	By 7 December 2023

**19. TERMINATION**

- 19.1 The State shall be entitled to terminate this agreement if one or more of the following occur: –
- 19.1.1 the service provider decides to transfer the contract or cede the contract;
  - 19.1.2 the service provider is provisionally or finally liquidated, making it impossible for the service provider to perform its functions in terms of this Contract;
  - 19.1.3 the service provider enters into settlement arrangements with their creditors;
  - 19.1.4 the service provider commits an act of insolvency;
  - 19.1.5 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;
  - 19.1.6 the service provider failure to perform its obligation amounts to a fundamental non-performance;
- 19.2 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.
- 19.3 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 having failed to remedy such breach within three (3) months calendar day's written notice to remedy such non-compliance.

**THE END**