SPECIAL CONDITIONS OF CONTRACT

RT8-2024

TRANSPORTATION OF CARGO AND FURNITURE RELOCATION SERVICES FOR THE STATE FOR THE PERIOD OF 36 MONTHS

NON-COMPULSORY BRIEFING SESSION TO BE HELD ON THE 18 OF OCTOBER 2023 ON MICROSOFT TEAMS

CLOSING DATE AND TIME OF BID

31 OCTOBER 2023 AT 11H00

BID VALIDITY PERIOD: 180 DAYS

National Treasury

Transversal Contracting

Table of Contents

LIST OF ABBREVIATIONS

Abb	Full Name
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
CIPC	Companies and Intellectual Property Commission
CPA	Contract Price Adjustment
CSD	Central Supplier Database
EME	Exempt Micro Enterprise
HDI	Historically Disadvantaged Individual

Initials_______

NT	National Treasury
OCPO	Office of the Chief Procurement Officer
QC	Quality Control
QSE	Qualifying Small Enterprise
RoE	Rate of Exchange
SLA	Service Level Agreement
SABS	South African Bureau of Standards
SANAS	South African National Accreditation System
SARB	South African Reserve Bank
SARS	South African Revenue Service
SBD	Standard Bidding Document
STATS SA	Statistics South Africa
TC	Transversal Contracting
TCBD	Transversal Contract Bidding Document
TIC	Tender Information Centre
VAT	Value- Added Tax

LIST OF ATTACHMENTS AND ANNEXURES

i. Standard Bidding Documents (SBD's)

ii. Transversal Contracting Documents (TCD 13)

iii. General Conditions of Contract (GCC)

iv. Annexure A – Detailed Specifications

v. Annexure B - Pricing Schedule

vi. CSD Supplier Fact Sheet

vii. Supplier leaflet

LIST OF TABLES

Table 1: Bid Document Checklist and Returnable

#	Document Name[1]	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
PHASE 1: MANDATORY REQUIREMENTS EVALUATION				
1.	Valid Goods in Transit Insurance (GIT) or quotation	No	Yes	
2.	Pricing Schedule (Annexure B)	No	Yes	
PHASE 2: ADMINISTRATIVE REQUIREMENTS EVALUATION				
3.	SBD 1 Invitation to Bid	Yes	Yes	
4.	Proof of authority must be submitted as per SBD 1	No	Yes	
5.	SBD 4 Bidder's Disclosure	Yes	Yes	
6.	SBD 6.1 Preference Points Claim Form	Yes	Yes	
7.	Full CSD report	No	Yes	
8.	Written confirmation for disclosing tax status by SARS	No	Yes	
PHASE 3: TECHNICAL COMPLIANCE EVALUATION				
9.	TCD 13 Authorization Declaration	Yes	Yes	
10.	TCD 13.1 List of goods or services offered	Yes	Yes	
11.	TCD 13.2 Letter of Undertaking	Yes	Yes	
PHASE 4: PRICE & SPECIFIC GOALS EVALUATION				
12.	Pricing Schedule (Annexure B)	Yes	Yes	
13.	SBD 6.1 Preference Points Claim Form	Yes	Yes	

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

 Initials_______

#	Document Name[1]	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
14.	Cost Breakdown	Yes	Yes	
OTHER BID DOCUMENT REQUIREMENTS				
15.	Special Conditions of Contract	Yes	Yes	
16.	General Condition of Contract	Yes	Yes	
17.	Company registration documents	No	Yes	

Initials_______

SECTION A: INTRODUCTION AND TERMS OF REFERENCE

1. DESCRIPTION AND FORMAT OF THE BID

1.1 This bid is for the transportation of cargo and furniture relocation services for the state for the period of 36 months.

1.2 This bid document is structured as follows:

1.2.1 Section A: Introduction and Terms of Reference

1.2.2 Section B: Conditions of Bid

1.2.2.1 Part 1: Evaluation Criteria

1.2.2.2 Part 2: Additional Bid Requirements

1.2.2.3 Part 3: Recommendation and Appointment of Bidders

1.2.3 Section C: Conditions of Contract

2. LEGISLATIVE AND REGULATORY FRAMEWORK

2.1 This bid and all contracts emanating therefrom will be subject to General Conditions of Contract issued 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 the General Conditions of Contract (GCC). However, where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

2.3 This bid is subject to all applicable industry related legislation, particularly the legislation stated below. Contravention of any provision of the below mentioned legislations 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:

2.3.1 National Road Traffic Act,1996(No. 93 of 1996)

2.3.2 National Road Traffic Regulations, 2000

2.3.3 Basic Conditions of Employment Act 75 of 1997; and

2.3.4 Compensation for Occupational Injuries and Diseases Act (130 of 1993)

2.4 Legislative Documents

Initials_______

Bidders are required to submit the legislative documents to comply to the policy to guide uniformity in procurement reform processes in Government as per section 2 of Practice Note No SCM 1 of 2003 regarding bid documentation for supply chain management. It is also a requirement for bidders to submit the other legislative documents as detailed below:

2.4.1 SBD 1 invitation form to bid.

2.4.2 SBD 4 bidder's disclosure.

2.4.3 SBD 6.1 preference points claim form.

3. OBJECTIVE OF THE BID

3.1 To arrange the RT8 transversal contract for the transportation of cargo and furniture relocation services for the state for the period of 36 months.

3.2 For the promotion of historically disadvantaged individuals as per the specific goals (maximum 10 points) allocated in terms of Preferential Procurement Regulations 2022 issued according to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000).

3.3 To apply the 90/10 preference point system as per Preferential Procurement Regulations (PPR) 2022.

4. BRIEFING SESSION

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

Venue: Microsoft Teams. The link to register and attend the briefing session is attached as RT8-2024 Tender Briefing

Date: 18 October 2023

Time: 10h00am – 12h00pm

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

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

5. TERMS OF REFERENCE

5.1 TECHNICAL SPECIFICATIONS

5.1.1 The bid for the transportation of cargo and furniture relocation services for the state with seventeen (17) line items. The detailed technical specifications are as per the attached Annexure A**.**

5.1.2 A bid will be considered responsive if it addresses the scope of services summarised below. A bid that does not address the scope of services will be disqualified and considered non-responsive.

5.1.3 Transportation of Cargo and Furniture Relocation Services

5.1.3.1 Furniture Removals

5.1.3.2 Road Freight; and

5.1.2.3 Sensitive Cargo

5.1.2.4 Services for moving furniture and cargo commencing at 1 000 kg and more.

5.1.2.5 Bidders must be able to render the required services nationally (All 9 provinces).

5.1.4 The items are categorised as follows:

Table 2: Summary of Technical Specification Items

#	Line items	Number of Items
1	Furniture Removal, Household, National	1
2	Road Freight, Super Link vehicle, Curtain type	1
3	Road Freight, Super Link vehicle, Flat bed	1
4	Cargo, Sensitive or Classified, National	1
5	Road Freight, Closed Trucks (5 to 15 Ton)	4
6	Removal of Safes	3
7	Storage Cost	1
8	Handling Fee	1
9	Packaging Fee	1
10	Travelling / Overnight Cost: Accommodation for Long Haul	1
11	Shuttle Services	1
12	Forklift	1
13	Vehicle Transportation	1
14	Surcharge - Public Holidays/Sundays, Saturday	2
TOTAL NUMBER OF ITEMS		**20**

 Initials_______

SECTION B: CONDITIONS OF BID

6. PART 1: EVALUATION CRITERIA

6.1 The details of the evaluation phases are outlined below:

Table 3: Evaluation Criteria

Phase 1	Phase 2	Phase 3
Mandatory and other standard bidding requirement	**Technical Specification Compliance**	**Price and Specific goals**
Compliance with mandatory and other bid requirements	Compliance with the item's technical specifications	Bids evaluated in terms of the 90/10 preference system

6.1.1 The State may conduct due diligence during any of the evaluation phases to confirm the information submitted by the bidder and any misrepresentation by the bidder may disqualify the bid thereof.

6.2 PHASE 1: MANDATORY REQUIREMENTS

6.2.1 Bidders' must submit all required documents indicated hereunder with the bid documents at the closing date and time of the bid. During this phase bidders' responses will be evaluated against the mandatory requirements for compliance. This phase is not scored and bidders who fail to comply with all the mandatory criteria will be disqualified.

6.2.2 **Goods in transit insurance**

6.2.2.1 Bidders must submit proof of a valid goods in transit insurance certificate or quote from an insurer with a policy number**.**

6.2.3 **Pricing Schedule**

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

6.2.3.2 Prices submitted for this bid must be filled in on the field provided on the pricing schedules supplied with the bid as follows:

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

6.2.3.4 Only the main items will be evaluated.

 Initials_______

6.2.3.5 Freight and cargo must be prices at Rand per ton per kilometre (km) from point A (Origin) to point B (Destination).

6.2.3.6 Furniture removals should be prices at Rand per cubic foot per kilometre (km) from point A (Origin) to point B (Destination).

6.2.3.7 The contractor will be liable for possible "empty running" in getting from it premises to the pick -up point and returning from delivery point.

6.2.3.8 A percentage premium for insurance up to a maximum of 3% of the consignment value of the goods to be transported must be indicated in the space provided for in the pricing schedule. This applies to both freight/ cargo and furniture removal.

6.2.3.9 **The pricing schedule (Annexure B) must not be a scanned PDF but must be submitted in an excel format with a USB**.

6.2.3.10 Price structures that do not comply with the requirements above may invalidate the bid.

6.2.3.11 Prices submitted for this bid must be completed on the fields provided on the price schedule supplied with the bid.

6.2.3.12 Once a bid has complied with mandatory requirements and other bid requirements as stated on Phase I, it would further be evaluated on Phase II.

6.2.4 ADMINISTRATION AND LEGISLATION REQUIREMENTS

6.2.4.1 Bidders are required to submit the below documents to comply with the policy to guide uniformity in procurement reform processes in Government as per section 2 of Practice Note No Supply Chain Management SCM)1 of 2003 regarding bid documentation for supply chain management.

6.2.4.2 SBD 1 – Invitation form to bid.

6.2.4.3 Proof of Authority – This is a company resolution for the capacity under which this bid is signed as per SBD 1

6.2.4.4 SBD 4 – Bidders Disclosure

6.2.4.5 SBD 6.1 – Preference points claim form.

6.2.4.6 Central Supplier Database – A Central Supplier Database report must be submitted.

6.2.4.7 Written Confirmation to disclose tax status – It is a requirement that bidders grant a written confirmation when submitting this bid response that SARS may on an ongoing 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.

6.2.5 OTHER BID DOCUMENTS

Initials_______

6.3.5.1 **Company Registration**

a) Shareholding portfolio by proof of registration of the company with Companies Intellectual Property Commission

6.3.5.2 **Conditions of Contract**

a) General Condition of Contract which are fully signed and initialled on every page to indicate that the bidder has read and understood the terms and conditions.

b) Special Conditions of Contract which are fully signed and initialled on every page to indicate that the bidder has read and understood the terms and conditions.

6.3 PHASE 2: TECHNICAL SPECIFICATION COMPLIANCE

6.3.1 Authorisation Declaration

6.3.1.1 All bidders must complete the "Authorisation Declaration" (TCD 13) for all relevant goods or services in full, sign it and submit it together with the bid response at the closing date and time of the bid invitation.

6.3.1.2 Failure to submit a duly completed and signed Authorisation Declaration, with the required annexure(s), in accordance with the above provisions will invalidate the bid for such goods or services offered.

6.3.1.3 **Any bidder/s who is sourcing from a Third Party must complete TCD 13.1 and TCD 13.2 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 person'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.

v) TCD 13.2 must be completed for all items offered by the bidder.

6.3.1.4 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 reserves its right to exercise any of the remedies available to it, including disqualifying the bidder and or restricting the bidder.

6.3.1.5 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. Failure to render the service in line with the contractual terms of this transversal contract may lead to the contract being terminated and the bidder being restricted from doing business with the State.

I. Failure by a bidder, other than a manufacturer or licensed importer to provide the letter confirming supply arrangements as per the specifications above, will invalidate the bid.

II. The authorisation declaration (TCD 13) and the letter from the manufacturer confirming supply arrangements as set out in paragraphs 6.3.3.3(c) must be applicable and cover the full transversal contract period.

6.4 PHASE 3: PRICE AND SPECIFIC GOALS

6.5.1 Applicable taxes

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

6.5.1.2 Failure to comply with this condition will invalidate the bid or affected items.

6.5.2 Value Added Tax

6.5.2.1 All prices must be inclusive of 15% Value Added Vat.

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

6.5.2.3 Due diligence on market-related pricing reasonability may be conducted. The State reserve the right to disqualify bid offers which are under-quoted and or are above market value. In this case, the bidder may be required to submit supporting documentation to the State to prove that the pricing is not under-quoted or above market value.

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

6.4.1.2 The Pricing Schedule (**Annexure B**) must be submitted in two forms, as hardcopy which must be included in the bid document and in an Excel, spreadsheet saved in a USB/memory stick at the closing date and time of bid. Both the hard copy and the Excel version must be the same (replica).

6.4.2 Preferential Point System

6.4.2.1 The pricing evaluation will be in terms of the Preferential Procurement Regulations as per the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 90/10 preference point system based on:

I. The bid price (Maximum of 90 points)

II. Historically disadvantaged individuals as well as specific goals (maximum 10 points)

 Initials_______

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

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

Where,

Ps = Points scored for the comparative price a of bid under consideration

Pt = Comparative price of a bid under consideration

Pmin = Comparative price of lowest acceptable bid

6.4.2.3 **The following will be used to calculate the points for Historically disadvantaged individuals as well as specific goals.**

I. 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.

II. The government intends to promote the following goals with this bid, and the points to be allocated are indicated against each goal:

GOALS	POINTS
Preference points for equity ownership by historically disadvantaged Individuals who, due to the apartheid policy that had been in place had no franchise in national elections before the introduction of the Constitution of the RSA, 1983 (Act 110 of 1983) or the Constitution of the RSA,1993 (Act 200 of 1993), ("the Interim Constitution") and or	5
who is a female	5

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

IV. Bidders are required to complete the SBD 6.1 and 6.1(a) forms in order to claim preference points. Only a bidder who has completed and signed the declaration part of the SBD 6.1 and 6.1(a) preference points claim forms will be considered for preference points.

V. 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.

VI. 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.

VII. The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims

Initials_______

it has made about preference.

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

IX. 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.

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

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

6.4.2.4 The following formula must be applied to calculate the number of points out of 10/20 for specific goals:

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

<u>Where:</u>

PSSG= Points scored for a specific goal

MPA = Maximum points allocated for a specific goal

PEO = Percentage of equity ownership by an HDI

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

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

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

III. Equity in private companies must be based on the percentage of equity ownership.

IV. Preference points may not be awarded to public companies and tertiary institutions.

V. 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.

VI. Documentation to substantiate the validity of the credentials of the trustees contemplated in the paragraph above must be submitted to the Office.

VII. 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.

VIII. A tenderer must submit proof of its ownership. A tenderer who does not submit proof of ownership may not be disqualified from the bidding process, but they score points out of ninety (90) for price and zero (0) points out of ten (10) for specific goals.

6.4.3 Applicable Taxes

a) All bid prices must be inclusive of all applicable taxes.

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

c) Failure to comply with this condition may invalidate the bid.

6.4.4 Cost Breakdown

6.4.4.1 Bidders are requested to submit the cost breakdown of their pricing for each item offered. Should the cost breakdown be the same for all items on the bid response, the bidder must indicate clearly in the bid response. The cost breakdown submitted will be utilized during the price adjustment considerations.

6.4.4.2 Bidders should itemise the cost of each item into various components which are cost-drivers. The cost needs to be broken down into direct and indirect costs. Each cost driver should be assigned a percentage of the total cost.

6.4.4.3 Example:

Table 4: Example of Cost Breakdown

Cost-driver	% of Total Cost
D1 - Transport	
D2 – Labour	
D3 – Packaging	
D4 – Insurance	
D5 – Other	
Total price of item	100%

6.4.5 **Responsive Bids**

6.4.5.1 Bidders are required to submit responsive bids by completing all pricing and item information on the provided pricing schedule (Annexure B) for the individual items and all required forms. Non-submission of the pricing schedule (Annexure B) will invalidate the bid response.

7. PART 2: ADDITIONAL BID REQUIREMENTS

7.1 COMPANY REGISTRATION AND ORGANOGRAM

7.1.1 Shareholding portfolio by proof of registration of the company with Companies Intellectual Property Commission (or use abbreviation if already abbreviated above – delete statement). An additional document detailing the shareholding of the bidder in an organogram format in support of the proof of company registration must be submitted.

7.1.2 If by law registration with CIPC is not required, proof of ownership/shareholding must be provided

7.2 COMPANY PROFILE

7.2.1 Bidders are requested to submit a company profile which includes, but is not limited, to the following: -

7.2.1.1 Business structure and strategies; and

7.2.1.2 Details of the bidder's directors/owners (Full name and surname and ID or passport number)

7.2.1.3 Years of company existence and experience relevant to this bid.

7.3 TERMS AND CONDITIONS OF BID

7.3.1 **Counter Conditions**

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

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

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

7.3.2 **Fronting**

7.3.2.1 The National Treasury supports the spirit of broad-based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves by the Constitution and in an honest, fair, equitable, transparent, and legally compliant

 Initials_______

manner. Against this background, the National Treasury does not support any form of fronting.

7.3.2.2 The National Treasury, in ensuring that bidders lawfully conduct themselves will, as part of the bid evaluation processes, conduct, or initiate the necessary 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.

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

7.4 SUBMISSION OF BIDS

7.4.1 PHYSICAL AND HARDCOPY BID SUBMISSION

7.4.1.1 Bidders are required to submit hard copies at the National Treasury, 240 Madiba Street, TIC, and Deposit the bid in the tender box.

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

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

7.4.1.4 Bidders must submit the bid at TIC situated at corner 240 Thabo Sehume and Madiba Streets, Pretoria in the following format:

a. One (1) original hard copy

b. One (1) memory stick or USB with all the documents on the original hard copy and an Excel version of the pricing schedule. Bidders must ensure that the USB is marked with the bidder's name.

7.4.1.5 All documents on the USB submitted must be an exact copy of the hard copy documents. Any discrepancies between the USB document and the original hard copy, the hard copy will take precedence.

7.4.1.6 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 visible.

7.4.1.7 Submit all bid queries via email to Demand.Acquisition3@treasury.gov.za.

7.5 LATE BIDS

7.5.1 Bids received after the closing date and time at the TIC will NOT be accepted for consideration and where practical, be returned unopened to the bidder.

 Initials_______

7.6 COMMUNICATION AND CONFIDENTIALITY

7.6.1 The Chief Directorate: Transversal Contracting (TC) within the Office of the Chief Procurement Officer (OCPO) may communicate with bidders where clarity is sought after the closing date and time of the bid and before the award of the transversal contract, or extend the validity period of the bid, if necessary.

7.6.2 Any communication to any State official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.

7.6.3 Whilst all due care has been taken in connection with the preparation of this bid, the National Treasury makes no representations or warranties that the content in this bid or any information communicated to or provided to bidders during the bidding process is, or will be, accurate, current, or complete. The National Treasury, and its officers, employees and advisors will not be liable concerning any information communicated which is not accurate, current, or complete.

7.6.4 If a bidder finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the National Treasury (other than minor clerical matters), the bidder must promptly notify the National Treasury in writing of such discrepancy, ambiguity, error or inconsistency to allow the National Treasury to consider what corrective action is necessary (if any).

7.6.5 Any actual discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the National Treasury will, if possible, be corrected and provided to all bidders without attribution to the bidder who provided the written notice.

7.6.6 All communication between the bidder and the National Treasury TC office must be done in writing as per the Contact Details below.

7.6.7 No representations made by or on behalf of the National Treasury about this bid will be binding on the National Treasury unless that representation is expressly incorporated into the contract ultimately entered between the National Treasury and the successful bidder(s).

7.6.8 All persons (including all bidders) obtaining or receiving this bid and any other information in connection with this bid, or the tendering process must keep the contents of the bid and other such information confidential, and not disclose or use the information except as required for developing a response to this bid.

7.7 CONTACT DETAILS

7.7.1 **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

7.7.2 **Bid Enquiries: -** All enquiries should be in writing to Demand.Acquisition3@treasury.gov.za. The closing date for receipt of all enquiries is **23 October 2023**. All enquiries beyond the closing date will not be considered.

8. PART 3: RECOMMENDATION AND APPOINTMENT OF BIDDERS

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

8.2 On approval of the recommendation(s) and appointment(s), the successful bidder(s) will sign an appointment letter together with the master transversal agreement for the transportation of cargo and furniture removal in this bid, and the unsuccessful bidder(s) will be informed accordingly. The following paragraphs will be applicable when making a recommendation:

8.3 Tax Compliance Requirements

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

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

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

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

8.4 Split Award

8.4.1 The State reserves the right to award the same item to two (2) bidders.

8.4.1.1 The split will be as follows:

Table 5: Split award

Category	Difference between total points scored	Applicable split in percentages
A	Equal points	50/50
B	Less than 5 points	60/40
C	More than 5 but not exceeding 10 points	70/30
D	More than 10 but not exceeding 20 points	80/20
E	More than 20 points	90/10

8.5 Negotiations

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

8.6 **Due Diligence**

8.6.1 The State reserves the right to conduct due diligence before the final award or at any time during the transversal contract period and this may include pre-announced/ non-announced site visits. During the due diligence process, the information submitted by the bidder will be verified and any misrepresentation thereof may disqualify the bid in whole or parts thereof.

8.7 **Right of Award**

8.7.1 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.

SECTION C: CONDITIONS OF CONTRACT

9. CONCLUSION OF CONTRACT

9.1 The Contract between National Treasury and the preferred bidder/s (Service Provider) collectively referred to as the Parties shall come into effect after the service provider has been issued with an unconditional letter of acceptance to their bid.

9.2 The Service Provider (s) shall be appointed in terms of this bid. The following will form part of the contract documents between the Parties as far as this RT8 is concerned:

9.2.1 Bid Documents

9.2.2 Letter of Appointment

9.2.3 Award Documents

9.2.4 Acknowledgement letter

9.3 If there is any contradiction between the abovementioned documents, the special conditions of the contract shall take precedence. For Section B, the term “service provider “shall refer to the preferred bidder appointed in terms of the RT8 transversal contract.

10. PARTICIPATING STATE INSTITUTIONS

10.1 The following institutions will be participating on the contract for RT8-2024

Table 6: Participating Government Institutions

Number	Department Name
1	Department of Defence
2	Department of Justice & Constitutional Development
3	Department of Compensation Fund
4	Department of Water & Sanitation
5	Department of High Education & Training
6	Department of Government Pension Administration Agency
7	Northern Cape Province Department Governance, Human Settlements & Traditional Affairs
8	Supported Employment Enterprises
9	National Prosecuting Authority of South Africa

Initials_______

11. POST-AWARD PARTICIPATION

11.1 PFMA public institutions listed in Schedules 1, 2, 3A, 3B, 3C, 3D and Local Government may send an application to the National Treasury post-award to request participation in the transversal contract.

11.2 In terms of Treasury Regulation 16A6.5 Accounting Officer/Accounting Authority of National and Provincial departments, constitutional institutions, and public entities listed in schedules 1, 3A, and 3C to the PFMA may opt to participate in a transversal contract facilitated by the relevant treasury.

11.3 Regulation 32 of the Municipal SCM Regulations provides that a Supply Chain Management policy may allow the accounting officer to procure goods or services for a municipality or municipal entity under a contract secured by another organ of the state.

12. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

12.1 **Contract Administration**

12.1.1 The administration and facilitation of the transversal contract is the responsibility of the National Treasury and all correspondence in this regard must be directed to the Transversal Contracting Department via email on TCcontracts2@treasury.gov.za

12.1.2 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.

12.2 **Supplier Performance Management**

12.2.1 Supplier performance management will be the responsibility of the purchasing institution and where supplier performance disputes cannot be resolved between the supplier and the relevant purchasing institution, National Treasury: Transversal Contracting must be contacted for corrective actions.

12.2.2 Supplier performance rating Form (to be provided for by the National Treasury after the bid award) will be instituted, and every supplier must complete it to ensure good performance.

12.2.3 End-user State institutions are required to report to the National Treasury on where supplier's performance is not satisfactory.

12.2.4 Successful suppliers will have their performance scored. National Treasury will provide a template that will be used to measure overall performance in terms of the transversal contract. Suppliers who score an unacceptable performance rating may not be awarded future contracts of the same bid and may have the transversal contract terminated before the end of the transversal contract period.

13. CONTRACT PRICE ADJUSTMENT

13.1 **Formula**

Initials_______

13.1.1 Prices submitted for this bid will be regarded as non-firm and may be subject to adjustment(s) in terms of the following formula, defined areas of cost and defined periods.

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

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

Table 7: Contract Price Adjustment Formula

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

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

13.2 **Formula component definitions**

13.2.1 **Adjustable amount**

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

13.2.2 **Fixed portion**

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

Initials_______

13.2.3 **Cost components and proportions**

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

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

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

Table 8 - Contract Price Adjustment Cost Components

Cost Component	% Contribution
D1 – Transport	
D2 - Labour	
D3 - Packaging	
D4 – Insurance	
D5 – Other	
TOTAL (Cost components must add up to 100%)	**100 %**

13.2.4 **Applicable indices/references**

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

Table 9: Applicable Indices/References

Cost component	Index Publication	Index Reference
D1 –Transport	STATS SA CPI PO141 Table E	Transport - Other running costs
D2 - Labour	STATS SA CPI PO141 Table E OR	All items OR Labour agreement to be

Cost component	Index Publication	Index Reference
	Labour Agreement	provided
D3 - Packaging	STATS SA P0142.1 (PPI) Table 8	Rubber and Plastic
D4 – Insurance	STATS SA CPI PO141 Table E	Miscellaneous Goods and Services - Insurance
D5- Other	Specify	Documentary evidence to accompany claim

13.2.5 **Base index date**

13.2.5.1 The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid, the base index date is **September 2023.**

13.2.6 **End index date**

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

13.2.7 **Price adjustment periods**

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

Table 10: Price Adjustment Period

Adjustment	CPA application to reach National Treasury at the following dates	End Index Date	Dates until which adjusted prices will be effective	Dates from which adjusted price will become effective
1st Adjustment	1 October 2024	31 August 2024	30 October 2024	1 January 2025
2nd Adjustment	1 October 2025	31 August 2025	30 October 2025	1 January 2026

Initials_______

13.2.8 **General**

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

13.2.8.2 Application for price adjustment must be accompanied by documentary evidence in support of any adjustment.

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

13.2.8.4 If the supplier's CPA application, based on the above formula and parameters, differs from Transversal Contracting verification, Transversal Contracting will consult with the supplier to resolve the differences.

13.2.8.5 Bidders are referred to in the paragraph regarding counter conditions.

13.2.8.6 An electronic price adjustment calculator will be available on request from Transversal Contracting.

13.2.8.7 The State reserves the right to negotiate a price adjustment or not to grant any price adjustment.

14. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

14.1 **Contract Administration**

14.1.1 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

14.1.2 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.

14.2 **Contract Performance Management**

14.2.1 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.

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

14.3 **Post-Award Reporting**

14.3.1 Suppliers will be expected to report on the implementation of the transversal contract monthly.

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

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

14.3.4 All reports must be submitted to: TCcontracts2@treasury.gov.za by the 15th of each quarter.

15. TERMINATION

15.1 The State shall be entitled to terminate this Agreement if one or more of the following occur:

15.1.1 the supplier decides to transfer the transversal contract or cede the transversal contract;

15.1.2 the supplier is provisionally or finally liquidated, making it impossible for the supplier to perform its functions in terms of this transversal contract;

15.1.3 the supplier enters into settlement arrangements with their creditors;

15.1.4 the supplier commits an act of insolvency;

15.1.5 in the event that the supplier is a member of an unincorporated joint venture or consortium and the membership of such joint venture or Consortium changes; and

15.1.6 the supplier's failure to perform its obligation amounts to a fundamental non-performance.

15.2 The State reserves its right to terminate the transversal contract in the event that there is a change in ownership of the supplier that has the effect that over 50% ownership of the supplier belongs to the new owner without the prior written approval of the State.

15.3 Either Party may terminate this transversal contract for breach in the event that the other party fails to comply with any of its obligations in terms of this transversal contract and has failed to remedy such breach within 14 (fourteen) calendar days written notice to remedy such non-compliance.

15.4 Notwithstanding the provisions above, either Party may terminate this transversal contract by giving the other Party 30 (thirty) days written notice to that effect.

END

Initials_______