SPECIAL CONDITIONS OF CONTRACT

RT274-1-2023

SUPPLY AND DELIVERY OF HEARING AIDS, IMPLANTABLE HEARING DEVICES, AND EQUIPMENT TO THE STATE FOR THE PERIOD ENDING

31 JULY 2027

NON-COMPULSORY BRIEFING SESSION TO BE HELD ON THE 20 AUGUST 2025 ON MICROSOFT TEAMS

CLOSING DATE AND TIME OF BID

8 SEPTEMBER 2025 AT 11H00

BID VALIDITY PERIOD: 180 DAYS

National Treasury

Transversal Contracting

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LIST OF ABBREVIATIONS

Abb	Full Name
AMEI	Active Middle Ear Implants
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
BCHD	Bone Anchored Hearing Devices
BTE	Behind the Ears
CPA	Contract Price Adjustment
CE	Conformité Européenne
CSD	Central Supplier Database
GCC	General Conditions of Contract
OCPO	Office of the Chief Procurement Officer
ICASA	Independent Communications Authority of South Africa
FDA	Food and Drug Administration
CI	Cochlear Implants
ITC	In the Canal
ITE	In the Ear
IHD	Implantable Hearing Devices
SBD	Standard Bidding Document
SAHPRA	South African Health Products Regulatory Authority
SARS	South African Revenue Services
SCC	Special Conditions of Contract
SCM	Supply Chain Management
TC	Transversal Contract
TCD	Transversal Contract Document
TIC	Tender Information Centre

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PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Frame Act
QC	Quality Control
RIC	Receiver in Canal
RoE	Rate of Exchange
VAT	Value-Added Tax

LIST OF ATTACHMENTS AND ANNEXURES

i. Standard Bidding Documents (SBD's)

ii. Transversal Contracting Documents (TCD's)

iii. General Conditions of Contract (GCC)

iv. Annexure A -Technical Specification

v. Annexure B - Pricing Schedule

vi. Annexure C - Declaration form (Implantable Hearing Devices)

vii. Annexure D - Item Technical Specification Questionnaire Sheet

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Table 2: 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.	Pricing Schedule (Annexure B)	Yes	Yes	
PHASE 2: ADMINISTRATIVE REQUIREMENTS EVALUATION				
2.	SBD 1 Invitation to Bid	Yes	Yes	
3.	Proof of authority must be submitted as per SBD 1	No	Yes	
4.	SBD 4 Bidder's Disclosure	Yes	Yes	
5.	SBD 5 National Industrial Participation Program	Yes	Yes	
6.	SBD 6.1 Preference Points Claim Form	Yes	Yes	
7.	TCD 13 Authorization Declaration	Yes	Yes	
8.	TCD 13.1 List of goods or services offered	Yes	Yes	
9.	Written confirmation for disclosing tax status by SARS	No	Yes	
10.	Central Supplier Database Report	No	Yes	
11.	CIPC Company Registration Documents	No	Yes	
PHASE 3: TECHNICAL COMPLIANCE EVALUATION				
12.	Detailed Technical Specifications (Annexure A)	Yes	Yes	
13.	SAHPRA License	No	Yes	
14.	Type Approval Certificate issued by ICASA (Where applicable)	No	Yes	
15.	Quality Assurance Certificate ISO 13845 (Medical Devices only, ISO 14708-7 for Cochlear and Brainstem Implants, IEC 6011-9: 2019 and ASTMF 2504-5 for Bone Conduction Hearing Aids	No	Yes	
16.	International Standard Book Number (Where applicable)	No	Yes	
17.	TCD 13.2 Letter of Undertaking	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

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#	Document Name[1]	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
18.	Capability and Capacity documents	No	Yes	
PHASE 4: PRICE & SPECIFIC GOALS EVALUATION				
19.	Pricing Schedule (Annexure B)	Yes	Yes	
OTHER BID DOCUMENT REQUIREMENTS				
20.	Company Profile	No	Yes	
21.	CIPC Company Registration Documents	No	Yes	
22.	Special Conditions of Contract	Yes	Yes	
23.	General Condition of Contract	Yes	Yes	

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SECTION A: INTRODUCTION AND TERMS OF REFERENCE

1. DESCRIPTION AND FORMAT OF THE BID

1.1 This bid is for the supply and delivery of hearing aids, implantable hearing devices, and equipment to the State for a period ending 31 July 2027.

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:

2.3.1 Medicines and Related Substances Amendment Act, No. 72 of 2008 (Amendment Act) read together with a further Amendment Act, Medicines, and Related Substances Act No. 14 of 2015.

2.3.2 National Health Act No: 61 of 2003

2.3.3 Electronic Communications Act, No. 35 of 2005.

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3. OBJECTIVE OF THE BID

3.1 To arrange the RT274-1-2023 transversal contract for the supply and delivery of hearing aids to the State for a period ending 31 July 2027

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 and In terms of section 2(1) (f) of the PPPFA Act, to consider bids offering goods services with more local content and/or local value added.

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 RT274-1-2023 Briefing Session

Date: 20 August 2025

Time: 11h00 am

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 supply and delivery of Hearing Aids and Equipment has 11 categories with a total number of line items of 241. The detailed technical specifications are as per the attached Annexure A.

5.1.2 The items are categorised as follows:

Table 1: Summary of Technical Specifications Categories

#	Category Description	Number of Items
1.	Audiology Equipment and Consumables	78
2.	Audiology Tools and Consumables	12
3.	Cerumen Management Tools	17

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#	Category Description	Number of Items
4.	Bone Conduction Hearing Aids, Consumables and Accessories	6
5.	Behind the Ears (BTE) Hearing Aids	15
6.	In the Canal (ITC) and in the Ear (ITE) Hearing Aids	32
7.	Consumables, Accessories and Parts for BTEs, ITEs ITCs and ITEs	12
9.	Cros Hearing Aids, FM Systems and Tinnitus Devices	26
10.	Implantable Hearing Devices	42
11.	Audiology Literature	1
	Total Number of Items	**241**

5.1.3 Bidders must allocate item number using their product code for the calibration and spare parts

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SECTION B: CONDITIONS OF BID

6. PART 1: EVALUATION CRITERIA

6.1 The details of the evaluation phases are outlined below:

Table 2: Evaluation Criteria

Phase 1	Phase 2	Phase 3	Phase 4
Mandatory Evaluation	Administrative and Legislation Evaluation	Technical Compliance	Price and Specific goals
Compliance with mandatory and other bid requirements	Compliance with legislative and other bid requirement	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 **Pricing Schedule**

6.2.2.1 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. All pricing offered must be on a national level.

6.2.2.2 Bidders are required to complete and submit a mandatory Pricing Schedule Annexure B as a response to how much the items offered will be charged. Non-submission of the Pricing Schedule will invalidate the bid response.

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

6.1 PHASE 2: ADMINISTRATION AND LEGISLATION REQUIREMENTS EVALUATION

6.1.1 Bidders are required to submit the below documents to comply with the policy to guide uniformity in

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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.

6.1.1.1 **SBD 1 –** Invitation form to bid.

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

6.1.1.3 **SBD 4 –** Bidders Disclosure

6.1.1.4 **SBD 5 –** The National Industrial Participation Programme

6.1.1.5 **SBD 6.1 –** Preference points claim form.

6.1.1.6 **TCD 13 and 13.1 - Authorization Declaration -** All bidders are required to complete the "Authorisation Declaration" (TCD 13 and TCD 13.1) 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.

6.1.1.7 **Central Supplier Database –** Bidders are required to submit their Central Supplier Database report.

6.1.1.8 **Written Confirmation to disclose tax status –** Bidders must submit a Tax Pin issued by SARS. This tax pin is deemed as a confirmation that on an ongoing basis during the bid evaluation and the tenure of the transversal contract, the State may access the bidder's tax compliance status.

6.1.1.9 **Company registration documents issued by CIPC -** Bidder must submit proof of registration with the Companies Intellectual Property Commission (CIPC). In a case where the shareholding percentage is not indicated on the CIPC registration documents, an additional shareholding certificate issued by the relevant authority detailing the shareholding of the bidder must be submitted.

6.1.1.10 **Copy of Identity Document (Directors/Owners) –** Bidders are required to submit a copy of an identity document of the directors and/or owners.

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

6.2 PHASE 3: TECHNICAL SPECIFICATION COMPLIANCE AND VISUAL SCREENING

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

6.2.2 **Standards/Specifications**

6.2.2.1 Items must comply with technical specifications (**Annexure A**) as stated in the bid document of each item. The technical specification as per the pricing schedule is a summary description and the attached

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Annexure A is the detailed technical Specification of all the items. Non-compliance to the technical specification requirement will invalidate the items to which the compliance is not adhered.

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

6.2.2.3 The State may consider products that have a reasonable deviation to the technical specification. This is subject to the deviation providing a better output and provided that the deviation not causing any clinical and functional harm to the target population and users that the product is aimed at and that the functional output of the item technical specification is achieved. This will therefore be decided upon based on the clinical judgement and expertise of the Bid Evaluation Committee.

6.2.3 **Warranty / Guarantee Periods and Repair of Equipment**

6.2.3.1 A minimum warranty/guarantee of 30 months is required on all hearing aids and electronic devices from the date of delivery. Bidders must state on the pricing schedule the guarantee/ warranty period applicable to the products offered. Items offered which do not do not comply with the minimum warranty/ guarantee period indicated below may be disqualified for the relevant item.

6.2.3.2 A minimum warranty/guarantee of 10 years for the cochlear implant electrode (implantable device) from the date of surgery, a minimum warranty of 36 months for the sound processor and a minimum warranty period of 12 months for the cables, coils and rechargeable batteries is required.

6.2.3.3 A minimum warranty/guarantee of 10 years for the active middle ear implants (AMEI) and percutaneous/transcutaneous bone conduction hearing implant from the date of surgery, a minimum warranty of 24 months for the sound processor and a minimum warranty period of 12 months for rechargeable batteries is required.

6.2.3.4 Sufficient spare parts for electronic equipment must be available for a minimum period of 7 years from when the equipment has been procured.

6.2.3.5 During the warranty period, the quotation and transport/courier cost to repair the hearing aid will be at the cost of the successful bidder.

6.2.4 **South African Health Products Regulatory Authority (SAHPRA) Requirement**

6.2.4.1 Where bidders have offered an item that is classified as a Medical Device and In Vitro Diagnostic (IVD), bidders are required to adhere to Medicines and Related Substances Amendment Act, No. 72 of 2008 (Amendment Act) read together with a further Amendment Act, Medicines and Related Substances Act No. 14 of 2015 and its Regulations on Medical Devices and IVD. Non-compliance with these conditions will invalidate the relevant item.

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6.2.4.2 Manufacturers, distributors, and wholesalers, as referred to Section 22C(1)(b) of the original Medicines and Related Substances Act, 1965 (Act No. 101 of 1965), must obtain a licence for the manufacturing, importing, exporting, distribution, or wholesaling of medical devices and IVDs, as issued by SAHPRA.

6.2.4.3 Bidders must submit with the bid, on or before the closing date and time of bid approved medical device and IVDs establishment licence. Failure to submit the required licence, the items that required the license will be disqualified.

6.2.5 **Type Approval Certificate issued by ICASA**

6.2.5.1 Where applicable as indicated on the technical specification Annexure A and on the pricing schedule, bidders are required to submit a Type Approval Certificate to adhere to section 35 (1) of the Electronic Communications Act. Items that require a Type Approval Certificate are marked **YES** on the technical specification.

6.2.5.2 Where an application has been made to ICASA, but the approval has not been granted, bidders are required to submit proof of application issued by ICASA to indicate that the application has been made, at the closing date of bid.

6.2.5.3 Bidders may contact ICASA for information on obtaining the Type Approval Certificate at Tel: 012 568 3000/1, Email: FCebisa@icasa.org.za and Website: www.icasa.org.za.

6.2.5.4 Failure to submit the type of approval certificate will invalidate the bid response for the relevant item which this requirement is not met.

6.2.6 **Quality Assurance Requirements**

6.2.6.1 Bidders must submit at the closing date and time of bid, valid quality assurance certificates (QAC) ISO 13485 to confirm compliance for all items classified as medical devices.

6.2.6.2 For items which are not classified as medical devices, bidders are required to submit ISO 9001 certificate.

6.2.6.3 The requirements to submit the ISO 9001 and ISO 13485 do not apply to item RT274-01-009, RT274-01-010, RT274-11-007 and the spare parts list for replacement.

6.2.6.4 The holder of the certificates must be the manufacturer of the product offered as indicated on the authorization declaration (TCD 13.1). Failure to submit the QAC will invalidate the items which the certificate is not submitted.

6.2.7 **International Standard Book Number (ISBN)**

6.2.7.1 Where applicable Only items which have a valid International Standard Book Number (ISBN) on category 11 will be considered.

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6.2.8 **Authorization Declaration**

6.2.8.1 All bidders must complete the "Authorisation Declaration" (TCD 13 and TCD 13.1) 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.

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

a) Item(s) number, item short description and brand/model name.
b) The letter must be on the original manufacturer's letterhead, dated and signed.
c) Letter must be not older than 30 days at the closing date and time of bid.
d) The letter must have the contact's details in terms of a name, physical and postal address, telephone, and email details and the capacity with which a person is signing the letter.
e) All the information on the letter must be in English.

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

6.2.8.4 In terms of the Implantable Hearing Devices (IHD) and Bone Conduction Hearing Devices (BCHD), the letter of undertaking must be from an OPM/OEM only.

6.2.8.5 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.

6.2.8.6 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 (manufacturer or authorized importer/distributor). No agreement between the bidder and the third (3rd) party will be binding on the State.

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

6.2.9 **Capability and Capacity documents –**

The requirements for capacity and capability are ONLY applicable to implantable devices items. The

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requirements are as follows:

6.2.9.1 **Reliability Report –** The bidder must submit a reliability report for each implantable device offered issued in accordance with at least one of the following standards:

a) The international standard ISO 5841-2:2000 and/or ISO 5841-2:2014(1)

b) The International Electro-Technical Commission IEC 60118-9:2019 for BCHD

c) The American Society for Testing and Materials ASTM F2504-05 for Implantable Middle Ear Hearing Devices

d) European Standards for Implants for surgery BS EN 45502-1:2015 for AMEI

e) The European Consensus Statement (2005: (2) on cochlear implant failures and explanations.

f) A Reliability report that is not issued in accordance with the above international standards will invalidate the relevant items.

6.2.9.2 **Company Profile –** Bidder must submit a company profile that illustrates the following:

a) Number of years in the distribution and servicing of Implantable Hearing Aid Devices (IHD)

b) Indicate all associations the bidder is affiliated to such as South African Cochlear Implant Group (SACIG) – specifically for Cochlear implants.

c) Number of each of the IHD distributed in RSA and internationally for each year for the past five years,

d) Number of years the bidders had been distributing the products from the current manufacturer (as per letter of undertaking TCD 13.2 submitted)

e) List of the **FDA and CE-approved** CI systems for both adults and children produced by the manufacturer for the past 10 years for CI and 5 years for BCHD and AMEI.

f) Company profile that does not address the above will not be considered and the relevant items may be disqualified.

6.2.9.3 **Declaration of local and international support**

6.2.9.4 Bidders must complete and sign a declaration document Annexure C as a way of indicating service commitment to standard of care and service provision to local (SA) hospitals or clinics. Failure to complete and sign the declaration will invalidate the relevant items regarding the following requirements:

a) Provision of loaner/replacement sound processors and spares for each type of sound processor.

b) Logistical and clinical support for intraoperative procedures, testing equipment and guidance as required to be provided at no cost to the hospital.

c) Sufficient, comprehensive equipment for troubleshooting processors to be provided at no cost to the hospital (i.e., comprehensive test kit for each type of processor used by patients in the clinic).

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d) Delivery (inclusive of to and from) costs to the hospital unit to be at no charge to the hospital.

e) Sufficient hardware and equipment required for mapping and intra-operative testing should be provided at no cost to each clinician on the team.

f) The distributor must provide directed, appropriate product, clinical and surgical training to SA CI teams by national/ international presenters who are experts in their fields. Training to be provided timeously for new international releases of products.

g) The distributor must provide directed, appropriate product, clinical and surgical training to SA Audiologists and ENT teams working with BCHD and AMEIs by national/ international presenters who are experts in their fields. Training to be provided timeously for new international releases of products.

6.2.9.5 **Test Report approval documents issued by US Food and Drug Administration (FDA) or European Commission (CE)**

a) Bidders must submit an approved test report/ proof of compliance issued by the **FDA** or **CE** for the IHD, BCHD and AMEI for both adults and children offered on this bid. Failure in which the relevant items will be disqualified.

6.2.10 **Samples Submitted for Visual Screening**

6.2.10.1 All items must comply with the technical specification (Annexure A) as provided in this bid as stated in the technical specification detail of each item. Failure to comply will invalidate the items concerned.

6.2.10.2 Bidders that have complied with the **Phase 2 evaluation** above will be required to submit samples for visual screening to confirm compliance with technical specifications. Failure to submit the samples as required will invalidate the bid for the items for which samples are not submitted.

6.2.10.3 A guidance in terms of product presentation for the IHD, BCHD and AMEI for both adults and children will be provided to the shortlisted bidders.

6.2.10.4 **Sample Submission** - The National Treasury will send a schedule indicating the date, time, place, and venue to short-listed bidders to submit samples for evaluation.

6.2.10.5 **#NB:** Bidders' attention is drawn to the fact that a schedule for sample submission will be forwarded to bidders at a notice of at least three weeks before the date of sample submission. The date of sample submission may be immediately after the closing date of the bid.

6.2.10.6 It is the responsibility of the bidder to ensure that correct contact details are provided in the bid document.

6.2.10.7 It is the responsibility of the bidder to ensure that samples are submitted on time, at the correct venue as indicated above.

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6.2.10.8 Where different sizes of the same item are called for against different item numbers, samples of each size must be submitted.

6.2.10.9 All samples submitted for visual screening must be a true representation of the product which will be supplied by the supplier throughout the contract period.

6.2.10.10 All samples, including the labelling requirements, must be a true representation of the product that will be supplied during the contract period.

6.2.10.11 **Guide on how to submit samples.**

a) Samples must be submitted in a re-sealable bag (e.g., Ziploc) and be marked with the company name and the item number.

b) Bidders must ensure that the samples comply with the specifications: e.g. If the specifications require a set, then the sample must be submitted as a complete set.

c) Where it is required that a set comprising of a hearing aid, an ear-mould, a pack of batteries and a dry-aid kit, it will be acceptable to submit a separate pack of a sample consisting of an ear-mould, pack of batteries, and a dry-aid kit which is clearly labelled and indicating that this will be provided with each hearing aid applicable. If still preferred, you may still submit the ear mould, a pack of batteries, and a dry-aid kit with all the hearing aids offered.

d) Take note that features, such as several channels, may exceed the specification, but the Gain and MPO must be within the specified limits.

e) It is preferred that bidders align the bid specification requirements with the manufacturer's technical specification. For this purpose, bidders should highlight the bid specification requirements on the technical specification provided by the manufacturer. Samples whose specification compliance is not verifiable on the manufacturer's technical sheet will be disqualified for the relevant item.

6.2.10.12 **Manufacturers Technical Specification-Brochures** - Bidders must submit with the samples, an original manufacturer's technical specification (brochure) for all devices/equipment offered, preferably in colour, with fully comprehensive product technical specification information. The brochure must indicate the product name and description, make/model, device images and all information required to verify compliance with technical specification requirements. Bidders are also required to include the product brochures in a **USB/Flash drive** when submitting samples saved by item numbers.

6.2.10.13 **Item Technical Specification Questionnaire Sheet–** Bidders must submit a fully completed Annexure D technical specification questionnaire sheet provided for all hearing aids. The completed sheet must be submitted together with the samples. With regards to all hearing aid device items, should there be

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discrepancies between the original manufacturer's technical sheet and the technical questionnaire sheet, then the manufacturer's technical sheet will prevail.

6.2.10.14 **Marking of Samples -** Samples must be marked with the bid number, item number(s) as per the Technical Specification, brand/model name, company name, and contact details. Unmarked samples will be disregarded and will not be evaluated.

6.2.10.15 **Collection of all samples – Bidders will be informed of the** date and time for which samples must be collected. This date may be immediately after the evaluation has been finalized. Samples not collected within the communicated periods and time frames will be disposed of at the discretion of the State and the National Treasury bears no risk for uncollected samples.

6.3 PHASE 4: PRICE AND SPECIFIC GOALS

6.3.1 Pricing Schedule and structure requirements

6.3.1.1 Prices quoted must be furnished based on "delivered to State facility" country-wide inclusive of VAT.

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

6.3.1.3 The pricing schedule **(Annexure B)** consists of 4 sheets,

a) Items without maintenance,

b) Items with maintenance,

c) Calibration Fees

d) Spare Parts

6.3.1.4 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.

6.3.1.5 Conditional discounts offered will not be taken into consideration during evaluation.

6.3.1.6 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.

6.3.2 **Maintenance Cost**: As indicated on the pricing schedule, bidders are required to quote for the yearly maintenance cost for a period of five (5) years for the relevant items which requires maintenance. The maintenance cost will be evaluated with the price of the device/ equipment as a total cost and therefore preferential points will be allocated using the total cost offered.

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6.3.3 **Spare Parts for Repairs Pricing**

6.3.3.1 Bidders are required to submit pricing for the spare parts for repairs for the new and existing equipments in the public clinical institutions related to the Hearing Aids on the sheet provided in the pricing schedule. The spare parts pricing will not be evaluated however, the state reserve the right not to accept any price offered which deemed unreasonably priced outside the affordability range of the state and if the pricing is outside market related.

6.3.4 **Calibration for Existing Equipment**

6.3.4.1 Bidders are required to submit calibration fees for existing equipment's in the public clinical institutions related to the Hearing Aids on the sheet provided in the pricing schedule. The calibration fees will not be evaluated however, the state reserve the right not to accept any price offered which deemed unreasonably priced outside the affordability range of the state and if the pricing is outside market related.

6.3.4.2 Calibration Service of existing equipment in clinical facilities (limited to audiology equipments). Calibration of each model of equipment supplied to the state since 2013, the calibration cost must be inclusive of travelling cost, and any other cost to enable the service provider to provide the service. Bidders must provide a list of equipment that they offer calibration which have been supplied to the state already. The list must be provided on the pricing schedule (Relevant sheet) provided

6.3.4.3 All calibration equipment tools must be approved by a SANAS accredited institute of or internationally equivalent. The state reserve the right not to accept any calibration service which is deemed not to be in line with the bid or clinical requirements.

6.3.4.4 **Service Level Agreements:** Calibration and repairs are to be provided by the awarded company that supplied the equipment to the institution. In the event that another service provider is subcontracted, a service level agreement between the supplying company and the other service provider is required.

6.3.5 The total cost of maintenance will be evaluated together with the relevant equipment. Failure to include the maintenance cost price for relevant items which the maintenance is required may invalidate the items concerned.

6.3.6 **Preferential Point System**

6.3.6.1 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:

a) The bid price (Maximum of 90 points)
b) Historically disadvantaged individuals as well as specific goals (maximum 10 points)

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6.3.6.2 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

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

a) A maximum of 10 points may be awarded to a bidder for being a historically disadvantaged individual and/or subcontracting with a historically disadvantaged individual and/or achieving any of the specified goals stipulated in regulation 2022 of the Preferential Procurement regulations. For this bid, the maximum number of points that could be allocated to a bidder is indicated in the paragraph above. The State reserves the right to arrange contracts with more than one contractor.

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

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	4
who is a female	1
Other specific goals (goals of the RDP- plus local manufacture) - Local Manufacturing (locally produced product)	5

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

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

e) The bidders must submit Identity Documents (ID), Central Supplier Database (CSD) and CIPC registration documents. These documents will serve as proof of ownership and directorship of

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the company.

f) Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender will not be allocated with the points claimed.

g) The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made about preference.

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

i) If two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for the specified goals. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

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

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

6.3.6.4 The following formula must be applied to calculate the number of points out of the points allocated to ownership for specific goals:

$$\mathbf{PSSG} = \mathbf{MPA\ x}\ \frac{\mathbf{POE}}{\mathbf{100}}$$

Where:

PSSG= Points scored for a specific goal

MPA = Maximum points allocated for a specific goal

PEO = Percentage of equity ownership by an HDI

6.3.6.5 **Specific goals with Proof of equity ownership requirements and related matters**

a) 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.

b) 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.

c) Equity in private companies must be based on the percentage of equity ownership

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

e) 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.

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

g) 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.

h) 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 (4) for HDI goals and one (1) points for female.

6.3.6.6 **Specific goals in relation to procuring locally produced products.**

a) Preference points may only be claimed for products, which will be manufactured (fabricated, processed or assembled), in the Republic of South Africa. In cases where production has not yet commenced at time of bid closure, evidence shall be produced that at the time of bid closure, the bidder was irrevocably committed to local production of the product.

b) Local content means that portion of the bid price, which is not included in imported content, provided that local manufacture does take place.

c) Imported content means that portion of the bid price represented by the costs of components, parts or materials which have been or are still to be imported (whether by the bidder or his suppliers or sub-contractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duties, sales duties, or other similar taxes or duties at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies for which a bid has been submitted are manufactured.

d) Bidders must indicate in the pricing schedule (Annexure B) which product(s) [item number(s)] is/are manufactured locally and indicate the local content % of each product / item in relation to the bid price. The points will be calculated automatically in the pricing schedule. Points claimed will be indicated in the “points claimed” column.

e) The following formula must be applied to calculate the number of points out of the points allocated to ownership for specific goals:

$$\mathbf{PSLC} = \mathbf{MLC\ x}\ \frac{\mathbf{PLC}}{\mathbf{100}}$$

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Where:

PSLC= Points scored for a local content

MLC = Maximum points allocated for Local Content

PLC = Percentage of Local Content for product offered

f) To qualify for the points of local manufacturing, the definition of a locally produced product will be limited to at least the conversion process (substantiated value adds) being in the Republic of South Africa. Substantial supporting documents may be required at any point in time before and post-award of the contract. Due diligence, which includes site visits, may be conducted in this regard. The following aspects must be complied with:

i) The site/s of manufacturing and/or assembling of the product offered is in South Africa.
ii) Demonstrated capacity to service the required volumes is confirmed.
iii) Compliance to all other aspects contained in these Special Requirements and Conditions of Contract
iv) The product offered meets the minimum requirement as per technical specification requirements.

g) In the event of a contract being awarded as a result of points claimed, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct. If the claims are found to be incorrect, the State, in addition to any other remedy it may have –

i) Recover all costs, losses, or damages it has incurred or suffered as a result of the bidder's conduct.
ii) Cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation.
iii) Impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the bid.

6.3.7 **Items Grouped as a Series**

6.3.7.1 Where applicable, items that are grouped in a series as per item technical specifications will be evaluated and awarded accordingly. Allocation of points will be as per the total value of the series group.

6.3.7.2 Bidders are required to offer prices for all units of measure specified in the series, and for all items within a group series.

6.3.8 **Applicable Taxes**

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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.

6.3.9 **Cost Breakdown**

6.3.9.1 Bidders are requested to submit the cost breakdown of their pricing for each item offered on the response fields allocated on the pricing schedule for each item offered. The cost breakdown submitted will be utilized during the price adjustment considerations.

6.3.9.2 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.

6.3.9.3 Example:

Table 3: Example of Cost Breakdown

Cost-driver	% Total Cost
Imported raw material	30%
Local raw material	20%
Labour	15%
Transport	30%
Other (Indicate)	5%
The total % of the item	**100%**

6.3.10 **TCD 14 Historical Exchange Rates**

6.3.10.1 In terms of cost price adjustment, bidders should make use of any relevant currency for the items offered by calculating the average for the period **1 October 2024 to 31 March 2025** using the Reserve Bank published rates for the specific currency. Bidders are to visit https://www.resbank.co.za/ to obtain the relevant rates. Reference to **TCD 14** on the procedure to download historical exchange rates from the Reserve Bank website for instructions.

6.3.11 **Responsive Bids**

6.3.11.1 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.

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7. PART 2: ADDITIONAL BID REQUIREMENTS

7.1 TERMS AND CONDITIONS OF BID

7.1.1 Counter Conditions

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

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

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

7.1.2 Fronting

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

7.1.2.2 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.

7.1.2.3 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.

7.2 SUBMISSION OF BIDS

7.2.1 ONLINE BID SUBMISSION

7.2.1.1 Bidders must submit their bids online through the eTender Publication portal.

7.2.1.2 Manual or hardcopy bids are not acceptable.

7.2.1.3 The online eTender publication portal can be accessed on the following link: https://www.etenders.gov.za/

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7.2.1.4 The guide for online bid submission is attached as Annexure C

7.2.1.5 Bidders to adhere to all the rules for the online bid submission.

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

7.2.1.7 The Technical Specifications and Pricing Schedule (Annexure A and B) should be in an XLSX excel sheet format and not any other format.

7.2.1.8 Non-compliance with online bid submission WILL invalidate the bidder's response.

7.3 LATE BIDS

7.3.1 Bids received after the closing date and time will NOT be accepted for consideration.

7.4 COMMUNICATION AND CONFIDENTIALITY

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

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

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

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

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

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

7.4.7 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).

7.4.8 All persons (including all bidders) obtaining or receiving this bid and any other information in connection

with this bid, or the tendering process must keep the contents of the bid and other such information confidential and not disclose or use the information except as required for developing a response to this bid.

7.5 **CONTACT DETAILS**

7.5.1 **General: -** National Treasury, Office of the Chief Procurement Officer, Chief Directorate: Transversal Contracting, Private Bag x115, Pretoria, 0001. Physical address: Street Address. 40 WF Nkomo Street, Pretoria

7.5.2 **Bid Enquiries: -** All enquiries should be in writing to Nancy.Ravele@treasury.gov.za. The closing date for receipt of all enquiries is **22 August 2025**. All enquiries beyond the closing date will not be considered.

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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 supply and delivery of hearing aids, implantable hearing devices, and equipment of this bid and the unsuccessful bidder(s) will be informed accordingly. The following paragraphs will be applicable when making a recommendation:

8.3 Objective to recommend to locally produced products.

8.3.1 In terms of section 2(1) (f) of the PPPFA Act, the state may award a contract to a tenderer that did not score the highest points.

8.3.2 With the above provision, a tender may be awarded to a bidder offering goods with more local content and/or local value added than the tenderer scoring the highest points.

8.4 Tax Compliance Requirements

8.4.1 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.

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

8.4.3 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.

8.4.4 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.

8.5 Multiple Award

7.3.1 The State reserves the right to award the same item to more than one (1) bidder to address item availability and compatibility. Benchmarking will be applied to ensure that pricing is affordable, market-related and aligned to end-user requirements. The maximum number of bidders per item to be awarded will be at the discretion of BEC.

8.6 Negotiations

8.6.1 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

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that will assess the monetary cost of the items or services against the quality and or benefits of that item or services.

8.7 **Due Diligence**

8.7.1 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.

8.7.2 The State also reserves the right to conduct any evaluation verifications before the final award or at any time during the transversal term contract period.

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

8.8 **Right of Award**

8.8.1 The State reserves its following rights -

8.8.1.1 To award the bid in part or in full,

8.8.1.2 Not to make any award in this bid or accept any bids submitted,

8.8.1.3 Request further technical information from any bidder after the closing date,

8.8.1.4 Verify information and documentation of the bidder(s),

8.8.1.5 Not to accept any of the bids submitted,

8.8.1.6 To withdraw or amend any of the bid conditions by notice in writing to all bidders before closing of the bid and post-award, and

8.8.1.7 If an incorrect award has been made to remedy the matter in any lawful manner it may deem fit.

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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 RT274-1-2023 is concerned:

9.2.1 Bid Documents

9.2.2 Letter of Appointment

9.2.3 Award Documents

9.2.4 Transversal Contracting Agreement

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 RT274-1-2023 transversal contract.

10. PARTICIPATING STATE INSTITUTIONS

10.1 The following institution will be participating in the contract for RT274-1-2023:

10.1.1 **National Departments:** Department of Defence and department of Woman, Youth and Persons with Disabilities.

10.1.2 **Provincial Departments of Health**: Eastern Cape, Free State, Gauteng, Kwa-Zulu Natal, Limpopo, Mpumalanga, Northern Cape, North-West and Western Cape.

10.1.3 **Provincial Department of Education**: Gauteng and Limpopo

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.

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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 Demand.Acquision2@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**

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).

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Table 4: Contract Price Adjustment Formula

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

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

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.

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 5 - Contract Price Adjustment Cost Components

Cost Component	% Contribution
D1 – Imported Raw Material / Finished product	
D2 - Local Raw Material / Finished product (if applicable)	
D3 – Labour	
D4 – Transport	
D5 – Overheads	
D6 – 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 6: Applicable Indices/References

Cost component	Index Publication	Index Reference
D1 – Imported Finished product (if applicable);	Average ROE as stated below	Documentary evidence to accompany the claim and ROE
D2 - Local Finished product (if applicable):	Specify (STATS SA Index)	STATS SA Table (Specify)
D3 – Labour	STATS SA P0141 (CPI), Table E; OR Labour Agreement[2]	Table E - All Items (CPI Headline) OR Labour agreement to be provided/ Regulated Pricing Adjustment
D4 – Transport	Stats SA P0141 (CPI)	Transport – Other Running Cost

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

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Cost component	Index Publication	Index Reference
	Table E	
D5 – Overheads	Specify (STATS SA Index)	STATS SA Table (Specify)
D6 – Other	Specify (STATS SA Index)	STATS SA Table (Specify)

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 **April 2025.**

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 7: Price Adjustment Period

Adjustment Period	CPA application to reach the office by the following dates	End Index	Dates *from* which adjusted prices will become effective
1st Adjustment	10 November 2026	September 2026	1 December 2026

13.2.8 **Rates of exchange (RoE) – Base and average rates**

13.2.8.1 If material and/or finished products are imported the following will apply:

13.2.8.2 The formula described above will be used and the imported cost component of the bid price (D1) will be adjusted considering the base RoE rate referred paragraph in the below paragraph and the average RoE rate over the period under review indicated in the below paragraph.

13.2.8.3 If the RoE adjustment goes hand in hand with a material/product price increase, the material/product price (in foreign currency) will be converted to South African currency using the base rate for the earlier invoice and the average RoE rate for the period under review as indicated in the paragraph below for the later invoice.

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

13.2.8.5 The Rate(s) of exchange to be used in this bid in the conversion of the bid price of the item (s) to South African currency is indicated in the table below.

Table 8: CPA Rate of Exchange

Currency Name	Rates of exchange: 1 February 2025 to 31 July 2025
US Dollar	18,21
Euro	20,32
Pound	23,99

13.2.8.6 Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period **1 February 2025 to 31 July 2025** using the Reserve Bank published rates for the specific currency. Visit www.reservebank.co.za to obtain the relevant rates. Please refer to TCBD 14 (Procedure to download historical exchange rates from the Reserve Bank website) for instructions.

13.2.8.7 Contract price adjustments due to rate of exchange variations are based on average exchange rates as published by the Reserve Bank for the periods indicated hereunder:

Table 9: Rate of Exchange Average Periods

Adjustment	Average exchange rates for the period:
1st Adjustment	1 April 2026 to 30 September 2026

13.2.9 **Price Adjustments for Calibration and Spare Parts**

13.2.9.1 The calibration and spare parts will be adjusted annually using the average inflation rates as per the periods indicated for the rates of exchange above.

13.2.10 **General**

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

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

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13.2.10.3 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.

13.2.10.4 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.

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

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

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

14. DELIVERY AND QUANTITIES

14.1 **Delivery Basis**

14.1.1 Lead times for delivery of all Hearing aids and Equipment on transversal contract shall not exceed eight (8) weeks. Delivery period exceeding the prescribed maximum of eight (8) weeks may be cancelled without notice.

14.1.2 Lead times for delivery of all accessories and consumables of items on transversal contract shall not exceed two (2) week.

14.2 **Quantities**

14.2.1 No quantities are reflected in this bid as orders will be placed based on an 'as and when required" and no guarantee is given or implied as to the actual quantity/quantities that will be procured during the transversal contract period.

14.2.2 Orders will be placed by participating institutions and they will also be responsible for the payment to Suppliers for the products delivered and/or services rendered.

15. DELIVERY ADHERENCE, ORDERS AND PAYMENTS

15.1 **Orders**

15.1.1 Suppliers should note that each purchasing State institution is responsible for generating the order(s) as well as the payment(s) thereof.

15.1.2 Suppliers should note that the order(s) will be placed as and when required during the transversal contract period and delivery points will be specified by the relevant purchasing State institution(s).

15.1.3 The instructions appearing on the official order form regarding the supply, dispatch and submission of invoices must be strictly adhered to and under no circumstances should the Supplier deviate from the orders issued by the purchasing State institutions.

15.1.4 The State is under no obligation to accept any quantity(ies) which is more than the ordered quantity(ies).

15.2 **Delivery Adherence**

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15.2.1 Delivery of items must be made as per the instructions appearing on the official purchase order forms issued by purchasing State institutions.

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

15.2.3 In respect of items awarded, Suppliers must adhere strictly to the delivery lead times quoted in their bids.

15.2.4 Deliveries not complying with the purchase order forms will be returned to the Supplier(s) at the Supplier's expense.

15.2.5 Where applicable, all Hearing aids, cochlear implants, bone conduction hearing devices, Active middle ear implants and Equipment are to be supplied with operating manuals/information brochures in the English language.

16. ITEM DEMO

16.1 Where practical, Suppliers may be required to provide participating State institutions with items for demo/trial for a minimum of two (2) weeks where it's required and necessary before procurement can be finalized.

16.2 Where required by the purchasing institutions, Supplier(s) should provide item demonstration training support at no additional cost to all participating State institutions for the duration of the transversal contract period relating to the following:

16.2.1 The full clinical potential of Hearing aids, cochlear implants, bone conduction hearing devices, Active middle ear implants and Equipment,

16.2.2 Troubleshooting problems and potential solutions,

16.2.3 The standard basic setup of the Hearing aids, cochlear implants, bone conduction hearing devices, Active middle ear implants and Equipment as it should be upon delivery, what the Hearing aids cochlear implants, bone conduction hearing devices, active middle ear implants and Equipment comes with what needs to be ordered, and

16.2.4 The availability of accessories for Hearing aids, cochlear implants, bone conduction hearing devices, active middle ear implants and Equipment.

16.3 These demonstrations are not intended to replace the initial training and the ongoing training that is required but purely to highlight features and benefits of the Hearing aids, cochlear implants, bone conduction hearing devices, active middle ear implants and Equipment.

17. RISK (INSURANCE)

17.1 During the period of delivery until commissioning, the Supplier(s) shall be responsible for all risk of loss, theft or damage to the Hearing aids and Equipment.

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17.2 Any Hearing aids, cochlear implants, bone conduction hearing devices, active middle ear implants and Equipment taken out of participating State institution premises for any maintenance activity to the Supplier's premises, the Supplier shall be responsible for all risk of loss, theft or damage to the Hearing aids and Equipment and will be expected to replace the item in case it is lost/damage.

17.3 In the case that there is an adverse event resulting from malfunction of the Hearing aids, cochlear implants, bone conduction hearing devices, active middle ear implants and Equipment, where the Hearing aids, cochlear implants, bone conduction hearing devices, active middle ear implants and Equipment is maintained by OEM recommendation, the Supplier will be liable for the litigation arising from the incident.

18. WANRANTEE PERIOD

18.1 A minimum warranty/guarantee of 30 months is required on all hearing aids and electronic devices from the date of delivery.

18.2 A minimum warranty/guarantee of 24 Months is required on all audiology equipment from the date of delivery.

18.3 A minimum warranty/guarantee of 10 years for the cochlear implant electrode (implantable device) from the date of surgery, a minimum warranty of 36 months for the sound processor and a minimum warranty period of 12 months for the cables, coils and rechargeable batteries is required.

18.4 A minimum warranty/guarantee of 10 years for the IBCHD and AMEI (implanted device) from the date of surgery, a minimum warranty of 24 months for the sound processor and a minimum warranty period of 12 months for rechargeable batteries is required.

18.5 Sufficient spare parts for electronic equipment must be available for a minimum period of 7 years from when the equipment has been procured.

18.6 During the warranty period, the quotation and transport/courier cost to repair the hearing aid will be at the cost of the supplier.

19. ITEM REQUIREMENTS

19.1 All items offered must be of the latest approved model – Suppliers should state the date of initial manufacture of the model range offered in the pricing schedule.

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

19.3 The expected lifespan where applicable of all items offered must be stated in the pricing schedule. (*Minimum requirement is 3 – 7 years*). 10 years for implantable devices.

The Supplier should ensure that the spare parts of the items are guaranteed to be available for the specified lifespan of the items as indicated in **Annexure A**.

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20. ITEM ADHERENCE / SUBSTITUTION

20.1 If a Supplier(s) is awarded a specific brand and model, it is required of that Supplier(s) to continue to supply the awarded item throughout the transversal contract period. However, the Supplier(s) is still liable for the maintenance and after-sales support of the delivered item(s).

20.1.1 Should the Supplier(s) fail to fulfil the responsibility as per 20.1 above, the State reserves the right to seek necessary remedies (e.g. request refund of maintenance cost, alternative maintenance support etc.)

20.2 If the awarded **Model is discontinued**:

20.2.1 The Supplier(s) must notify the National Treasury of such an occurrence upon receipt of notification from the OEM detailing the maintenance and after-sales support of the delivered item(s),

20.2.2 Should the Supplier(s) fail to fulfil the responsibility, especially the notification as per 20.2.1 above, the State reserves the right to seek necessary remedies (e.g. request replacement cost of the new item etc.),

20.2.3 The Supplier(s) is required to submit supporting documents from the OEM substantiating the changes and guarantee spare parts for a minimum of three (3) years for review by the BEC,

20.2.4 The Supplier(s) will be expected to present an alternative model of the same brand to the location determined by National Treasury for BEC to evaluate,

20.2.4.1 Model replacement will only take place every six (6) months of the transversal contract period and all requests should be submitted before that BEC meeting. Should the model replacement request be submitted after the BEC evaluation meeting, it will be evaluated at the next proceeding meeting.

20.2.4.2 Furthermore, Supplier(s) must note that the terms and conditions, including the price of the new model offered, will be the same as the awarded model.

20.2.5 Supplier(s) must not deliver a new model other than the model awarded to them before approval of model change from the National Treasury. Failure to adhere to this condition may lead to immediate termination of the Supplier and/or item on transversal contract.

Table 10: Model Replacement Periods

Period	Submission by Supplier(s)	BEC Meeting[3] (for evaluation)
1 July 2026 to 30 Dec 2026	Up until 30 Nov 2026	Dec 2026
1 Jan 2027 to 30 July 2027	No submission during this period	No item evaluation will take place during this period as the transversal contract will expire in July 2027

[3] The exact date will be shared with the affected Supplier(s)

Initials_____

20.3 If **a Recall or Alert** has been issued on an awarded item by a Regulatory Body anywhere in the universe:

20.3.1 The Supplier(s) must notify the National Treasury and *National Department of Health* upon receipt of notification from the OEM of the occurrence and activate corrective measures immediately,

20.3.1.1 For **any Recalls**, the Supplier(s) is required to submit a mitigation plan and activate corrective measures to ensure uninterrupted service delivery and patient safety. In the event of *medical* litigation due to the Recall, the Supplier(s) will be held liable.

20.3.1.2 Should it be known that the notification to the parties was held back for a period of one (1) to six (6), the National Treasury will exercise its remedies available which may include non-continuation of supply of the item(s) concerned.

20.3.1.3 The Supplier(s) is obligated to distribute and display notification and remedial action of Recalls in the clinical areas of affected item(s) within thirty (30) days.

21. CONTINUITY OF SUPPLY

21.1 The supplier must maintain sufficient stock to meet demand throughout the contract and inform the National Treasury at first knowledge of any circumstances that may result in interrupted supply, including but not limited to:

21.1.1 Industrial action,

21.1.2 Manufacturing Pipeline

21.1.3 Any other supply challenges.

21.2 In terms of the General Conditions of Contract and Special Requirements and Conditions of Contract, the Department of Health reserves the right to purchase outside of the contract to meet its requirements if:

21.2.1 The contracted supplier fails to perform in terms of the contract.

21.2.2 The item(s) are urgently required and not immediately available;

21.2.3 In the case of an emergency.

22. PACKAGING AND LABELLING

22.1 **Packaging**

22.1.1 All deliveries made against this contract, in all modes of transport, are to be packed in suitable containers.

22.1.2 Packaging must be suitable for further dispatch, storage and stacking according to Good Wholesaling Practice and Good Distribution Practice.

22.1.3 Packaging must be suitable for transportation and should prevent exposure to conditions that could

adversely affect the stability and integrity of the product.

22.1.4 The packing must be uniform for the duration of the contract period. All products must be packed in acceptable containers, specifically developed for the product.

22.1.5 Where a particular stacking and storage configuration is recommended by the supplier, this should be clearly illustrated on the outer packaging.

22.1.6 Where the contents of the shipper pack represent a standard supply quantity of an item, the following must be adhered to:

22.1.6.1 Outer packaging flanges must be sealed with suitable tape that will display evidence of tampering

22.1.6.2 The contents must be packed in neat, uniform rows and columns that will facilitate easy counting when opened.

22.1.7 Where the contents of a shipper pack represent a non-standard supply quantity, the following must be adhered to:

22.1.7.1 Outer packaging flanges must be sealed with suitable tape that will display evidence of tampering.

22.1.7.2 The shipper pack must contain only one product, mixing of multiple items in a single shipper is not allowed.

22.1.7.3 The outer packaging must be marked as a "Part Box".

22.1.8 Suppliers must ensure that products delivered are received in good order at the point of delivery.

22.2 **Labelling**

22.2.1 All containers, packing and cartons must be clearly labelled. Bulk packs must be labelled in letters not less than font size 48.

22.2.2 The following information must be clearly and indelibly printed on all shelf and shipper packs, including any part boxes packaging in at least English language:

Table 11: Labelling details

#	Details
1.	Proprietary name (if applicable)
2.	Name of the product
3.	A Product code as relevant
4.	The trade name or trademark of the manufacturer
5.	Size of the product
6.	Quantity of the contents
7.	Name of manufacturer
8.	Date of manufacture

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#	Details
9.	Name and address of importer/distributor (if not manufacturer)
10.	Expiry date (Where applicable)
11.	Batch/lot number. Products must have the same batch/lot number on the outer box as on the inner box.

22.3 **Barcodes**

22.3.1 It is mandatory that all products supplied must include a barcode (number plus symbology). All shipper, shelf and unit packs must be marked with the appropriate number and symbology. The European Article Numbering Code 13 (EAN 13) has been accepted as standard.

22.3.2 Suppliers are encouraged to include a 2D barcode or similar on their packaging that will include the brand name, batch number and expiry date.

23. ASSIGNMENTS AND CESSIONS OF CONTRACTS AND CHANGES IN CONTACT DETAILS

23.1 Where a contracted supplier plans to merge with or is going to be acquired by another entity, the contracted supplier must inform the National Treasury in writing 90 days before such event of relevant details.

23.2 **Assignments of Contract**

23.2.1 Assignment of contract refers to the transfer of rights and obligations in a contract from an assigned to an assignee. The effect of this is that the service provider appointed through a competitive bidding process transfers the contract in its entirety that is, the obligation (the responsibility of rendering the services) and the right (of receiving payment for service rendered) to a third party that did not participate in the bidding process or a bidder that participated in the bidding process but was not successful.

23.2.2 Assignment of contracts is therefore not allowed as it will be contrary to principles of section 217 of the Constitution particularly, fairness, transparency, and competitiveness.

23.3 **Cession of Contracts**

23.3.1 Cession refers to the transfer of only the rights a service provider has in terms of a contract from it to a third party. cession will be limited only to those cession agreements in favour of registered Financial Services Providers (FSP) and state institutions established for the express purpose of providing funding to businesses and entities (State Institutions).

23.3.1.1 The written request for cession must be by the service provider and not a third party, and the written request by the service provider must be accompanied by the cession agreement.

23.4 **Changes in the Service Provider Contact Details**

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23.5 A contracted supplier must inform the National Treasury within 7 days of any changes of address, name, and or contact details.

24. POST-AWARD PRODUCT COMPLIANCE PROCEDURES

24.1 Suppliers must ensure that the product confirms the technical specification and its relevant quality standards throughout the contract period. Where the is a justified concern regarding the quality of the product, the State reserve the right to request the supplier (at its own cost) to submit a product for testing to confirm compliance with the relevant item technical specification and requirements at the SANAS accredited institution.

24.2 The State reserve the right to conduct any sample or site inspection directly or through a third party appointed by the state.

25. REGISTRATION ON DATABASES OF PARTICIPATING INSTITUTIONS

25.1 Suppliers must ensure continuous compliance with all statutory requirements which may affect their complying status on the Central Supplier Database managed by the National Treasury.

25.2 All suppliers must ensure registration on all participating institutions within 30 days of accepting the award.

25.3 Suppliers must ensure that they register with all the participating institutions the items that they have been awarded in the contract. Suppliers must take note that the participating institutions have different systems that they use internally to capture awarded contract information including that of awarded suppliers

25.4 Failure to meet this requirement will result in an inability to process orders and payments for goods.

26. MONITORING

26.1 Monitoring audits may be conducted periodically and randomly by the National Treasury and or by Provincial Health Departments, or by a service provider appointed by the State to determine continuous compliance with the product and terms of the contract. The Participating Institutions, will monitor the performance of contracted suppliers and maintain a report for compliance with the terms of this contract as follows:

26.1.1 Compliance with delivery lead times

26.1.2 Percentage of orders supplied in full first time

26.1.3 Compliance with reporting requirements according to reporting schedule.

26.1.4 Attendance of compulsory meeting: The National Treasury compulsory meetings with suppliers to review supplier performance. The schedules of the meetings will be sent to successful bidders.

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26.2 The state may conduct a random audit(s) with or without prior appointment arrangements with the appointed Supplier(s).

26.3 The National Treasury will conduct meetings with the Participating Institutions and Suppliers to discuss transversal contracting issues.

26.4 The National Treasury may request Participating Institutions to impose penalties, where deemed necessary, as per Sections 21 and 22 of the General Conditions of Contract.

26.5 Any change in the status of supply performance during the contract period must be reported within seven (7) days of receipt of such information to the National Treasury.

26.6 Reporting and Supplier(s) meetings will be on a six-monthly basis and will be scheduled post-award.

26.7 All successful Suppliers are required to submit historical value and volume reports via e-mail six months to: Demand.Acquision2@treasury.gov.za

26.8 Detailed reporting requirements from Suppliers will be provided to awarded Suppliers.

27. TERMINATION

27.1 The State shall be entitled to terminate this agreement if one or more of the following occur: –

27.1.1 The Supplier decides to transfer the contract or cede the contract

27.1.2 The supplier does not honor contractual obligations including the submission of information.

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

27.1.4 The supplier enters into settlement arrangements with their creditors

27.1.5 The supplier commits an act of insolvency

27.1.6 If the supplier is a member of an unincorporated joint venture or consortium and the membership of such joint venture or consortium changes.

27.1.7 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 prior written approval of the State.

27.1.8 Overall poor performance rating during the contract period

END

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