



SPECIAL CONDITIONS OF THE CONTRACT

RT59-1-2026

**SUPPLY AND DELIVERY OF FOOTWEAR AND LEATHER PRODUCTS TO
THE STATE FOR THE PERIOD ENDING 31 MARCH 2029**

**NON-COMPULSORY BRIEFING SESSION TO BE HELD VIRTUALLY ON 19
JUNE 2026 ON THE MICROSOFT TEAMS PLATFORM**

CLOSING DATE AND TIME OF BID

3 JULY 2026 AT 11H00AM

BID VALIDITY PERIOD: 180 DAYS

National Treasury

Transversal Contracting



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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,D,E - Designated items (Local content)
- vii. Annexure F - Guide to uploading bids on etenders

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LIST OF ABBREVIATIONS

Abb	Full Name
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
CPA	Contract Price Adjustment
CPI	Consumer Price Index
CIPC	Companies and Intellectual Property Commission
CSD	Central Supplier Database
GCC	General Conditions of Contract
HDI	Historically Disadvantaged Individuals
ISO	International Organization for Standardization
NT	National Treasury
OHS	Occupational Health and Safety
OCPO	Office of the Chief Procurement Officer
PPPFA	Preferential Procurement Policy Framework Act
PPR	Preferential Procurement Regulations
PFMA	Public Finance Management Act
QA	Quality Assurance
QC	Quality Control
RDP	Reconstruction and Development Programme
RoE	Rate of Exchange
SBD	Standard Bidding Document
SA	South Africa
SABS	South African Bureau of Standards
SANS	South African National Standards
SARB	South African Reserve Bank
SARS	South African Revenue Services
STATS SA	Statistics South Africa
SCC	Special Conditions of Contract
SCM	Supply Chain Management



Abb	Full Name
TC	Transversal Contract
TCD	Transversal Contract Document
TCO	Total Cost of Ownership
THE DTIC	The Department of Trade, Industry and Competition
VAT	Value-Added Tax



DEFINITIONS

Name	Definition
Annexures	Are supplementary documents or attachments added to the main document to provide additional information, evidence, or details referenced in the main text.
Customer	A participant on the transversal contract who procures goods and/or services from the appointed Supplier(s).
Central Supplier Database Report	An official document issued through South Africa's National Treasury CSD platform that contains key verified information about a business or individual registered to do business with the government.
Capability report	Is a brief document that outlines a company's skills, experience, resources, and capacity to deliver goods or services, typically used to demonstrate suitability for a contract or tender
Duly completed	Means that a form or document has been properly filled out in full, signed where required, and is ready for official submission or processing.
Delivery	The process of transporting goods from a bidder's source location to a predefined destination by the participants.
Due Diligence	The investigation or exercise of care that the State conducts before entering into an agreement with the bidders to validate the bid responses.
Historically Disadvantaged Individuals	South African citizen: <ul style="list-style-type: none"> i) Who, due to the apartheid policy that had been in place, had no franchise in national elections before the introduction of the constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (the interim Constitution) and/or ii) Who is female; and/or



Name	Definition
	<p>iii) Who has a disability.</p> <p>Provided that a person who obtained South African citizenship on or after the coming to effect of the interim Constitution, is deemed not to be an HDI.</p>
Local Production and Content	Refers to the requirement that a specified percentage of goods or components in designated sectors must be produced or assembled in South Africa, using locally sourced materials, labour, or services, as set by the Department of Trade, Industry and Competition (the dtic).
Letter of undertaking	Is a formal written commitment by a supplier or bidder to fulfill specific obligations, terms, or responsibilities required by the buyer or contracting authority under a contract or tender.
Authorisation Letter	Is a formal declaration from a manufacturer or OEM granting a specific company the right to resell, distribute, or represent its products in a tender or procurement process.
Capability report	Is a report/document that outlines the Manufacturer's Capability to produce the products as stipulated in the report.
Duly completed	Means that a form or document has been properly filled out in full, signed where required, and is ready for official submission or processing.
Third Party	Any person or company that is not the bidder or the buyer, but is involved in supplying goods or services for the tender. This includes distributors, subcontractors, or service providers.
Minor Deviations	A small variation from the tender requirements that does not materially affect the substance, scope, or competitiveness of the bid.



BID DOCUMENT CHECKLIST AND RETURNABLE

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.	Duly completed 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.	Written confirmation for disclosing tax status by SARS	No	Yes	
8.	Central Supplier Database Report	No	Yes	
9.	CIPC Company Registration Documents	No	Yes	
10.	Copy of Identity Documents of the Owners and Directors	No	Yes	
11.	TCD 13 Authorization Declaration	Yes	Yes	
12.	TCD 13.1 List of goods or services offered	Yes	Yes	
PHASE 3: TECHNICAL COMPLIANCE EVALUATION				
13.	Detailed Technical Specifications (Annexure A)	Yes	Yes	
14.	TCD 13.2 Authorization Letter of Undertaking	Yes	Yes	
15.	Test Reports / Proof of Sample Submission on relevant item(s) from an Accredited Institution (will apply to recommended bidders only)	No	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



#	Document Name ¹	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
16.	Valid Capability report (for all items)	No	Yes	
PHASE 4: PRICE & SPECIFIC GOALS EVALUATION				
17.	Pricing Schedule (Annexure B)	Yes	Yes	
18.	Proof of Business Shareholding/Ownership	No	Yes	
19.	SBD 6.2 Declaration certificate for Local Production and Content for designated sectors (together with the completed Annexure C, D, E)	Yes	Yes	
OTHER BID DOCUMENT REQUIREMENTS				
20.	Company Profile of the Bidder	No	Yes	
21.	Special Conditions of Contract-initialed on each page	Yes	Yes	
22.	General Condition of Contract-initialed on each page	Yes	Yes	
23.	TCD 14 – Historical Exchange Rate	No	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



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 footwear and leather products to the State for a period of thirty-six (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: Other 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 per 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 (PPFA) 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 Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) – including the Preferential Procurement Regulations, 2022.
 - 2.3.2 Public Finance Management Act, 1999 (Act No. 1 of 1999) – applicable to national and provincial procurement processes.
 - 2.3.3 Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) – where applicable.



- 2.3.4 National Treasury Instruction Notes and Circulars – particularly those relating to transversal term contracts and local content requirements.
- 2.3.5 Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) – ensuring safety and compliance in manufacturing and supply chains.
- 2.3.6 National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008) – for quality assurance and regulatory compliance of designated products.
- 2.3.7 Standards Act, 2008 (Act No. 8 of 2008) – including adherence to relevant SANS standards for footwear, textiles, and leather products.
- 2.3.8 Labour Relations Act, 1995 (Act No. 66 of 1995) and Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997) – ensuring fair labour practices in the production sectors.
- 2.3.9 Customs and Excise Act, 1964 (Act No. 91 of 1964) – applicable to imported components or raw materials, where allowed.
- 2.3.10 This bid is further subject to the provisions of the Local Content and Production Requirements as stipulated by the Department of Trade, Industry and Competition (DTIC). The following sectors are designated for local production and content and are applicable to this tender:
 - 2.3.10.1 Textiles, Clothing, Leather, and Footwear – as per the National Treasury Circular and Instruction Notes issued in terms of Regulation 8 of the Preferential Procurement Regulations.
 - 2.3.10.2 Bidders must fully comply with the minimum thresholds for local content and production as published and declared in the Standard Bidding Documents (SBD 6.2 and Annexures C, D, and E).



3. OBJECTIVE OF THE BID

- 3.1 To arrange the RT59-1-2026 supplementary transversal contract for the supply and delivery of footwear and leather products to the State for the period ending 31 March 2029.
- 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 For the promotion of historically disadvantaged individuals who are female and RDP goals which is Local Manufacturing (local production and content) as per the Preferential Procurement Regulations (PPR), 2022 and only to consider bids offering goods with local content and production
- 3.4 As per section 2(1) (f) of the PPPFA Act, give preference to bids that sub-contract a portion of the contract (service part) to a Small Medium Micro Enterprises (SMMEs) company which is at least 51% ownership from historically disadvantaged Individuals.
- 3.5 As per section 2(1) (f) of the PPPFA, it is the objective of the bid to award bids offering goods with local content and/or local value added according to the objective criteria set. Please refer to the Technical Specifications (**Annexure A**) for detailed information on the percentage (%) of Local Production and Content requirements to be achieved to meet this objective criterion.

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 included in the National Treasury website and e-tenders. Bidders can click on the link below to access the briefing session:

Teams Link:

<https://teams.microsoft.com/meet/370850428761744?p=ool4t3mLLjNrgS69cN>

Date: 19 June 2026

Time: 10h00 am – 11h30am

- 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. 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 INTRODUCTION

5.1.1 The RT59-1-2026 bid is for the supply and delivery of footwear and leather products to the State for the period ending 31 March 2029.

5.2 SCOPE OF WORK

5.2.1 TECHNICAL SPECIFICATIONS REQUIREMENTS

5.2.2 Bidders must supply and deliver the footwear and leather products to the state for the period ending 31 March 2029 as per the attached **Annexure A: Technical Specifications**. All items are supported by detailed specifications and/or South African National Standards.

5.2.3 The summary details is as follows:

Table 2: Summary of Technical Specifications Categories

#	CATEGORY	CATEGORY DESCRIPTION	# ITEMS IN THE CATEGORY
1.	A	FOOTWEAR	19
2.	B	LEATHER PRODUCTS	3
TOTAL NUMBER OF ITEMS IN THE BID			22



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	Phase 4
Mandatory and other bid requirements	Administration Requirements	Technical Compliance	Price and Specific Goals
Compliance with mandatory and other bid requirements	Compliance with the Administration documents requirements	Compliance with the technical specifications and requirements	Bids evaluated in terms of the 90/10 preference system

6.1.1 The State will 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. Bidders who fail to comply with all the mandatory criteria will be disqualified.

6.2.1.1 Pricing Structure and Schedule

6.2.1.2 The Pricing Schedule (**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.

6.2.1.3 Bidders are required to complete the mandatory Pricing Schedule (**Annexure B**) as a response to how much the items offered will be charged. The non-submission of the Pricing Schedule (**Annexure B**) will invalidate the bid response.

6.2.1.4 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 will invalidate the bid. Prices indicated as zero amounts will invalidate the line items in question.

6.2.1.5 Prices must be all-inclusive, this includes VAT (if registered for VAT), and any other related direct/indirect costs, etc that may influence the price. Prices must be quoted ready to use and no additional costs will be considered post-award.

6.2.1.6 The Pricing Schedule (**Annexure B**) must be submitted online in an XLSX Excel format.

6.2.1.7 Bidders who source from third parties or distributors/redistributors must negotiate with the third parties and align with the special conditions of the contract to avoid unregulated price increases.

6.3 **PHASE 2: ADMINISTRATION AND LEGISLATION REQUIREMENTS EVALUATION**

6.3.1 Bidders must submit the following documents below to comply with the policy to guide uniformity in procurement reform processes.

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

6.3.1.2 **Proof of Authority** –This is proof that the company representative has been given authority by the company to sign bid documents on their behalf as required on SBD 1.

6.3.1.3 **SBD 4** – Bidders Disclosure

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

6.3.1.5 **SBD 6.1** - Preference points claim form.

6.3.1.6 **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.

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

6.3.1.8 **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.

6.3.1.9 **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.

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

6.3.1.11 Failure to submit the documents indicated above even after the bidder has been notified and given a maximum of seven (7) calendar days to rectify may invalidate the bid.



6.4 **PHASE 3: TECHNICAL SPECIFICATION REQUIREMENTS**

- 6.4.1 During this phase bidders' responses will be evaluated based on technical requirements for each item offered on the pricing schedule.
- 6.4.2 Only bidders who have complied with Phase 2 will be evaluated in Phase 3. Bidder's responses will be evaluated based on the technical specifications. Non-compliance with the evaluation requirements below will result in the disqualification of the line items being evaluated.
- 6.4.3 The technical specification requirement evaluation is in two parts, Part A and Part B. Only items that comply with Part A of the evaluation requirements will be evaluated further in Part B of phase 3 evaluation.

PART A

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

- 6.4.4.1 Items must comply with technical specifications (**Annexure A**) and relevant standards as stated in the bid document of each item. The technical specification as per the pricing schedule is a summary description and the attached **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.
- 6.4.4.2 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.
- 6.4.4.3 The state reserves the right to consider products which has a reasonable deviation from the specification subject to the deviation not damaging the item/(s) of Participating State Institutions and pre-production sample/(s). This will therefore be decided upon based on the visual sample screening and expertise of the Bid Evaluation Committee.
- 6.4.4.4 Bidders are advised that minor deviations from the technical specifications will not warrant or result in any adjustment or increase to the submitted original bid price.
- 6.4.4.5 The State may consider products that have a reasonable deviation from the technical specification. This is subject to the deviation providing a better output and provided that the deviation not causing functional harm to the targeted users that the product is aimed at and



that the functional output of the item's technical specification is achieved. This will therefore be decided upon based on the expertise judgement provided for by the Bid Evaluation Committee.

6.4.4.6 South African National Standards and Private Specifications

6.4.4.7 Bidders must enquire at the SANAS-accredited institutions for the relevant standards. A list of accredited institutions is available on the SANAS website <http://www.sanas.co.za> or <http://www.sanas.co.za/contact.php>

6.4.5 Third Party Authorisation Letter of Undertaking

6.4.5.1 Any bidder who is sourcing goods or services from a third party (Manufacturer) must submit a valid Third-Party Undertaking (template provided as TCD 13.2) in full for all relevant goods or services. Bidder to include the Tender Number on the Authorisation Letter. The letter of undertaking must include but not be limited to the following:

- a. List of item(s) numbers as per the tender document, detailed item description.
- b. The letter of undertaking must be on the original manufacturer's and / third party's letterhead, dated and signed.
- c. Have contact person's name, physical and postal address, telephone, and email details.
- d. The letter must not be older than 30 days at the closing date and time of bid; and
- e. All information on the letter must be in English.

6.4.5.2 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 the bid documents.

6.4.5.3 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). No agreement between the bidder and the third party will be binding on the State.



6.4.5.4 Authorised distributors/redistributors (authorised by the relevant manufacturer) must provide valid proof of authorization to supply the goods. Any distributor or redistributor acting without proper authorization will not be recognised under this contract, and such arrangements will not be binding on the State.

6.4.5.5 Failure to submit a duly completed and signed Authorisation Declaration with the required annexure(s) in accordance with the above provisions will invalidate the relevant line item that was not submitted.

6.5 **Capability Report**

6.5.1 Bidders must submit a valid manufacturing capability report for all items with the bid documents at the closing date and time of the bid. The capability report must be in English.

6.5.2 Manufacturers must submit a valid manufacturing capability report directly with the bid documents by the closing date and time.

6.5.3 Authorised distributors or redistributors must submit a valid manufacturing capability report from the respective manufacturer along with their bid documents at the closing date and time.

6.5.4 Bidders must list all items that are from the subsidiaries on the capability report.

6.5.5 Bidders must ensure that all items offered appear on the capability report to prove that the items offered are produced and manufactured locally. If a bidder is offering an item from a third party, locally or internationally imported items, the capability report of the third party must list all the item/s offered. If items do not appear on the capability report (s), the item affected will be disqualified.

6.5.6 The capability report must specifically address and list all component items related to leather products, as these will form part of the evaluation criteria.

6.5.7 The full capability report must be issued by an organisation accredited or recognised by SANAS. The capability report must specifically indicate whether the



bidder/manufacturer has the capability and capacity to manufacture the product(s)/items.

6.5.8 The capability report must address but not limited to the following requirements:

- a. Production capacity and capability
- b. List of items/products produced in the company
- c. Company organisation
- d. Facilities
- e. Quality control systems
- f. Incoming inspections
- g. In-process quality control
- h. Final inspection
- i. Packaging
- j. Non-conforming product
- k. Communication/documentation control and work movement

6.5.9 In the event of the bidder sourcing the item (e.g. material/fabric) from another manufacturer/mill, a capability report from that manufacturer/mill must be obtained. The capability report must accompany the bid at the closing date and time of the bid.

6.5.10 The capability report must not be older than twelve (12) months at the closing date of the bid.

6.5.11 The cost for the capability evaluation and report will be for the account of the bidder.

6.5.12 Failure to comply with the above conditions will invalidate the relevant item which is not submitted.

6.6 **Submission of Test Reports**

6.6.1 All information on the test reports must be in English.



- 6.6.2 ONLY shortlisted bidders will be required to submit the valid test report where applicable to items offered. If bidder is procuring other items from third party(s), the test report of the third party(s) must be submitted. The office will notify the shortlisted bidders when to submit the test report(s).
- 6.6.3 Bidders must ensure that items that require a test report are supported by a valid test report. All items offered will be verified against this requirement. Bidders must submit valid test reports from SANAS-accredited institutions for all the items offered that require test reports. Bidders are required to pay attention to the Technical Specifications, herewith attached as **Annexure A** as not all items require a test report.
- 6.6.4 International test reports must be from an ISO 17025 accredited institution.
- 6.6.5 The Test reports must not be older than twelve (12) months at the closing date of the bid.
- 6.6.6 The test report must be submitted to the National Treasury (Demand.acquisition1@treasury.gov.za) within fourteen (14) calendar days from the date of communication to shortlisted bidders.
- 6.6.7 Failure to submit a test report or a sample submission letter issued by a SANAS-accredited testing institution/ an ISO 17025 accredited institution at the specified period will disqualify the relevant item.
- 6.6.8 The procedures for sampling and testing for product compliance may differ and should be obtained from the relevant testing institution. The cost of compliance testing will be for the account of the bidder.
- 6.6.9 Shortlisted bidders are required to submit samples from a SANAS-accredited testing institution / an ISO 17025 accredited institution.
- 6.6.10 If the shortlisted bidder(s) submits an offer for items that require testing and fails to submit the test report for the applicable item, it will result in the disqualification of the item offered.



6.6.11 Shortlisted bidders must mark their test report as per the tender item number and failure to do so will result on a line item to be disqualified.

6.7 **South African Bureau of Standards (SABS)**

6.7.1 **SANS, SABS, ISO and CKS** specifications are available from the **South African Bureau of Standards (SABS)** Office countrywide. Obtaining such standards will be the responsibility of and for the account of the bidder. To purchase standards, obtain quotes or enquire about the availability of e-Standards, please contact Standards Sales at:

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

6.8 **South African National Accreditation System (SANAS)**

6.8.1 The contact details of SANAS are as follows: Libertas Office Park, 305 corner Libertas and Highway Street, Equestria, Pretoria East, Tel: [012-740 8400](tel:012-7408400)

6.9 **PART B:**

6.9.1 NB! Only items that complied with Phase 3 Part A above will be evaluated in Phase 3 Part B of the technical specification requirements evaluation. The requirements for Part B are as follows:

6.10 **Sample submission for visual screening**

6.10.1 All items must comply with technical specifications as provided in this bid as stated in the technical specification detail of each item. Failure to comply will invalidate the items concerned.

6.10.2 Only items that comply with Phase 3 Part A will be required to submit samples for the items offered to verify compliance with technical specifications. The venue, date, and



time will be communicated by the National Treasury. Failure to submit samples on the due date and time communicated will invalidate the items for which the samples are not submitted.

6.10.3 Samples must be submitted for the purpose of visual screening for the products offered for compliance with specifications, which includes “touch and feel”.

6.10.4 Representative samples should be submitted where different sizes and colour of the same product are called for against different item numbers, only one sample must be submitted but recorded/labelled accordingly to indicate all the item numbers represented.

6.10.5 All shortlisted bidders are required to submit samples for visual screening.

6.10.6 All samples submitted for visual screening must be a true representation of the product that will be supplied. Samples of all items awarded against this bid will be retained for the duration of the contract period.

6.10.7 Samples will ONLY be accepted on the stipulated date and time which will be communicated by National Treasury. Samples submitted late will not be accepted. Failure to submit samples on the stipulated date will result in disqualification of the relevant line items.

6.10.8 The National Treasury will send a schedule indicating the date, time, place, and venue to short-listed bidders to submit samples for evaluation. Bidders’ attention is drawn to the fact that a schedule for sample submission may be forwarded to bidders at short notice of at least three (3) weeks before the date of sample submission. The request to submit samples may be immediately after the closing date and therefore bidders are required to be ready to submit the samples from the closing date of the bid.

6.10.9 It is the responsibility of the bidder to ensure that correct contact details are provided in the bid document and to ensure that samples are submitted on time, at the correct venue.

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



- 6.11.1 The following requirements for the marking and submission of samples apply to samples that are submitted for visual screening as well as for samples submitted to testing institutions.
- 6.11.2 Samples must be placed in suitable containers and be clearly marked with a **HANG TAG(S)** on the outside with the bid number, item number(s), and the bidder's name. This detail must appear on a label attached to each individual item package. For ease of handling during the evaluation process, laminating stickers or loose papers should not be submitted with the sample as the identity of the sample can be misplaced.
- 6.11.3 All samples, including the labelling requirements, must be a true representation of the product that will be supplied during the contract period.
- 6.11.4 Failure to comply with this condition will invalidate the bid against the relevant item.
- 6.12 **Evaluation of Test Reports from a SANAS Accredited Institution**
- 6.12.1 The purpose of the test report is to prove compliance with the relevant standard indicated in the item's technical specification.
- 6.12.2 A test report submitted that indicates non-compliance to the standard or which is invalid will result in disqualification for the relevant item. A test report which is older than twelve (12) months at the closing date of the bid will be regarded as invalid and will not be accepted for consideration.
- 6.12.3 Where a bidder has submitted a letter from a SANAS-accredited institution, bidders are required to submit the test report as soon as it is issued by the relevant institution. It is the responsibility of the bidder to ensure that the test reports are submitted to the National Treasury as soon as the test report is issued.
- 6.13 **Collection of all samples after finalisation of the tender**
- 6.13.1 All awarded samples will be kept for the duration of the transversal contract for reference.



6.13.2 Samples of unsuccessful bidder(s) will be returned to the bidders within 3 months of award. Bidders will be informed of the date, time, and place where samples may be collected. If samples have not been collected by the bidder within 3 months after the award, the samples will be disposed of at the discretion of the National Treasury.

6.14 **PHASE 4: PRICE AND SPECIFIC GOALS**

6.14.1 **Pricing Schedule and structure requirements:**

6.14.1.1 Prices quoted must be based on a National Level (Country-wide).

6.14.1.2 Prices must be **all-inclusive** for the supply and delivery of footwear and leather products to the state which includes VAT (if registered for VAT) and any other related direct/indirect costs etc that may influence the price. Prices must be quoted ready to use and no additional costs will be considered post-award.

6.14.1.3 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.

6.14.1.4 Due diligence on market-related pricing may be conducted. The State reserves the right to disqualify bid offers that 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.

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

6.14.1.6 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 will invalidate the bid.

6.14.1.7 The Pricing Schedule (**see Annexure B attached**) must be submitted online in an XLSX Excel format.

6.14.2 **Preference Points System**

6.14.2.1 The 90/10 preference points system will apply in terms of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), and responsive bids will be adjudicated as follows:



- a) Price (Maximum of 90 points)
- b) Specific Goals (Maximum 10 points)

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

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

Where,

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{\min} = Price of lowest acceptable tender

6.14.2.3 A maximum of 10 points may be awarded to a bidder for being a historically disadvantaged individual and/or achieving any of the specified goals. The State reserves the right to arrange contracts with more than one contractor.

6.14.2.4 The points out of 10 will be allocated as follows:

Table 4: Specific Goals

SPECIFIC GOALS	POINTS ALLOCATED OUT OF 10	FORMULA TO CALCULATE THE POINTS OUT OF 10
Historically Disadvantaged Individuals (HDI) who are female	2	$PSSG = MPA \times \frac{PEO}{100}$ <p>Where:</p> <p>PSSG = Points scored for a specific goal</p> <p>MPA = Maximum points allocated for a specific goal</p> <p>PEO = Percentage of equity by an HDI</p>
Youth	2	$PSSG = MPA \times \frac{PEO}{100}$ <p>Where:</p> <p>PSSG = Points scored for a specific goal</p> <p>MPA = Maximum points allocated for a specific goal</p>



SPECIFIC GOALS	POINTS ALLOCATED OUT OF 10	FORMULA TO CALCULATE THE POINTS OUT OF 10
		PEO = Percentage of equity by an HDI
Reconstruction Development Programme (RDP) Goals: - Local Manufacturing (Local Production and content)	6	$PSLC = MLC \times \frac{PLC}{100}$ PSLC = Points scored for local content MLC = Maximum points allocated for Local Content PLC = Percentage of Local Content for product offered
TOTAL POINTS	10	

- a) The points scored by a bidder in respect of the goals indicated above will be added to the points scored for price.
- b) Bidders are required to complete the SBD 6.1 form to claim preference points for HDI.
- c) Only a bidder who has completed and signed the declaration part of the SBD 6.1 preference points claim form will be considered for preference points.
- d) The tenderer must submit proof of its ownership. CSD report (submit full CSD report) together with the bidder's CIPC registration documents or Share Certificates must be submitted to confirm proof of ownership.
- e) Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points will be interpreted to mean that preference points are not claimed.
- f) The Transversal Contracting officials may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.
- g) Points scored will be rounded off to the nearest 2 decimals.
- h) 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 specific goals. Should two or more bids be equal in all respects, the award shall be decided by the drawing



of lots.

- i) Preference points may not be claimed with respect to 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.
- j) A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.
- k) As per section 2(1) (f) of the PPPFA a contract may, on reasonable and justifiable grounds be awarded to a bid that did not score the highest number of points to achieve the objective criteria of the State and to only consider bids offering goods with local content and/or local value added. Please refer to the Technical Specification (Annexure A) for percentage (%) Local Production and Content requirements.

6.15 **Specific Goals in relation to locally produced products**

6.15.1 Objective Criteria:

- a) As per Section 2(1) (f) of the PPPFA, it is the objective criterion of this bid to award bids that offer goods with local content and/or local value added. Please refer to the Technical Specification (Annexure A) for the percentage (%) of Local Production and Content requirements to be achieved to meet this objective criteria.

6.15.2 Bidders must submit SBD 6.2 to claim points for local content. Preference points may only be claimed for products, which will be manufactured (fabricated, processed or assembled), in the Republic of South Africa (Refer to **Annexure A** – Technical Specifications)

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

6.15.4 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.

- 6.15.5 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.
- 6.15.6 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, will be conducted in this regard.
- 6.15.7 The following aspects regarding the manufacturing process must be complied with:
- a) Bidders must indicate on the pricing schedule if the product is 100% locally manufactured.
 - b) Bid offers for items which have been declared as locally manufactured must meet the minimum threshold for local production and content as per the attached **Technical Specifications – Annexure A**.
- 6.15.8 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content.
- 6.15.9 The technical specification and the Guidance on the calculation of local content together with the Local Content Declaration Templates namely [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)] are accessible to all bidders on the dtic website <https://www.thedtic.gov.za/sectors-and-services-2/industrial-development/industrial-procurement/> at no cost.
- 6.15.10 Bidders must ensure compliance with the local production and content declarations



and submit all the supporting documents (Annex C, D, E) and the SBD 6.2 form together with the bid.

- 6.15.11 Bidders are required to declare the local production and content using Annex C for all the items offered and submit the documents together with the bid.
- 6.15.12 The DTIC has a right, as and when necessary, to request auditors' certificates confirming the authenticity of the declarations made in respect of local content.
- 6.15.13 A copy of the exemption letter or confirmation that the exemption was requested must be submitted together with the bid document at the closing date and time of the bid. For further information, bidders may also submit confirmation that the email is received. Bidders may contact the Textiles, Clothing, Leather and Footwear Unit within the DTIC.
- 6.15.14 In order to be allocated points for local content, items that have been declared are produced locally but do not meet the minimum threshold of the local content will not be allocated points for local content. Bidder(s) need to submit an exemption letter from the DTIC in order to be allocated points for the items that has been declared as locally produced.
- 6.15.15 Suppliers must not sub-contract in such a manner that the local production and content of the overall value of the items concerned is reduced to below the stipulated minimum threshold.
- 6.15.16 Where, after the award of this bid, suppliers experience challenges in meeting the stipulated minimum threshold for local content, the DTIC must be informed accordingly to verify and in consultation with the National Treasury, provide directives in this regard.
- 6.15.17 Exempt Imported Content: If the raw material or input to be used for a specific item is not available locally, the bidder must obtain an exemption from the DTIC. A copy of the exemption letter issued by the DTIC to the bidder must be submitted together with the bid. Failure on the part of the bidder to submit the exemption from the DTIC will disqualify the product where applicable as per the technical Specification – Annexure A.



6.15.18 For any Local Content and Production enquiries and exemptions, please contact:

Ms Dimakatso Moji

Department of Trade, Industry and Competition (The DTIC)

Tel: (012) 394 5716

Cell: 082 362 8163

Email: DMoji@thedtic.gov.za

Patricia Khumalo

Department of Trade, Industry and Competition (The DTIC)

Tel: (012) 394 1390

Cell: 064 880 7273

Email: Khumalop@thedtic.gov.za

6.16 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.

6.17 Cost Breakdown

6.17.1 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.

6.17.2 Bidders should itemize 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.

6.17.3 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 which are inclined to change. The proportions are the contribution to the contract price of each of these cost components.

6.17.4 Bidders are requested to submit the cost breakdown of their 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 by submitting the cost components with the



pricing schedule. Bidders will not be allowed to change the cost breakdown of bid prices during the tenure of the contract.

6.17.4.1 Example:

Table 5: 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%

6.17.5 **TCD 14 Historical Exchange Rates**

6.17.5.1 In terms of cost price adjustment, bidders should make use of any relevant currency for the items offered by calculating the average for 1 March 2024 to 28 February 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.

6.17.6 **Responsive Bids**

6.17.6.1 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 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 inquiries/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 inquiry/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 Bidders must adhere to all the rules for the online bid submission.

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

7.2.1.5 The Technical Specifications and Pricing Schedule (**Annexure B**) should be in an XLSX excel sheet format and not any other format. It is the responsibility of the bidder to ensure that the Excel version of the pricing schedule (**Annexure B**) is completed and submitted online.

7.2.1.6 The online eTender publication portal can be accessed on the following link:

<https://www.etenders.gov.za>

7.2.1.7 The link to guide for online bid submission can be accessed on the YouTube link below:

<https://www.youtube.com/watch?v=bqRyX0JsrJE>

7.2.1.8 Bidders must submit all technical issues with online bid submission to etenders@treasury.gov.za / or call 012 406 9222. Bidders must ensure that they email their technical issues on time to avoid last minute enquiries.

7.2.1.9 The guide for online bid submission is attached as **Annexure F**

7.2.1.10 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: 240 Madiba Street, corner Thabo Sehume and Madiba Streets, Pretoria

7.5.2 **Bid Enquiries:** - All inquiries should be in writing to



Demand.Acquisition1@treasury.gov.za. Copy: Sithembiso.Mahlalela@treasury.gov.za
and Ntombi.Sidinile@treasury.gov.za. The closing date for receipt of all inquiries is **26
June 2026**. 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 Bid Evaluation Committee (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 for the supply and delivery of footwear and leather products of this bid, and the unsuccessful bidder(s) will be informed accordingly.

8.3 The following paragraphs will be applicable when the BEC makes the recommendation to the BAC.

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 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 will 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 is 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.

8.8 **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.

8.9 **Third-party agreements and subcontractor agreements**

8.9.1 No Agreement between the bidder and any third party will be binding to the State.

8.9.2 The bidder must declare as required in terms of SBD 6.1 its intention to subcontract voluntarily and the percentage of subcontracting thereof and must provide a full description of the subcontractor.

9. **DELIVERY BASIS**

9.1 Firm lead times for delivery must be quoted for the duration of the contract period. Lead times for delivery of all products on transversal contract shall not exceed eight (8) weeks. Delivery period exceeding the prescribed maximum of eight (8) weeks may be



cancelled without notice.

- 9.2 Lead times for delivery of all products on transversal contract shall be in accordance with quoted delivery periods and accepted by the state. Delivery of products or items exceeding the accepted delivery period may be cancelled without notice.

10. QUANTITIES.

- 10.1 The quantities reflected in the bid forms are estimated quantities and no guarantee is given or implied as to the actual quantity which will be procured during the contract period.
- 10.2 The quantity indicated against each item represents the total estimated off-take of all participating departments and however not guaranteed. The numbers may increase or decrease in a particular year.
- 10.3 If quantities substantially increase during the year due to new participation requests from user departments, the state reserves the right to renegotiate the prices.

11. MINIMUM ORDER QUANTITY

- 11.1 Bidders are required to indicate the minimum order quantity that is allowable per order. If the end-user department requires less than the stipulated minimum order quantity, an acceptable resolution should be found between all parties including National Treasury.



SECTION C: CONDITIONS OF CONTRACT

12. CONCLUSION OF CONTRACT

- 12.1 The Contract between National Treasury and the preferred bidder/s (Suppliers) 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.
- 12.2 The Supplier (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 RT59-1-2026 is concerned:
- 12.2.1 Bid Documents
- 12.2.2 Letter of Appointment
- 12.2.3 Award Documents
- 12.3 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 RT59-2026 transversal contract.

13. PARTICIPATING STATE INSTITUTIONS

- 13.1.1 This transversal contract RT59-1-2026 is intended to be utilised by various organs of the State as listed below:

Table 6: Participating Government Institutions

No	Participating Departments and Institutions
1.	Department of Correctional Services
2.	Department of Transport KwaZulu Natal
3.	Gauteng Health: Forensic Medical Services
4.	Limpopo Transport & Community Safety
5.	Road Traffic Management Corporation
6.	South African Army
7.	South African Air Force
8.	South African Military Health Services
9.	South African Navy

14. POST-AWARD PARTICIPATION

- 14.1 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.

- 14.2 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.
- 14.3 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.
- 14.4 The participating letter will be customised to allow participation on completion and signing thereof as the transversal contract is arranged by means of a competitive bidding process by NT. This is subject to acceptance by the Contract Manager or a delegate from Transversal Contracting.
- 14.5 The service provider(s) will be notified of new participants and the list of participants will be published on the website together with any changes, price adjustments and any other transversal contract information for the benefit of bidder(s) and participants.
- 14.6 The transversal contracts allow for minor adjustments in line with the original approved items in order to cater for new participants/ State Institutions' requirements, e.g. logo, embroidery etc.

15. QUALITY

- 15.1 Where specific specifications and/ or standards apply to materials and supplies, the quality of products shall not be less than the requirements of the latest edition of such specifications and/or standards.

16. CONTINUITY OF SUPPLY

- 16.1 The contractor must maintain sufficient stock to meet demand throughout the duration of the contract and inform the National Treasury at first knowledge of any circumstances that may result in interrupted supply, including but not limited to:
- 16.2 Industrial action,
- 16.3 Manufacturing pipeline
- 16.4 Any other supply challenges.



16.5 In terms of the General Conditions of Contract and Special Requirements and Conditions of Contract, the National Treasury reserves the right to purchase outside of the contract to meet its requirements if:

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

16.5.2 The item(s) are urgently required and not immediately available; in the case of an emergency.

17. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

17.1 Contract Administration

17.1.1 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

17.1.2 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.

17.2 Supplier Performance Management

17.2.1 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.

17.2.2 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.

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

17.2.4 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.

18. PRODUCT ADHERANCE / BRAND CHANGE

18.1 If a bidder offers a specific brand against an item and the item is subsequently awarded to the bidder, it is required of the successful bidder to continue to supply the brand awarded throughout the contract period.

18.2 If the brand is discontinued and or replaced with a new model, National Treasury, Transversal Contracting must be notified by both the appointed supplier and participating state institution of such an occurrence and upon approval, an official amendment will be issued. The contractor is required to submit supporting documents from the manufacturer substantiating the changes.

18.3 It must be noted that the new brand will be required to undergo the evaluation process before receiving approval for the brand change issued by National Treasury. The new brand must adhere to the technical specifications for the item. The quality of the product must not be lower than the initial awarded product.

18.4 Furthermore, contractors are to take note that the price of the new brand should not be higher than the current contract price of the original product.

18.5 Contractors are not allowed to deliver a new brand/fabric specification other than the brand/fabric specification awarded to them before the approval of brand change from National Treasury.

18.6 National Treasury reserves the right not to approve any change of specification/brand.

19. PRE-PRODUCTION SAMPLES FOR VISUAL SCREENING (ORDER STAGE)

19.1 Upon receiving an order from the purchasing institution, successful bidders are required to submit a pre-production sample where applicable on order to confirm with the purchasing institution that the sample is according to the specification. The sample should be an exact replica of the sample that was submitted, evaluated and awarded during the tendering process.



19.2 The purchasing institution is expected to approve the sample in question before mass production can take place.

19.3 Both the successful bidders and participating institutions are responsible for ensuring that the process is adhered to avoid disputes.

20. PRE-PRODUCTION SAMPLES AS A REQUIREMENT OF PARTICIPATING INSTITUTION

The following post-award product compliance procedures will apply:

20.1 Where pre-production testing is required, it will be expected from the successful bidder (contractor) to submit three (3) Pre-production samples to the relevant SANAS-approved testing institution. The contractor will be required to submit pre-production sample(s) to the testing institution at the written request of the purchasing institution concerned.

20.2 Where pre-production testing is required, it will be expected from the successful bidder (contractor) to submit three (3) Pre-production samples to the relevant SANAS-approved testing institution. The contractor will be required to submit pre-production sample(s) to the testing institution at the written request of the purchasing institution concerned.

20.3 Where pre-production testing is required, it will be expected from the successful bidder (contractor) to submit three (3) Pre-production samples to the relevant SANAS-approved testing institution. The contractor will be required to submit pre-production sample(s) to the testing institution at the written request of the purchasing institution concerned.

Table 7: Pre-production sample table

Test attempt	Results	Party responsible for the cost of testing
First Attempt	Pass	Purchasing institution
	Fail	Contractor



Second Attempt	Pass	Contractor
	Fail	Contractor
Third Attempt	Pass	Contractor
	Fail	Contractor

20.4 If the first pre-production test fails, a second test and sample(s) of pre-production testing incorporating corrections/improvements are required. The corrected samples must reach the relevant SANAS-approved testing institution within 14 working days after the relevant institution has notified the contractor of its findings

20.5 If the first pre-production test fails, a second test and sample(s) of pre-production testing incorporating corrections/improvements are required. The corrected samples must reach the relevant SANAS-approved testing institution within 14 working days after the relevant institution has notified the contractor of its findings

21. CONSIGNMENT / BATCH TESTING

21.1 Where required, Consignments (products) are inspected on a batch-to-batch or lot-for-lot basis to ensure that the product complies with predetermined standards (these standards could be SABS/SANS or private standards).

21.2 The contract and official orders to the successful bidder will reflect that the relevant testing institution is required to carry out consignment/batch inspections. The purchasing institution will send a copy of the official order to the South African Bureau of Standards and notify the testing institution in writing (preferably by means of an official order) that consignment /batch tests must be carried out.

21.3 The contract and official orders to the successful bidder will reflect that the relevant testing institution is required to carry out consignment/batch inspections. The purchasing institution will send a copy of the official order to the South African Bureau of Standards and notify the testing institution in writing (preferably by means of an



official order) that consignment /batch tests must be carried out.

- 21.4 If the inspections do not comply with the standards, the cost for these inspections will be payable directly by the contractor.

22. QUALITY ADHERENCE

- 22.1 Bidder's attention is drawn to paragraph 8 of the General Conditions of Contract regarding inspection, tests and analysis.

- 22.2 If the delivered supplies are not in accordance with the contract requirements, the cost of inspections, tests and analysis done by an independent testing facility shall be paid by the contractor and replaced at the original purchase price.

23. BREACH OF CONTRACT

- 23.1 Bidder's attention is drawn to paragraph 8 of the General Conditions of Contract regarding inspection, tests and analysis.

- 23.2 If the delivered supplies are not in accordance with the contract requirements, the cost of inspections, tests and analysis done by an independent testing facility shall be paid by the contractor and replaced at the original purchase price.

24. PACKAGING

- 24.1 Products must be packed in suitable packaging before distribution to end users as per their requirements.

25. CONTRACT PRICE ADJUSTMENT

25.1 Formula

- 25.1.1 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.

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



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

Table 8 Contract Price Adjustment Formula

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

25.2 Formula component definitions

25.2.1 Adjustable amount

25.2.1.1 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.

25.2.2 Fixed portion

25.2.2.1 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.

25.2.3 Cost components and proportions

25.2.3.1 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.

- 25.2.3.2 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.
- 25.2.3.3 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 9: Contract Price Adjustment Cost Components

Cost Component	% Contribution
D1 – Imported Raw Material / Finished product	
D2 - Local Raw Material / Finished product (if	
D3 – Labour	
D4 – Transport	
D5 – Overheads	
D6 – Other	
TOTAL (Cost components must add up to 100%)	100

25.2.4 **Applicable indices/references**

- 25.2.4.1 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 10: Applicable Indices/References

Cost component	Index Publication	Index Reference
D1 – Imported Finished product (if applicable);	Reserve bank ROE publication/ Supplier / Manufacturer invoice(s)	Documentary evidence to accompany the claim and ROE



Cost component	Index Publication	Index Reference
	and remittance advice. ²	
D2 - Local Finished product (if applicable):	Stats SA P0142.1 (PPI) Table 1: OR Specify Relevant index	Table 1 PPI – Final Manufactured Goods / Textiles, Clothing, and Footwear OR Specify Relevant Table
D3 – Labour	STATS SA P0141 (CPI), Table E; OR Industry-Specific Labour Agreement	Table E - All Items (CPI Headline) OR Industry-specific Labour agreement / Regulated Pricing Adjustment (e.g. Bargaining council rates)
D4 – Transport	Stats SA P0141 (CPI) Table E	Transport – Other Goods and Services
D5 – Overheads (if applicable)	Stats SA P0142.1 (PPI) Table 3 OR Stats SA P0141 (CPI) Table E	Electricity and water (PPI Table 3) or Actual rentals for housing (CPI Table E)
D6 – Other (if applicable)	Specify (STATS SA Index CPI or PPI)	Must be clearly defined by the supplier, e.g. Stats SA Table

25.2.5 Base index date

25.2.5.1 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 **JUNE 2026**.

25.2.6 End index date.

25.2.6.1 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).

25.2.7 Price adjustment periods

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

Table 11: Price Adjustment Period

² In cases where invoices are supplied as documentary evidence, it is advised that invoices closest to the Base Index date and the End Index date be submitted. It should ideally reflect the 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	28 February 2027	31 January 2027	1st April 2027
2nd Adjustment	29 February 2028	31 January 2028	1st April 2028

25.2.8 Rates of exchange (RoE) – Base and average rates

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

25.2.8.2 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.

25.2.8.3 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.

25.2.8.4 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.

25.2.8.5 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 12: CPA Rate of Exchange

Currency Name	Rates of exchange: 1 August 2025 to 31 July 2026
US Dollar	R16,87
Euro	R19,69
Pound	R22,63

25.2.8.6 Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period **1 August 2025 to 31 July 2026** 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.

- 25.2.8.7 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 13: Rate of Exchange Average Periods

Adjustment	Average exchange rates for the period:
1st Adjustment	1 August 2026 to 31 July 2027
2nd Adjustment	1 August 2027 to 31 July 2028

25.2.9 **General**

- 25.2.9.1 Unless prior approval has been obtained from the National Treasury, Transversal Contracting, no adjustment in contract prices will be made.
- 25.2.9.2 Application for price adjustment must be accompanied by documentary evidence in support of any adjustment.
- 25.2.9.3 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.
- 25.2.9.4 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.
- 25.2.9.5 Bidders are referred to in the paragraph regarding counter conditions.
- 25.2.9.6 An electronic price adjustment calculator will be available on request from Transversal Contracting.
- 25.2.9.7 The State reserves the right to negotiate a price adjustment or not to grant any price adjustment.



26. DELIVERY ADHERENCE, ORDERS AND PAYMENTS

26.1 Orders

- 26.1.1 Suppliers should note that each purchasing State institution is responsible for generating the order(s) as well as the payment(s) thereof.
- 26.1.2 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).
- 26.1.3 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.
- 26.1.4 The State is under no obligation to accept any quantities which are more than the ordered quantities.

26.2 Delivery Adherence

- 26.2.1 Delivery of items must be made as per the instructions appearing on the official purchase order forms issued by purchasing State institutions.
- 26.2.2 All deliveries or dispatches must be accompanied by a delivery note stating the official order number against which the delivery has been affected.
- 26.2.3 In respect of items awarded, Suppliers must adhere strictly to the delivery lead times quoted in their bids.
- 26.2.4 Deliveries not complying with the purchase order forms will be returned to the Supplier(s) at the Supplier's expense.

27. RISK MANAGEMENT

- 27.1 The contractor's systems and procedures shall incorporate both preventative and detective safeguards capable of preventing and detecting fraudulent transactions.
- 27.2 The contractor shall report in writing to the state any suspected irregularities involving an official, or any other person immediately upon the suspicion arising.
- 27.3 In terms of the operations of this contract, the contractor shall:
- 27.3.1 Take adequate steps (including rotation of staff where practical) to minimize the risk of collusion among its staff and/ or government officials.



- 27.3.2 Assist the state in investigating such irregularities by providing any information and/ or evidence that it may have. The information provided shall be sufficient to enable the state to institute investigations and / or take corrective action or institute disciplinary action against employees in the employment of the state.
- 27.3.3 Avail any of its staff at no additional cost to the state to assist in any investigations, disciplinary or criminal actions.
- 27.3.4 The contractor shall be liable for all costs or damages incurred by the state where:
- 27.3.5 Costs or damages are a result of irregularities involving the staff of the contractor.
- 27.3.6 Where preventative and detective safeguards failed.
- 27.3.7 The supplier will be responsible for all consequential damage where the supply of substandard product is the cause of such damage.
- 27.3.8 Repair costs due to the recipient/end user's negligence or misuse or accidental damage of equipment are at the recipient / end user's expense and not covered by the Supplier's insurance. The cost involved will only be known at the time of the incident, upon assessment of the incident.

28. ITEM REQUIREMENTS

- 28.1 All items awarded and supplied must be of the latest approved standard(s) as would have been awarded.
- 28.2 The Supplier should ensure that the products of the awarded items are guaranteed to be available for the life cycle of the awarded item(s).

29. CONTINUITY OF SUPPLY

- 29.1 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:
- 29.1.1 Industrial action,
- 29.1.2 Manufacturing Pipeline
- 29.1.3 Any other supply challenges.
- 29.2 In terms of the General Conditions of Contract and Special Requirements and Conditions of Contract, the participating authorities reserves the right to purchase



outside of the contract to meet its requirements if:

- 29.2.1 The contracted supplier fails to perform in terms of the contract.
- 29.2.2 The item(s) are urgently required and not immediately available; ²
- 29.2.3 In the case of an emergency.

30. PACKAGING AND LABELLING

30.1 Packaging

- 30.1.1 All deliveries made against this contract, in all modes of transport, are to be packed in suitable containers.
- 30.1.2 Packaging must be suitable for further dispatch, storage, and stacking according to Good Wholesaling Practice and Good Distribution Practices.
- 30.1.3 Packaging must be suitable for transportation and should prevent exposure to conditions that could adversely affect the stability and integrity of the product.
- 30.1.4 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.
- 30.1.5 Where a particular stacking and storage configuration is recommended by the supplier, this should be clearly illustrated on the outer packaging.
- 30.1.6 Where the contents of the shipper pack represent a standard supply quantity of an item, the following must be adhered to:
 - 30.1.6.1 Outer packaging flanges must be sealed with suitable tape that will display evidence of tampering.
 - 30.1.6.2 The contents must be packed in neat, uniform rows and columns that will facilitate easy counting when opened.
- 30.1.7 Where the contents of a shipper pack represent a non-standard supply quantity, the following must be adhered to:
 - 30.1.7.1 Outer packaging flanges must be sealed with suitable tape that will display evidence of tampering.
 - 30.1.7.2 The shipper pack must contain only one product, mixing of multiple items in a single shipper is not allowed.
 - 30.1.7.3 The outer packaging must be marked as a "Part Box".
- 30.1.8 Suppliers must ensure that products delivered are received in good order at the point of



delivery.

30.2 Labelling

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

30.2.2 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 14: 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
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.

30.3 Barcodes

30.3.1 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 item control number has been accepted as standard.

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

31.1 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.

31.2 Assignments of Contract



31.2.1 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.

31.2.2 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.

31.3 **Cession of Contracts**

31.3.1 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).

31.3.1.1 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.

31.4 **Changes in the Supplier Contact Details**

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

32. POST-AWARD PRODUCT COMPLIANCE PROCEDURES

32.1 Suppliers must ensure that the product confirms the technical specification and its relevant quality standards throughout the contract period. Where there 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.

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



33. REGISTRATION ON DATABASES OF PARTICIPATING INSTITUTIONS

- 33.1 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.
- 33.2 All suppliers must ensure registration on all participating institutions within 30 days of accepting the award.
- 33.3 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
- 33.4 Failure to meet this requirement will result in an inability to process orders and payments for goods.

34. SOCIO-ECONOMIC OBJECTIVES

- 34.1 As part of the socio-economic objectives, awarded suppliers are kindly required to the donate, but not limited to, school shoes, gum boots and or belts to the underprivileged in schools or communities identified by the respective supplier/(s).
- 34.2 Awarded suppliers will be contractually required to provide quarterly progress reports demonstrating adherence to their socio-economic commitments. The contact email is TCcontracts2@treasury.gov.za

35. MONITORING

- 35.1 Monitoring audits may be conducted periodically and randomly by the National Treasury, Participating Institutions, and 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:
- 35.1.1 Compliance with delivery lead times
- 35.1.2 Percentage of orders supplied in full first time.
- 35.1.3 Compliance with reporting requirements according to reporting schedule.
- 35.1.4 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.
- 35.2 The state may conduct a random audit(s) with or without prior appointment arrangements with the appointed Supplier(s).
- 35.3 The National Treasury will conduct meetings with the Participating Institutions and Suppliers to discuss transversal contracting issues.
- 35.4 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.
- 35.5 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.
- 35.6 Reporting and Supplier(s) meetings and schedules will be communicated to successful bidders.
- 35.7 All successful Suppliers are required to submit historical value and volume reports via e-mail every quarter to: TCcontracts2@treasury.gov.za
- 35.8 Detailed reporting requirements from Suppliers will be provided to awarded Suppliers.

36. TERMINATION

- 36.1 The State shall be entitled to terminate this agreement if one or more of the following occur:
- 36.2 The Supplier decides to transfer the contract or cede the contract.
- 36.3 The supplier does not honour contractual obligations including the submission of information.
- 36.4 The supplier is provisionally or finally liquidated, making it impossible for the supplier to perform its functions in terms of this transversal contract.
- 36.5 The supplier enters settlement arrangements with their creditors.
- 36.6 The supplier commits an act of insolvency.
- 36.7 If the supplier is a member of an unincorporated joint venture or consortium and the membership of such joint venture or consortium changes.
- 36.8 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.



36.9 Overall poor performance rating during the contract period

37. POST-AWARD MONITORING AND REPORTING

37.1 The National Treasury will conduct meetings with the end users and contractors to discuss transversal contract issues related to RT59-1-2026.

37.2 All successful bidders are required to submit historical value and volume reports via e-mail every quarter throughout the contract period to: TCcontracts2@treasury.gov.za

END