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## **SPECIAL CONDITIONS OF CONTRACT**

**RT35-2023**

**THE APPOINTMENT OF A SERVICE PROVIDER FOR THE SERVICE OF  
VOLUNTARY MEDICAL MALE CIRCUMCISION AND SUPPLY AND  
DELIVERY OF SURGICAL AID TO THE STATE FOR THE PERIOD OF**

**36 MONTHS**

**NON-COMPULSORY BRIEFING SESSION TO BE HELD ON THE  
17 JANUARY 2023 ON MICROSOFT TEAMS**

**CLOSING DATE AND TIME OF BID**

**24 JANUARY 2023 AT 11H00**

**BID VALIDITY PERIOD: 180 DAYS**



National Treasury  
Transversal Contracting

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### LIST OF ABBREVIATIONS

AE	Adverse Event
BAC	Bid Adjudication Committee
B-BBEE	Broad-Based Black Economic Empowerment
BEC	Bid Evaluation Committee
BQRC	Bid Quality Review Committee
CPA	Contract Price Adjustment
CPI	Consumer Price Index
CQI	Chartered Quality Insurance
CSD	Central Supplier Database
DHIS	District Health Information Service
EME	Exempted Micro Enterprise
HPCSA	Health Professions Council of South Africa
IAF	International Accreditation Forum
ISO	International Organization for Standardization
IVD	In Vitro Diagnostic
M&E	Monitoring and Evaluation
MMC	Medical Male Circumcision
NDoH	National Department of Health
NT	National Treasury
OCPO	Office of the Chief Procurement Office
PDoH	Provincial Department of Health
PPI	Producer Price Index
PPR 2017	Preferential Procurement Regulations 2017
QA	Quality Assurance
QSE	Qualifying Small Enterprise
RoE	Rate of Exchange
RSA	Republic of South Africa
SABS	South African Bureau of Standards
SAHPRA	South African Health Product Regulatory Authority
SANAS	South African National Accreditation System
SARB	South African Reserve Bank
SARS	South African Revenue Service
SARS	South African Revenue Service
SBD	Standard Bidding Document
SCC	Special Conditions of Contract
SCM	Supply Chain Management
SLA	Service Level Agreement
SSA	State Security Agency
STATS SA	Statistics South Africa
STI	Sexually Transmitted Infection
TC	Transversal Contracting
TCBD	Transversal Contract Bidding Documents



TCD	Transversal Contracting Document
TIC	Tender Information Centre
VAT	Value Added Tax
WHO	World Health Organization
WPG	Working Practice Guidelines
ZAR	Rand

## LIST OF ANNEXURES

Annexure A	:	Technical Specifications
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Table 1: Bid Document Checklist and Returnable

#	Document Name <sup>1</sup>	Included in the published bid document?	To be returned by bidder?	Bidder may tick Yes if document is submitted
<b>PHASE 1: PRE-QUALIFICATION CRITERIA</b>				
1.	Valid B-BBEE status level contributor verification certificate issued by SANAS accredited institution OR valid sworn-affidavit OR valid B-BBEE affidavits issued by CIPC.	No	Yes	
<b>PHASE 2: ADMINISTRATION REQUIREMENTS</b>				
2.	SBD 1 – Invitation to Bid	Yes	Yes	
3.	Proof of authority to sign the bid	No	Yes	
4.	SBD 4 – Declaration by bidder	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.	CSD full report and not summarized	No	Yes	
<b>PHASE 3: MANDATORY REQUIREMENTS</b>				
9.	Annexure B: Pricing Schedule	Yes	Yes	
10.	Indemnity Insurance	Yes	Yes	
11.	Registration Certificate (HPCSA or SANC)	Yes	Yes	
<b>PHASE 4: FUNCTIONALITY REQUIREMENTS</b>				
12.	Work Methodology document	No	Yes	
13.	Previous Work Performance (Reference Letters)	No	Yes	
14.	Capacity (Financial statements or financial guarantee)	No	Yes	
15.	Key personnel experience and qualification	No	Yes	
<b>PHASE 5: TECHNICAL COMPLIANCE</b>				
16.	SAHPRA License – Medical Device and IVD	No	Yes	
17.	Quality assurance certificate	No	Yes	
18.	TCD 13 Authorization Declaration	Yes	Yes	
19.	TCD 13.1 List of items	Yes	Yes	

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



#	Document Name <sup>1</sup>	Included in the published bid document?	To be returned by bidder?	Bidder may tick Yes if document is submitted
20.	Letter of undertaking (as per TCD 13.2 template)	Yes	Yes	
21.	WHO Pre-qualification approval	No	Yes	
<b>PHASE 6: PRICE &amp; B-BBEE</b>				
22.	Annexure B: Pricing Schedule	Yes	Yes	
23.	TCD 14: Historical Currency Exchange Rate	Yes	No	
<b>OTHER DOCUMENTS REQUIRED</b>				
24.	Company Profile	No	Yes	
25.	CIPC Company Registration Documents	No	Yes	
26.	Special Conditions of Contract	Yes	Yes	
27.	General Condition of Contract	Yes	Yes	



## SECTION A: INTRODUCTION AND TERMS OF REFERENCE

### 1. DESCRIPTION AND FORMAT OF THE BID

- 1.1 This bid is for the appointment of a service provider for the service of voluntary medical male circumcision and supply and delivery of surgical aid to the state for the period of 36 months
- 1.2 This bid document is structured as follows:
  - 1.2.1 Section A : Introduction and Terms of Reference
  - 1.2.2 Section B : Conditions of Bid
    - 1.2.2.1 Part 1 : Evaluation Criteria
    - 1.2.2.2 Part 2 : Additional Bid Requirements
    - 1.2.2.3 Part 3 : Recommendations
  - 1.2.3 Section C : Conditions of Contract

### 2. LEGISLATIVE AND REGULATORY FRAMEWORK

- 2.1 This bid and all contracts emanating there from will be subject to General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) as well as the Preferential Procurement Policy Framework Act 2000 (PPPFA) with its latest 2017 regulations
- 2.2 The Special Conditions of Contract (SCC) are supplementary to that of General Conditions of Contract (GCC). However, where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.
- 2.3 The requirements in this bid are in line with the National Department of Health (NDoH) Guidelines and World Health Organizations (WHO) Guidelines. Where, however, the NDoH and WHO guidelines are in conflict, NDoH guidelines prevail.

### 3. DURATION OF TRANSVERSAL CONTRACT

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

### 4. BRIEFING SESSION

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

**Venue :** Virtual Microsoft Teams meeting.  
**Please click on this link:** [RT35-2023 Briefing Session Link](#)  
**Date :** 17 January 2023  
**Time :** 09h00 to 11h00





- 4.2 The bid information session is not compulsory but will provide bidders with an opportunity to obtain clarity on certain aspects of the procurement process as set out in this bid document.
- 4.3 The National Treasury reserves the right to answer questions at the briefing session and/or to respond formally after the briefing session.

## 5. TERMS OF REFERENCE

### 5.1 INTRODUCTION

- 5.1.1 In order to avoid adverse events relating to high volumes of procedures to be performed, only organizations which meet the conditions as stipulated in the scope of work are allowed to bid. The technical expertise, experience and knowledge derived from the large volumes of procedures performed have also been identified as a contributing factor for the bid process.

### 5.2 SCOPE OF SERVICE

- 5.3 The objective of this bid is for the appointment of service providers who will provide MMC services and the supply and delivery of Surgical Aid in the 40 Districts listed below. This bid aims to provide high quality, high volume, and cost-efficient MMC services to males aged 10 years and above only through relevant platforms as determined by the provinces such as fixed, outreach and mobile MMC sites in various districts.
- 5.4 The Service Provider will be responsible for providing MMC services to males 10 years and above (as per NDOH MMC guidelines)<sup>2</sup> in the below listed districts with the goal of contributing towards the district's MMC targets.

Table 2: District Names Per Province

PROVINCE	DISTRICT	TARGET
Gauteng	1. City of Johannesburg	33 498
	2. City of Tshwane	21 881
	3. Ekurhuleni	23 468
	4. Sedibeng	6 082
	5. West Rand	6 764
KwaZulu-Natal	6. Amajuba DM	3 793
	7. iLembe DM	4 961
	8. Umkhanyakude DM	4 955
	9. Umzinyathi DM	3 648
Mpumalanga	10. Ehlanzeni	1 417
	11. Nkangala	13 222
	12. Gert Sibanda	9 073
North-West	13. Bojanala Platinum	9 284

<sup>2</sup> NDOH guidelines supersede WHO guidelines.



PROVINCE	DISTRICT	TARGET
	14. Ngaka Modiri Molema	4 831
	15. Dr K.Kaunda	4 058
	16. Dr R.S.Mompoti	2 731
Free State	17. Mangaung	5 549
	18. Thabo Mofutsanyana	4 024
	19. Lejweleputswa	3 631
	20. Fezile Dabi	3 369
	21. Xhariep	996
Eastern Cape	22. Oliver Tambo	2 969
	23. Nelson Mandela	2 759
	24. Amathole	1 975
	25. Chris Hani	1 774
	26. Alfred Nzo	1 639
	27. Buffalo City MM	1 604
	28. Sarah Baartman	1 099
	29. Joe Gqabi DM	867
Western Cape	30. Cape Town	6 894
	31. Cape Winelands	1 511
	32. Eden	1 094
	33. West Coast	774
	34. Overberg	528
	35. Central Karoo	142
Northern Cape	36. Frances Baard	3 141
	37. ZF Magcawu	2 222
	38. JT Gaetsewe	2 015
	39. Pixley ka Seme	1 769
	40. Namakwa	1 148
<b>TOTAL</b>		<b>207 159</b>

## 5.5 KEY DELIVERABLES BY THE SERVICE PROVIDER

5.5.1 Ensure the provision of MMC services to male clients as part of the HIV prevention minimum package as per NDoH guidelines:

- Offer HIV Counselling and Testing services to 100% of the MMC participants as part of the MMC package.
- Refer HIV positive clients to treatment and care services.
- Provide Health Education to MMC clients on the benefits of MMC.
- Improve MMC client knowledge of safe sexual practices.



- Provide pre- and post-MMC counselling. These must include obtaining informed consent for MMC, appropriate wound care, abstinence counselling during the healing period and risk reduction.
  - Screen for CDs and NCDs including TB & refer for further management.
  - Screen for COVID as per the National MMC programme integrated COVID19 risk reduction strategy
- 5.5.2 Ensure the use of clinical algorithms and quality standards as per the NDoH MMC clinical guidelines for the management and performance of MMC surgical and device-based procedures.
- 5.5.3 Ensure that all levels of AEs (as per the MMC Guidelines) are properly managed and accurately reported. AEs should remain below 2% of all MMCs conducted per site per month. Should the percentage of AEs be greater than 2% over a consistent period of three months, and where remedial actions proposed are not implemented, the contract between the appointed service provider and the PDoH will be reviewed, and the contract may be terminated at the discretion of the PDoH.
- 5.5.4 Ensure MMC health services' waste is managed according to the NDoH guidelines.
- 5.5.5 Ensure access to follow-up services two (2), seven (7) and fourteen (14) days after the provision of MMC services to all clients.
- 5.5.6 Ensure appropriate staffing as well as on-going training, mentoring and supervision is provided to all clinical staff to ensure high quality service.
- 5.5.7 Ensure that all staff has legally binding written contracts of employment that includes reference to normal working hours, total remuneration, leave policy, and all other terms and conditions of employment.
- 5.5.8 Ensure that all staff is and remain registered with all applicable professional health councils, authorities and/or bodies in accordance with all applicable laws and regulations. Copies of proof of such registration in respect of all or any of the staff shall be made available to the PDoH at any time on request.
- 5.5.9 Ensure compliance with and guarantee patient confidentiality and keep confidential all clients' confidential information.
- 5.5.10 Liaise with the PDoH communication partners responsible for implementing mass media activities to generate demand for MMC, to ensure that social mobilisation approaches and strategies are aligned and that collateral material is utilised.
- 5.5.11 Ensure MMC data is uploaded on to the DHIS as per the MMC Programme Data Working Practice Guidelines (WPG).
- 5.5.12 Ensure that quality M&E records and systems are maintained and updated based on MMC Client consent forms and conduct data validation on these consent forms prior to submitting invoices to the



PDoH. The electronic administration system can be accessed at any time by the PDoH to track the number of MMCs completed, and other relevant indicators.

- 5.5.13 Timeously provide the PDoH with all relevant contract and SLAs of contracted service delivery partner(s)/subcontractors. If GPs are sub-contracted, ensure compliance with the National VMMC GP Contracting Guidelines.
- 5.5.14 Timeously provide the PDoH with all relevant reports.
- 5.5.15 Maintain effective and constructive relationships with the PDoH site in the district in which the MMCs are being conducted in the province.
- 5.5.16 As new MMC technologies including NDoH and or WHO-approved devices or other methods are proven safe, effective, feasible and acceptable to implement in the South African context, the appointed service provider will work with NDoH to determine if, when, and how to integrate these new technologies into contract implementation. In this regard, NDoH must approve the technology to be used.
- 5.5.17 Conduct CQI training workshops (at least 2 per annum).
- 5.5.18 Conduct baseline quality assessments on the performance of all sites against standards in the national MMC guidelines.
- 5.5.19 Develop and implement CQI action plan to address and close any gaps identified; compile comprehensive reports on CQI evaluations and submit to NDoH;
- 5.5.20 Conduct quality re-assessments to determine whether a particular site is improving after CQI support visits.
- 5.5.21 Provide mentorship and support to enable staff to address gaps identified in CQI assessments.
- 5.5.22 Form quality improvement teams.
- 5.5.23 Analyse and utilise own data to improve the quality of care and scale up best practices.
- 5.5.24 Participate in learning sessions and collaborate with other health care professionals working in VMMC to share work experiences.
- 5.5.25 Contribute to quality improvements within the VMMC programme.

## 5.6 REPORTING REQUIREMENTS

- 5.6.1 The appointed service provider is required to present an inception report, after an initial meeting with the PDoH, detailing the work plan, key activities, and timelines for the work (to be agreed upon with the PDoH).



5.6.2 Quarterly reports which provide a summary of operations and progress, including challenges, strengths and recommendations must be submitted to the MMC Programme of the National Department of Health and Provincial Department of Health (as well as the relevant district).

5.6.2.1 The report must include the following:

- a) The number of service delivery partner(s)/subcontractors contracted per district (indicating opening number of service delivery partners at beginning of the month, new contracts, terminated contracts and closing number of service delivery partner(s)contracted);
- b) The number of men tested and counselled for HIV and received their test results;
- c) The number of HIV+ men referred to care and treatment services;
- d) The percentage and number of cases with moderate/severe AEs;
- e) The percentage of males who return for follow-up at least once within fourteen (14) days; The number of individuals lost to follow up (one month from the date of the MMC).

5.6.3 A performance report must be submitted which outlines the number of circumcisions conducted, disaggregated by age group, site, sub-district, district, and province. Age must be disaggregated according to the age groups: 10, 11 -12, and 13-14 years.

5.6.4 The appointed service provider must report all MMCs through the DHIS using the PDoH M&E system.

5.6.5 The PDoH is entitled to monitor the quality of the contract and/or progress towards MMC targets and the appointed service provider shall fully cooperate with PDoH and its representatives and/or advisors and give them full access to all information, books and records relating there to; including all records and data for all or any of the clients.

## 5.7 KEY PERSONNEL

5.7.1 The team must comprise individuals with the following requirements:

- 5.7.1.1 Knowledge and experience in the contracting of service delivery partner(s).
- 5.7.1.2 Sound and in-depth knowledge of relevant prescripts and application of human resource prescripts and policies.
- 5.7.1.3 Knowledge of the Public Service Regulations' Framework.
- 5.7.1.4 Knowledge in attending to queries in a professional manner, giving guidance and advice, and handling information confidentially.

5.7.2 **Requirements for a multi-disciplinary appointed service provider team must be as follows:**

5.7.2.1 ***Chief Executive Officer***



- a) The Chief Executive Officer will be responsible for overall technical leadership and management of the contract and will serve as the principal liaison with the PDoH. S/he should have:
  - i) A degree in management, international development, public health policy, or a related field;
  - ii) At least ten to fifteen years of relevant experience in planning, managing, leadership and evidence-based decision making in MMC or HIV/AIDS service delivery programs preferably in South Africa;
  - iii) Five years of relevant experience in managing and coordinating complex development programs, preferably in South Africa;
  - iv) Experience interacting with the South African Government at National, Provincial, and District levels; and
  - v) Knowledge of the Public Service Regulations' Framework.
  - vi) Strong interpersonal and communication skills, proven ability to develop and communicate a common vision among diverse partners and lead a multi-disciplinary team.

#### 5.7.2.2 **Senior Technical Advisor**

- a) The MMC Senior Technical Advisor shall work under the direction of the Chief Executive Officer to design, implement, and manage all technical aspects of the program and to provide regular support and mentorship to all service delivery sites. S/he should have:
  - i) Medical degree (MBChB) for doctors or; 4 year Professional Nursing degree
  - ii) Proof of registration with the HPCSA
  - iii) At least ten years of relevant experience working in HIV/AIDS, MMC, preferably in South Africa;
  - iv) Experience working with the South African Government at National, Provincial, and/or District levels.
  - v) Strong leadership, communication and interpersonal skills, including proven ability to develop and communicate a common vision among diverse partners and lead a dynamic team, and excellent written and oral communication skills.

#### 5.7.2.3 **Financial and Administration Manager**

- a) This individual shall be responsible for overall financial management and administration of the contract. S/he should have:



- i) A degree in Financial Management, Business Administration, Finance, Accounting or another relevant field, or a bachelor's or certified accounting degree with 10 years of experience.
- ii) Five years of relevant government finance working experience.
- iii) Ten years accounting, operations, and financial management of large-scale, governmental programs.
- iv) Familiarity with South African Government financial reporting and compliance requirements.
- v) Demonstrated experience and skills in developing and managing large budgets.
- vi) Compile timeous feedback reports and invoices to the PDoH for reimbursement
- vii) Knowledge and experience in the recruitment of Service Delivery Partners
- viii) In-depth knowledge of relevant prescripts and application of human resource prescripts and policies.
- ix) Experience with procurement and supply chain management

#### 5.7.2.4 **Senior Monitoring & Evaluation Advisor**

- a) This individual will lead monitoring and evaluation for this program. She/he should have:
  - i) A degree in Public Health, Social Sciences, or other relevant discipline.
  - ii) Minimum eight years working on M&E for HIV and AIDS service delivery programs, preferably with MMC programs.
  - iii) Demonstrated expertise in data analysis, managing online databases to ensure easy access to data and data reports.
  - iv) Familiarity with NDOH indicators and reporting requirements; and
  - v) Excellent report writing, analytical and communication skills, including oral presentation skills.

#### 5.7.2.5 **Quality Assurance (QA) Manager: MMC**

- a) This individual will lead the quality assurance management of the MMC program. The individual will be responsible to facilitate, dissemination and implementation of the National VMMC QA guidelines. Disseminate NDOH MMC Standard Operation Protocols (SOP), Information Education and Communication (IEC) material and Job Aides.
- b) Conduct skills audit and baseline assessments on CQI capacity in line with NDOH MMC CQI site readiness and QA assessment tools.



- c) Conduct quarterly CQI trainings and facility level mentoring of staff on CQI within your facilities of operation throughout the year.
- d) She/he should have:
  - i) A Bachelor's Degree in a clinical field (MBCHB, Nursing and or clinical Associate).
  - ii) At least two (2) years' experience in conducting External Quality Assurance (EQA), Internal Quality Assurance (IQA), Data Quality Assurance (DQA) and Continuous Quality Improvement (CQI).
  - iii) Proof of registration with the HPCSA or SANC
  - iv) Knowledge and understanding of the legislative framework governing the Public Service.
  - v) Knowledge of the National Medical Male Circumcision programme, National Development Plan, National Strategic Plan and quality assurance.
  - vi) Good communication (verbal and written), coordination, planning, organization, networking, presentation and computer skills (MS Office packages). A valid driver's licence.
  - vii) Oversee and coordinate EQA DTA and CQI and compile reports for submission to district, provincial and national DOH MMC programme and HAST teams.
  - viii) Conduct monthly CQI meetings and develop CQI action plan to close gaps identified in all CQI and EQA activities.
  - ix) Implement the SOP protocol for MMC adverse events (AE) to monitor and address adverse events in all MMC sites of operation.
  - x) Develop and submit an AE action plan to resolve AE incidents.
  - xi) Monthly and annually submissions to DOH: CQI Action Plan, Adverse Event (AE) report and follow-up rates using DOH reporting tools.

## 5.8 INFRASTRUCTURE

- 5.8.1 The End-Users (Participating Institutions) will provide the service provider with the facility where the service shall be rendered. Should the service provider opt to use their own facility, the cost will be at the account of the service provider and the service provider must obtain approval from the PDoH. In case of a pandemic situation such as Covid-19, the service providers may/will be requested to establish its own temporary infrastructure at own cost which meets the national social distancing guidelines. As per national MMC COVID 19 risk reduction strategy.

## 5.9 MEDICAL CONSUMABLES AND MMC KITS





- 5.9.1 The bid price of the MMC service must be inclusive of the consumables and MMC kit. It is the responsibility of the service provider to ensure that all medical consumables and MMC kits to be utilized complies with the minimum medical devices SANS standards and or international standards requirements. Bidders are required to disclose the cost component/ cost breakdown portion of the MMC kit in percentage/ value on the template provided.
- 5.9.2 During the contract period, successful bidders must comply to any guidelines issued by NDoH regarding any type of MMC surgical kit suitable for the targeted group in this bid.
- 5.9.3 Bidders must ensure that all MMC surgical kits are procured from a SAHPRA licenced establishments as per the as per the Medical Devices and In Vitro Diagnostic Regulations as referred to in Section 22C(1)(b) of the Medicines and Related Substances Act, 1965 (Act No. 101 of 1965).
- 5.10 **SURGICAL AID: TECHNICAL SPECIFICATION**
- 5.10.1 The circumcision procedure for the males aged 10 -14 years must only be conducted using the surgical aid provided for by the participating provincial departments in the respective districts.
- 5.10.2 For the males aged 15 years and above, the surgical aid will be offered to be utilized for all aged groups based on the interest of the client as an option.
- 5.10.3 The detailed technical specification for the surgical aid is as per **Annexure A**. Bidders must comply to the specification requirements as indicated on the Annexure A technical requirements.



## 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	Phase 5	Phase 6
Pre-Qualification Criteria	Administration and Legislation Requirements	Mandatory requirements	Functionality Evaluations	Technical Compliance	Price and B-BBEE
Bidders will be assessed if they are B-BBEE Level 1 to 8 compliant	Compliance to the Administration documents requirements	Compliance with mandatory and other bid requirements	Compliance to functional evaluation requirements	Compliance to the item technical specifications	Bids evaluated in terms of the 90/10 preference system

6.1.1 **Due Diligence:** The State may conduct supplier due diligence prior during any stage of evaluation to confirm information provided for by the bidder, this may include pre-announced/ non-announced site visits. During the due diligence process the information submitted by the bidder will be verified and any misrepresentation thereof may disqualify the bid in whole or parts thereof at the relevant evaluation phase.

### 6.2 PHASE 1: PRE-QUALIFICATION EVALUATION CRITERIA

6.2.1 It is a condition of this bid that only the bidders having a B-BBEE status level contributor 1 to 8 may respond to this bid:

6.2.2 Bidders are required to submit proof of B-BBEE status level of contributor. Proof includes valid B-BBEE status level verification certificates or certified copies thereof or a sworn affidavit signed by the EME/QSE representative and attested by Commissioner of oaths, or BBBEE affidavit issued by Companies and Intellectual Property Commission (CIPC).

6.2.3 A trust, consortium, or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level verification certificate. Bidders who submit individual BBBEE certificates or affidavits will be disqualified.

6.2.4 Non-compliance with the requirement for pre-qualification will invalidate the bid.

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



- 6.3.1 Bidders are required to submit the legislative documents to comply to the policy to guide uniformity in procurement reform processes in Government as per section 2 of Practice Note No SCM 1 of 2003 regarding bid documentation for supply chain management. It is also a requirement for bidders to submit the other documents as detailed below.
- 6.3.1.1 **SBD 1** – Invitation form to bid.
- 6.3.1.2 **Proof of Authority** – This is a company resolution for the capacity under which this bid is signed as per 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 **Central Supplier Database** – A full Central Supplier Database report and not summarized must be submitted preferably the document must be downloaded at the last week prior to closing date and time of bid.
- 6.3.1.7 **Written Confirmation to disclose tax status** – It is a requirement that bidders grant a written confirmation when submitting this bid response that SARS may on an on-going basis during the tenure of the transversal contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.
- 6.4 **PHASE 3: MANDATORY REQUIREMENTS EVALUATION**
- 6.4.1 During this phase bidders' response will be evaluated based on the mandatory requirement. These are the documents to be submitted for evaluation. Bidders' must submit all required documents indicated with the bid document at the closing date and time of the bid. Bidders who fail to comply with all the mandatory criteria will be disqualified.
- 6.4.2 **Pricing Schedule**
- 6.4.2.1 The bid comprises of two items (a) the service for circumcision procedure and (b) the supply and delivery of surgical aid.
- 6.4.2.2 There are two Pricing Schedule, Annexure B1 is for the circumcision service and Annexure B2 is for the surgical aid. It is not compulsory to submit bid offers for both items.
- 6.4.2.3 **For the Annexure B1: Circumcision procedure service**, bidders are required to submit a completed Pricing Schedule, with an all-inclusive price per procedure per geographical district indicated in the terms of reference on Section A only for districts in which they wish to provide the service.



- 6.4.2.4 It is not compulsory for bidders to submit a bid offer for circumcision procedure service for all the districts. The all-inclusive price per procedure for each district must include but not be limited to the following:
- a) The MMC services as indicated on the terms of reference.
  - b) All relevant medical consumables necessary to render the service inclusive of MMC kits
  - c) Demand creation
  - d) All applicable taxes and Value Added Tax (VAT)
- 6.4.2.5 **For the Annexure B2- Surgical Aid:** Bidders are required to complete all the response fields provided for on the Pricing Schedule. The pricing is one national price and must be inclusive of the supply, delivery and training requirements.
- 6.4.2.6 The pricing schedules provided in this bid forms an integral part of the bid document and bidders must ensure that it is completed without changing the format thereof.
- 6.4.2.7 Conditional discounts offered will not be taken into consideration during evaluation.
- 6.4.2.8 Prices submitted for this bid must be filled in on the field provided on the pricing schedules supplied with the bid. Price structures that do not comply with this requirement may invalidate the bid.
- 6.4.3 **Indemnity/ Insurance**
- 6.4.3.1 This clause is applicable only to the service provider for circumcision procedure. Bidders must submit proof of a valid indemnity/insurance relevant to the VMMC services considering the nature and extent of its risks against the service. This level of cover must be sufficient to meet any liability that may be incurred if a successful claim is made against the successful bidder, staff employed by the bidder and/or service delivery provided by partners/subcontractors.
- 6.4.3.2 The indemnity/insurance must be in the capacity of the bidder's name (company's name).
- 6.4.3.3 Indemnity/insurance which is in the capacity such as company's director/shareholder, doctors, staff member, sub-contractor/ partners, etc **WILL NOT** be accepted. Failure to submit a valid indemnity insurance in the capacity of the bidder's name will disqualify your bid.
- 6.4.4 **Registration Certificate**
- 6.4.4.1 This clause is applicable only to the service provider for circumcision procedure. Bidders must submit valid copies of the registration documents as proof of registration with relevant professional bodies from HPCSA or SANC for the two key personnel namely, Senior Technical Advisor and Quality Assurance Manager. The registration must indicate an active status and must be valid at the closing date and time of bid. Failure to submit copies of the relevant registration certificate for the relevant key personnel will invalidate the bid



## 6.5 PHASE 4: FUNCTIONALITY EVALUATION REQUIREMENTS

- 6.5.1 Only bidders who are offering the circumcision procedure service will be evaluated on this Phase. During this Phase III, bidders must illustrate the capacity and capability in providing the VMMC service in the public sector and bidders' response will be evaluated for functionality based on achieving a minimum total score of 66% for the functional requirements. Only bidders who have complied with mandatory requirements will be evaluated for functionality.
- 6.5.2 Bidders must, as part of their bid documents, submit supportive documentation for all functional requirements as indicated hereunder. The Bid Evaluation Committee (BEC) will evaluate and score the respective bids based on their submissions and the information provided.
- 6.5.3 The value scored for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These marks will be added and expressed as a fraction of the best possible score for all criteria.
- 6.5.4 Bidders who have achieved the minimum qualifying score of 66% for functionality will be evaluated further to Phase IV of the evaluation. Functionality will be evaluated based on the responses and supporting documentation supplied by the bidders as follows:

**Table 4 - Maximum weight for each criterion**

No	Functional Requirements	Weighting
1.	Work Methodology	20
2	Previous Performance	30
3	Capacity	20
4.	Key Personnel Experience and Qualifications	30
	<b>Total</b>	<b>100</b>

- 6.5.5 Each BEC member will rate each individual criterion on the score sheet using the value scale as follows:
- 6.5.6 Each BEC member will rate each individual criterion on the score sheet using the value scale. The scores for functionality will be calculated as follows:

**Table 5: Value Scale**

Performance	Description	Score
Very good	Response addresses and exceeds the functionality requirements	3
Compliant	Response addresses all functionality requirements	2
Partially compliant	Response partially addresses the functionality requirements	1



Inadequate	Response <u>did not address</u> the functionality requirements	0
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#### 6.5.7 Work Methodology (20 points)

6.5.7.1 Bidders must submit documentary evidence to demonstrate a structured approach and work methodology/approach through a concise capability statement/ project proposal proving the ability to perform the activities as outlined in the Scope of Work and demonstrate knowledge and understanding of South African Health Systems. The scoring will be as follows:

**Table 6 - Value Scale for Work Methodology**

Performance	Description	Score
Very good	Methodology approach is relevant to VMMC and addresses all aspects as outlined in the Scope of Work indicated on the Special Condition of Contract as follows: i. Demonstration of knowledge and understanding of South African Health Systems ii. All aspects indicated on the key deliverables by the service provider iii. Delivery points plan to optimise their reach to the district, taking into consideration the size and spread of the coverage area. iv. Reporting strategy as outlined in the Scope of Work	3
Compliant	Methodology approach is relevant to VMMC and sufficiently addresses aspects as outlined in the Scope of Work indicated on the Special Condition of Contract as follows: i. Demonstration of knowledge and understanding of South African Health Systems ii. Delivery points plan to optimise their reach to the district, taking into consideration the size and spread of the coverage area. iii. Over 75% of aspects indicated on the key deliverables by the service provider iv. Reporting strategy as outlined in the Scope of Work	2
Partially compliant	Methodology approach is relevant to VMMC and partially addresses aspects as outlined in the Scope of Work indicated on the Special Condition of Contract as follows: i. Limited demonstration of knowledge and understanding of South African Health Systems. ii. Less than 75% of aspects indicated on the key deliverables by the service provider iii. Reporting strategy as outlined in the Scope of Work	1
Inadequate	Methodology approach not relevant to VMMC or not submitted	0

#### 6.5.8 Previous Work Performance – Reference Letters (30 points)

6.5.8.1 Bidders must submit at least three reference letters to demonstrate previous work conducted.

6.5.8.2 Bidders must submit minimum three reference letters with an accumulative surgical cut of more than



5000 cuts which indicate a proven previous work experience track record. To consider a reference letter valid, it must comply to the following:

- a) Letters must be from previous clients in the last three years, from a public health institution or a private health institution/ or health private institutions partnered with government such as PEPFAR programmes.
- b) The letter must indicate the number of circumcisions performed
- c) The period which the service was rendered
- d) The letter must indicate the number of adverse events occurred
- e) The letter must be on the letterhead of the client, with contactable details such as physical address, email, and telephone/ cell phone.
- f) The reference letters must be accompanied by a contract or, an appointment letter, or a service level agreement between the bidder and the client as per the reference letter. The scoring for previous performance will be as follows:

**Table 7 - Value scale for Previous Work Experience**

Performance	Description	Score
Very good	3 or more valid reference letters with contract letters or service level agreement submitted with an accumulative of 10000 or more surgical cuts	3
Compliant	3 or more valid reference letters with contract letters/ service level agreement submitted with an accumulative of at least 5000 - 9999 or more surgical cuts	2
Partially compliant	3 or less valid reference letters with less than 5000 surgical cuts with no contracts or service level agreements	1
Inadequate	No valid reference letters	0

**6.5.9 Capability (20 points) -**

6.5.9.1 Bidders must demonstrate that they have the necessary capacity to undertake a national project of this nature. Bidder are required to have a national coverage to be able to service the end-users across South Africa.

6.5.9.2 **Financial capability** – Bidders are requested to submit audited or reviewed financial statements (FS) with a revenue generation of at least a minimum of R1 million annually. Bidders who have a lower revenue must submit a financial guarantee (can be in a form of any financial facility available to the bidder) from a registered financial institution with a minimum combined amount of at least R1 million.

6.5.9.3 **The scoring will be as follows:**

**Table 8 - Capacity Value Score**

Performance	Description	Score
Very good	Audited financial statements with a revenue of more than 3 million	3
Compliant	FS which are audited or reviewed by registered accountant financial statement with a minimum revenue of at least R1 million. In a case of lower revenue, combined financial guarantee of at least R1 million or above	2
Partially compliant	Reviewed financial statement with less than R1 million or a combined financial guarantee of less than R1 million	1
Inadequate	Financial statement or financial guarantee not submitted	0

**6.5.10 Key Personnel Qualifications and Experience (30 Points)**

6.5.10.1 Bidders must submit **ONLY** curriculum vitae of the bidder's Key personnel's qualifications and experience in the template format (**Annexure C**) as per the scope of work in Section A. this are the key personnel who will be responsible and accountable for delivery of this work, demonstrating relevant qualifications, skills, expertise, and experience.

6.5.10.2 In addition, bidders are required to complete **Annexure D**- Summary of the Key Personnel

6.5.10.3 The Key personnel must meet the requirements as stipulated in Section A. The CV's for the following is required:

- a) Chief Executive Officer
- b) Financial and Administration Manager
- c) Quality Assurance Manager
- d) Senior Technical Advisor
- e) Senior Monitoring and Evaluation Advisor
- f) Demand Creator

6.5.10.4 Certified copies which are not older than 6 months of all relevant ID's and qualifications, required for each key personnel must be submitted with the CV.

6.5.10.5 The Key personnel may not be employed/contracted in another company competing for the same bid. Bid which consist of the same key personnel will not be given points for the relevant key personnel. It is important for all bidders to ensure that key personnel are not employed/contracted in any another company that is providing the same service and or submitting the offer in RT35-2023 bid.

6.5.10.6 The scoring of the key personnel will be as follows:



**Table 9 - Key Personnel Value Score**

Performance	Description	Score
Very good	CV's, ID, Qualifications, and experience of all key personnel complies with the minimum requirements	3
Compliant	CV's, ID, Qualifications, and experience of at least 5 key personnel complies with the minimum requirements	2
Partially compliant	CV's, ID, Qualifications, and experience of 4 key personnel complies with the minimum requirements	1
Inadequate	CV's, ID, Qualifications, and experience of only 3 key personnel complies with the minimum requirements	0



## 6.6 PHASE 4: TECHNICAL SPECIFICATION COMPLIANCE

6.6.1 During this phase bidders' response will be evaluated based on technical requirements. Non-compliance to all the evaluation requirements below will result in disqualification of line-item being evaluated.

### 6.6.2 Standards/Specifications

6.6.2.1 Items must comply with technical specification and indicated on the terms of reference above and the Attached Annexure A for the Surgical Aid. Non-compliance to the technical specification requirement will invalidate the item which the compliance is not adhered to.

### 6.6.3 South African Health Products Regulatory Authority (SAHPRA) Requirement

6.6.3.1 The surgical aid is classified as Medical Device and IVD. In this regard, bidders are required to adhere to Medicines and Related Substances Amendment Act, No. 72 of 2008 (Amendment Act) read together with a further Amendment Act, Medicines, and Related Substances Act No. 14 of 2015 and its Regulations on Medical Devices and IVD. Non-compliance with these conditions may invalidate the bid item for the surgical aid.

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

6.6.3.3 Bidders must submit a medical device and IVD licence for an establishment as a manufacturer/distributor/ or wholesaler. The bidder must be the holder of the licence.

### 6.6.4 Quality Assurance Requirements

6.6.4.1 Bidders offering the surgical aid must submit at the closing date and time of bid, valid quality assurance certificates ISO 13485 to confirm compliance. The holder of the certificates must be the original manufacturer of the finished product. Failure to submit these documents will disqualify the relevant item.

### 6.6.5 Authorisation Declaration applicable to VMMC services Only

6.6.5.1 All bidders offering a bid for Circumcision procedure services, must complete the "Authorisation Declaration" (TCD 13 and TCB 13.1) in full for all relevant services, sign it and submit it together with the bid response at the closing date and time of the bid invitation. This clause is relevant to the VMMC surgical procedure services only.

6.6.5.2 Bidders must indicate if they will be outsourcing VMMC surgical procedure services to a sub-contractor/service partner.



- 6.6.5.3 A bidder who is sourcing VMMC surgical procedure services from a Sub-Contracted Parties/ Service Partners must submit a valid Third-Party Undertaking letter (template provided as **TCD 13.2**). The letter of undertaking must include but not be limited to the following:
- a) The name of the sub-contracted/ service partner
  - b) The description of the service to be rendered
  - c) The district which the sub-contractor/ service partner is to provide the service
  - d) The letter must be on the sub-contractor 's letter head, dated and signed.
  - e) Have contact person's name, physical address, telephone, and email details.
  - f) Letter must not be older than 30 days at the closing date and time of bid
  - g) All information on the letter must be in English.
- 6.6.5.4 The State reserves the right to verify any information supplied by the bidder in the Authorisation Declaration and should the information be found to be false or incorrect, the State will exercise any of the remedies available to it in this bid document.
- 6.6.5.5 The bidder must not sub-contract more than 50% of the districts which they have submitted a bid offer.
- 6.6.5.6 All the sub-contracted/ service partners will be subject for approval by the state and may be subjected to further due diligent of which additional documentation may be required. The state reserves the right not to approve the sub-contractor in a case whereby and not limited to:
- a) Sub-contractors/ service partners who are found guilty of fraudulent activities in terms reporting
  - b) Sub-contractors/ service partners whose contracts have been previously cancelled due to professional misconduct or there is history of poor performance.
  - c) Sub-Contractor/ service partners listed on the government restriction list.
- 6.6.5.7 The bidder must ensure that all financial and supply arrangements for the relevant services have been mutually agreed upon between the bidder and the third party. No agreement between the bidder and the third (3rd) party will be binding on the State.
- 6.6.5.8 Failure to submit a duly completed and signed Authorisation Declaration, with the relevant annexure(s), in accordance with the above provisions may invalidate the bid for such services offered.
- 6.6.6 Authorization Declaration – Applicable to Surgical Aid only**
- 6.6.6.1 All bidders offering a surgical aid must complete the Authorisation Declaration (TCD 13 and 13.1) for all relevant goods or services.
- 6.6.6.2 Any bidder who is sourcing surgical aid from a third party must submit a valid Third-Party Undertaking (template provided as TCD 13.2) in full. The letter of undertaking must include but not limited to the following:
- a) List of item numbers, item description and brand/model name.



- b) Letter must be on the original manufacturer's letter head, dated and signed,
  - c) Have contact person's name, physical address, telephone, and email details,
  - d) Letter must be not older than 30 days at the closing date and time of bid
  - e) The supply arrangements must cover the full contract period.
  - f) All information on the letter must be in English.
- 6.6.6.3 The State reserves the right to verify any information supplied by the bidder in the Authorisation Declaration and should the information be found to be false or incorrect, the State will exercise any of the remedies available to it in the bid documents.
- 6.6.6.4 The bidder must ensure that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party. No agreement between the bidder and the third party will be binding on the State.
- 6.6.6.5 Failure to submit a duly completed and signed Authorisation Declaration, with the required annexure(s), in accordance with the above provisions may invalidate the bid for such goods or services offered.
- 6.6.7 **World Health Organisation (WHO) Pre-qualification Approval**
- 6.6.7.1 Only Surgical Aids which have been approved or in the process of being approved by the WHO will be considered. Proof of approval must be submitted at the closing date of the bid. In the case whereby the application has been made to WHO and the approval is not finalised, the following documentation is required:
- a) Bidder must submit the status with the WHO prequalification process including the following:
    - i) Prescribed studies completed (manufacturers study, phase 1 and phase 2 country of origin and/or neighbouring country study and related dates as necessary) as prescribed by WHO
    - ii) Application submitted to WHO
    - iii) Status of correspondence with WHO
- 6.6.8 **Sample Submission**
- 6.6.8.1 National Treasury will send a schedule indicating a date, time, place, and venue to short listed bidders to submit samples for the evaluation. Bidders' attention is drawn to the fact that a schedule for sample submission may be forwarded to bidders at a short notice of at least two weeks prior to the date of sample submission. The request to submit samples may be immediately after the closing date and therefore bidders are required to be ready to submit the samples from the closing date of the bid.
- 6.6.8.2 It is a responsibility of the bidder to ensure that correct contact details are provided in the bid document and to ensure that samples are submitted on time, at the correct venue.
- 6.6.8.3 Where different sizes of the same item are called for against different item numbers, samples of each



size must be submitted.

6.6.8.4 All samples submitted must be a true representation of the product which will be supplied during the contract period. Samples must be in the original pack and comply to labelling requirements and samples that are not in original packaging will be disqualified.

6.6.8.5 The quantity of samples required for each item is indicated on the Annexure A Technical Specification.

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

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

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

6.6.8.7 **Collection of all samples –**

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

6.7 **PHASE 5: PRICE AND B-BBEE**

6.7.1 **Pricing Schedule**

6.7.1.1 Prices quoted must be furnished on the basis of “delivered to State facility” country-wide inclusive of VAT.

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

6.7.1.3 Benchmarking on market related pricing reasonability may be conducted. The State reserve the right to disqualify bid offers in which are under quoted and or are above market value. In this case, the bidder may be required to submit supporting documentations to the State to proof that the pricing is not under quoted or above market value.

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

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

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



## 6.7.2 Preferential Point System

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

- a) The bid price (Maximum of 90 points)
- b) B-BBEE status level of contributor (maximum 10 points)

6.7.2.2 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 comparative price of bid under consideration

$P_t$  = Comparative price of bid under consideration

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

6.7.2.3 A maximum of 10 points may be allocated to a bidder for attaining their B-BBEE status level of contributor in accordance with the table below:

**Table 10: Preference Point System**

B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1

6.7.2.4 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.

6.7.2.5 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.

6.7.2.6 Only bidders who have completed and signed the declaration part of the preference claim form and who have submitted a B-BBEE status level verification documents will be considered for preference points.

6.7.2.7 The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.

6.7.2.8 Failure on the part of the bidder to claim points for B-BBEE status level of contribution will give the bidder a score of zero (0).



- 6.7.2.9 The points scored will be rounded off to the nearest two (2) decimals.
- 6.7.2.10 If two (2) or more bids have scored equal total points, the award will be to the bidder scoring the highest number of preference points for B-BBEE.
- 6.7.2.11 Should two (2) or more bids be equal in all respects, the award shall be decided by the drawing of lots.

#### 6.7.3 Applicable Taxes

- a) All bid prices must be inclusive of all applicable taxes.
- b) All bid prices must be inclusive of fifteen percent (15%) Value Added Tax.
- c) Failure to comply with this condition may invalidate the bid.

#### 6.7.4 Cost Breakdown

- 6.7.4.1 Bidders are requested to submit the cost breakdown of their pricing for each item offered. Should the cost breakdown be the same for all items on the bid response, the bidder must indicate clearly in the bid response. The cost breakdown submitted will be utilized during the price adjustment considerations.
- 6.7.4.2 Bidders should itemise the cost of each item into various components which are cost-drivers. The cost needs to be broken down into direct and indirect costs. Each cost driver should be assigned a percentage of the total cost. For example:

**Table 11: Example of Cost Breakdown**

Cost-driver	% Total Cost
Imported raw material	30%
Local raw material	20%
Labour	15%
Transport	30%
Other (Indicate)	5%
<b>Total price of item</b>	<b>100%</b>

#### 6.7.5 TCD 14 Historical Exchange Rates

- 6.7.5.1 In terms of cost price adjustment, bidders should make use of relevant currency for the items offered by calculating the average for the period **1 May 2022 to 31 October 2022** 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.

#### 6.7.6 Responsive Bids

- 6.7.6.1 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 COMPANY REGISTRATION AND ORGANOGRAM**

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

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

### **7.2 COMPANY PROFILE**

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

7.2.1.1 Business structure and strategies; and

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

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

### **7.3 THIRD PARTY SERVICES**

7.3.1 Bidders may provide MMC services through partners/third-party services to ensure maximum coverage to reach the targeted volumes. In this regard, the appointed service provider will be responsible for recruiting, contracting, managing, and reimbursing the contracted service delivery partner(s) to provide the minimum package of MMC services to males (as per NDoH MMC guidelines)<sup>3</sup> in the districts. The following conditions apply:

7.3.1.1 The contract will, however, be awarded to the bidder who will be responsible for the management of the contract. The State will not enter any separate contracts with such sub-contractors/partners regarding this contract.

7.3.1.2 Successful bidders will be required to submit additional information such as the medical doctors/ nurses which will be conducting the surgical procedures and of such information of their sub-contracted parties/ service partners.

7.3.1.3 Upon the tender award, additional information must be submitted of the sub-contracting partners/ service partners such as:

- a) List of the successful bidder's and sub-contractors' full staff that will be involved in the medical procedure

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<sup>3</sup> NDOH guidelines supersede WHO guidelines.



- b) Registration certificates with HPCSA/ SANC
  - c) Company registrations where applicable
- 7.3.1.4 Should the successful bidder wish to add additional sub-contractors/services partners during the contract period, the full details of any such company must be submitted to National Treasury for considerations and to PDoH prior to their appointment. The state will have to approve all new service partners prior or during the contract period.
- 7.3.1.5 The state reserves the right not to approve the sub-contracting partners as per paragraph 7.3.1.4.
- 7.3.1.6 The service provider must ensure that the sub-contractors/partner appointed are bound by all relevant terms and conditions of the main contract.

#### 7.4 **DECLARATION OF FUNDING**

- 7.4.1 Bidders must demonstrate financial ability and sustainability to execute the RT35-2023 programme and disclose all current project of similar MMC services.
- 7.4.2 In this regard bidders are required to completed and submit **Annexure E**. If the appointed service provider claims for reimbursement of a service performed on a client within this contract as well as the alternative donors (double-dipping), the contract with the appointed service provider may be terminated.

#### 7.5 **TERMS AND CONDITIONS OF BID**

##### 7.5.1 **Counter Conditions**

- 7.5.1.1 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.
- 7.5.1.2 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.
- 7.5.1.3 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.

##### 7.5.2 **Fronting**

- 7.5.2.1 The National Treasury supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent, and legally compliant manner. Against this background the National Treasury does not support any form of fronting.
- 7.5.2.2 The National Treasury, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct, or initiate the necessary enquiries/investigations to determine



the accuracy of the representation made in this bid document. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade, Industry and Competition, be established during such enquiry / investigation, the onus will be on the bidder to prove that fronting does not exist.

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

## 7.6 SUBMISSION OF BIDS

### 7.6.1 PHYSICAL AND HARDCOPY BID SUBMISSION

- 7.6.1.1 Bidders are required to submit hard copies at the National Treasury, 240 Madiba Street, TIC, Deposit the bid in the tender box.
- 7.6.1.2 The hard copy of the bid response will serve as the legal bid document.
- 7.6.1.3 Bidders' attention is drawn to the sequential submission format as per the checklist on Table 1.
- 7.6.1.4 Bidders must submit the bid at TIC situated at corner 240 Thabo Sehume and Madiba Streets, Pretoria in the following format:
- a. One (1) original hard copy
  - b. One (1) memory stick or USB with all the documents on the original hard copy and an excel version of the pricing schedule. Bidders must ensure that the USB is marked with the bidder's name.
- 7.6.1.5 All documents on the USB submitted must be an exact copy of the hard copy documents. Any discrepancies between the USB document and the original hard copy, the hard copy will take precedence.
- 7.6.1.6 A bid should be submitted in a sealed envelope or sealed suitable cover on which the name and address of the bidder, the bid number and the closing date must be clearly visible.
- 7.6.1.7 Bidders must submit all bid queries via email to [TCcontract1@treasury.gov.za](mailto:TCcontract1@treasury.gov.za).

## 7.7 LATE BIDS

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

## 7.8 COMMUNICATION AND CONFIDENTIALITY

- 7.8.1 The Chief Directorate: Transversal Contracting (TC) within the Office of the Chief Procurement Officer



- (OCPO) may communicate with bidders where clarity is sought after the closing date and time of the bid and prior to the award of the transversal contract, or to extend the validity period of the bid, if necessary.
- 7.8.2 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.
- 7.8.3 Whilst all due care has been taken in connection with the preparation of this bid, the National Treasury makes no representations or warranties that the content in this bid or any information communicated to or provided to bidders during the bidding process is, or will be, accurate, current, or complete. The National Treasury, and its officers, employees and advisors will not be liable with respect to any information communicated which is not accurate, current, or complete.
- 7.8.4 If a bidder finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the National Treasury (other than minor clerical matters), the bidder must promptly notify the National Treasury in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the National Treasury an opportunity to consider what corrective action is necessary (if any).
- 7.8.5 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.
- 7.8.6 All communication between the bidder and the National Treasury TC office must be done in writing as per the Contact Details below.
- 7.8.7 No representations made by or on behalf of the National Treasury in relation to this bid will be binding on the National Treasury unless that representation is expressly incorporated into the contract ultimately entered between the National Treasury and the successful bidder(s).
- 7.8.8 All persons (including all bidders) obtaining or receiving this bid and any other information in connection with this bid, or the tendering process must keep the contents of the bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a response to this bid.
- 7.9 **CONTACT DETAILS**
- 7.9.1 **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
- 7.9.2 **Bid Enquiries:** - All enquiries should be in writing to [TCcontract1@treasury.gov.za](mailto:TCcontract1@treasury.gov.za). The closing date for receipt of all enquiries is **9 December 2022**. All enquiries beyond the closing date will not be considered.

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

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

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

**8.3 Tax Compliance Requirements**

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

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

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

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

**8.4 Multiple Award and Specific Award Conditions**

8.4.1 The State reserves the right to award the same line item (surgical aid) and same district to more than one service provider to address the capacity to deliver the services to reach the targeted number of MMC. Benchmarking will be applied to ensure that pricing is affordable, market related and aligned to end-user requirements.

8.4.2 Bidder with the same sub-contracted service providers will not be awarded for the same districts.

8.4.3 No bidder will be awarded more than four districts. The bidder will be awarded the first four prioritized districts which they score the highest points and thereafter will be passed over for any other districts they have scored the highest point. Bidders are requested to indicate on the pricing schedule the priority district they prefer to be allocated first should they score the highest points.

8.4.4 The above paragraph will not apply in a case where there is only one compliant bidder in a district, whom have been recommended for four districts already, in this case, the bidder will be considered for more than four districts.



8.4.5 Bidder's previous performance will be taken into considerations which include compliance to quality standards. Previous performance include also other similar programmes such as PEPFAR assisted MMC programme to government.

**8.5 Preference for Local Produced Products**

8.5.1 The following conditions apply to the surgical aid:

8.5.1.1 For the items which are not part of the designation sector, the State reserves the right to consider and give preferences to locally produced products offered as per Preferential Procurement Policy Framework revised regulation, Paragraph 8.4 (a). Bidders are required to indicate on the pricing schedule the products manufacturers details.

8.5.1.2 In order to give preference to local produced products, the definition of a locally produced product will be limited to at least conversion process (substantiated value add) being in the Republic of South Africa. Substantial supporting documents may be required at any point in time prior and post award of the contract. Due diligence, which include site visits, may be conducted in this regard. The follows aspect must be complied to:

- a) The site/s of manufacture and/or assembling of the product offered is in South Africa.
- b) Demonstrated capacity to service the required volumes is confirmed.
- c) Compliance to all other aspects contained in these Special Requirements and Conditions of Contract
- d) The product offered meet the minimum requirement as per technical specification requirements.

8.5.2 Bidders are therefore required to submit SBD 6.2 and its annexure for this purpose for items applicable to this clause. Items which are claimed to be manufactured locally and the SBD 6.2 and its annexures is not submitted will not be considered as locally being manufactured. Exemption letter from the DTIC for the material which are being imported is therefore not required for items falling in this clause.

**8.6 Negotiations**

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

**8.7 Due Diligence**

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



- 8.7.2 The State also reserves the right to conduct any evaluation verifications prior to final award or at any time during the transversal term contract period.
- 8.7.3 Where applicable, the BEC reserves the right to subject item samples to applicable clinical evaluations, applications, or test at any State facility to verify compliance with the technical specifications. This will be arranged with the bidder.
- 8.8 **Right of Award**
- 8.8.1 The State reserves its following rights -
- 8.8.1.1 To award the bid in part or in full,
- 8.8.1.2 Not to make any award in this bid or accept any bids submitted,
- 8.8.1.3 Request further technical information from any bidder after the closing date,
- 8.8.1.4 Verify information and documentation of the bidder(s),
- 8.8.1.5 Not to accept any of the bids submitted,
- 8.8.1.6 To withdraw or amend any of the bid conditions by notice in writing to all bidders prior to 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.



## SECTION C: CONDITIONS OF CONTRACT

### 9. CONCLUSION OF CONTRACT

- 9.1 The Contract between National Treasury and the preferred bidder/s (Service Provider) collectively referred to as the Parties shall come into effect after the service provider has been issued with an unconditional letter of acceptance to their bid.
- 9.2 The Service Provider (s) shall be appointed in terms of this bid. The following will form part of the contract documents between the Parties in as far this RT35-2023 is concerned:
- 9.2.1 Bid Documents
  - 9.2.2 Letter of Appointment
  - 9.2.3 Award Documents
  - 9.2.4 Acknowledgement letter
- 9.3 In the event that there is any contradiction between the abovementioned documents, the special conditions of contract shall take precedent. For purpose of Section B, the term “service provider “shall refer to the preferred bidder appointed in terms of RT35-2023 transversal contract

### 10. PARTICIPATING STATE INSTITUTIONS

- 10.1 The following institution will be participating on the contract for RT35-2023:
- 10.1.1 **National Departments:** Department of Defence
  - 10.1.2 **Provincial Departments of Health:** Eastern Cape, Free State, Gauteng, Kwa-Zulu Natal, Limpopo; Mpumalanga, Northern Cape, North-West and Western Cape.

### 11. POST AWARD PARTICIPATION

- 11.1 PFMA public institutions listed in Schedules 1, 2, 3A, 3B, 3C, 3D and Local Government may send an application to National Treasury post award to request participate on the transversal contract.
- 11.2 In terms of Treasury Regulation 16A6.5 Accounting Officer/Accounting Authority of National and Provincial departments, constitutional institutions and public entities listed in schedule 1, 3A and 3C to the PFMA may opt to participate in a transversal contract facilitated by the relevant treasury.
- 11.3 Regulation 32 of the Municipal SCM Regulations provides that a Supply Chain Management policy may allow the accounting officer to procure goods or services for a municipality or municipal entity under a contract secured by another organ of the state.





## **12. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES**

### **12.1 Contract Administration**

12.1.1 The administration and facilitation of the transversal contract is the responsibility of the National Treasury and all correspondence in this regard must be directed to the Transversal Contracting Department via email on [TCcontract1@treasury.gov.za](mailto:TCcontract1@treasury.gov.za).

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

### **12.2 Supplier Performance Management**

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

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

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

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

### **12.3 Monitoring**

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

- a) Compliance to delivery lead times
- b) The services rendered and products supplied according to the contract
- c) Compliance with reporting requirements according to reporting schedule.
- d) Attendance of compulsory meeting with the participating institutions,

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



- 12.5 National Treasury will conduct meetings with the Participating Institutions and Suppliers to discuss transversal contracting issues.
- 12.6 The National Treasury may request Participating Institutions to impose penalties, where deemed necessary, as per Section 21 and 22 of the General Conditions of Contract.
- 12.7 Any change in the status in supply performance during the contract period must be reported within seven (7) days of receipt of such information to National Treasury.
- 12.8 Detailed reporting requirements and the schedules meetings will be communicated to successful suppliers post award.

### 13. CONTRACT PRICE ADJUSTMENT

#### 13.1 Formula

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

**Table 12: Contract Price Adjustment Formula**

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



### 13.2 Formula component definitions

#### 13.2.1 Adjustable amount

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

#### 13.2.2 Fixed portion

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

#### 13.2.3 Cost components and proportions

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

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

13.2.3.3 Successful bidders that are direct importers of raw material / finished product 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 13 - Contract Price Adjustment Cost Components**

Cost Component	% Contribution
D1 – Imported Product - Medical consumables - MMC Kit and Surgical aid	
D2 – Local Product – Medical consumable - MMC Kit and Surgical aid	
D3 – Labour	
D4 – Transport	
D5 – Overheads	
D6 – Other	
<b>TOTAL (Cost components must add up to 100%)</b>	<b>100</b>



#### 13.2.4 Applicable indices/references

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

**Table 14: Applicable Indices/References**

Cost component	Index Publication	Index Reference
D1 – Imported Finished product (if applicable);	Reserve bank Historical ROE	Average rates of exchange
D2 - Local Finished product (if applicable):	Specify (STATS SA Index)	STATS SA Table (Specify)
D3 – Labour	STATS SA P0141 (CPI), Table E; OR Labour agreement <sup>4</sup>	Table E - All Items (CPI Headline) OR Labour agreement to be provided/ Regulated Pricing Adjustment
D4 – Transport	Stats SA P0141 (CPI) Table E	Transport – Other Running Cost
D5 – Overheads	Specify (STATS SA Index)	STATS SA Table (Specify)
D6 – Other	Specify (STATS SA Index)	STATS SA Table (Specify)

#### 13.2.5 Base index date

13.2.5.1 The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date is **November 2022**

#### 13.2.6 End index date

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

#### 13.2.7 Price adjustment periods

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

**Table 15: Price Adjustment Period**

<sup>4</sup> In the absence of a labour agreement, the labour cost component will be adjusted with CPI Headline inflation.



Adjustment Period	CPA application to reach the office by the following dates	End Index	Dates from which adjusted prices will become effective
1st Adjustment	10 November 2023	September 2023	1 January 2024
2nd Adjustment	15 November 2024	September 2024	1 January 2025

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

13.2.8.1 In the event where material and/or finished products are imported the following will apply:

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

13.2.8.3 In the event where 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 paragraph below for the later invoice.

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

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

**Table 16: CPA Rate of Exchange**

Currency Name	Rates of exchange:1 May 2022 to 31 October 2022
US Dollar	
Euro	
Pound	

13.2.8.6 Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period **1 May 2022 to 31 October 2022** using the Reserve Bank published rates for the specific currency. Visit [www.reservebank.co.za](http://www.reservebank.co.za) to obtain the relevant rates. Please refer to TCBD 14 (Procedure to download historical exchange rates from the Reserve Bank website) for instructions.

13.2.8.7 Contract price adjustments due to rate of exchange variations are based on average exchange rates as



published by the Reserve Bank for the periods indicated hereunder:

**Table 17: Rate of Exchange Average Periods**

Adjustment	Average exchange rates for the period:
<b>1<sup>st</sup> Adjustment</b>	1 May 2023 to 30 October 2023
<b>2<sup>nd</sup> Adjustment</b>	1 May 2024 to 30 October 2024

#### 13.2.9 General

- 13.2.9.1 Unless prior approval has been obtained from National Treasury, Transversal Contracting, no adjustment in contract prices will be made.
- 13.2.9.2 Application for price adjustment must be accompanied by documentary evidence in support of any adjustment.
- 13.2.9.3 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.
- 13.2.9.4 In the event where the supplier's CPA application, based on the above formula and parameters, differs from Transversal Contracting verification, Transversal Contracting will consult with the supplier to resolve the differences.
- 13.2.9.5 Bidders are referred to the paragraph regarding counter conditions.
- 13.2.9.6 An electronic price adjustment calculator will be available on request from Transversal Contracting.
- 13.2.9.7 The State reserves the right to negotiate a price adjustment or not to grant any price adjustment.

### 14. DELIVERY AND QUANTITIES

#### 14.1 Delivery Basis

- 14.1.1 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 (3) weeks. Delivery period exceeding the prescribed maximum eight (3) weeks may be cancelled without notice.
- 14.1.2 Lead times for delivery of all items offered on transversal contract shall not exceed three (3) weeks/ 21 days

#### 14.2 Quantities

- 14.2.1 No quantities are reflected in this bid as orders will be placed on the basis of an 'as and when required' and no guarantee is given or implied as to the actual quantity/quantities which will be procured during



the transversal contract period.

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

## **15. PLACEMENT OF ORDERS AND PAYMENTS**

- 15.1 Orders will be placed by participating institutions who will be responsible for the payment to suppliers for goods delivered and/or services rendered.

## **16. CONTINUITY OF SUPPLY**

- 16.1 The supplier 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:

16.1.1 Industrial action,

16.1.2 Manufacturing pipeline

16.1.3 Any other supply challenges.

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

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

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

16.2.3 In the case of an emergency.

## **17. PRODUCT ADHERANCE / BRAND CHANGE**

- 17.1 In the event where 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.

- 17.2 In the event that the model/brand is discontinued and or replaced with a new model, National Treasury, Transversal Contracting must be notified of such an occurrence and upon approval, an official amendment will be issued. The supplier is required to submit supporting documents from the manufacturer substantiating the changes

- 17.3 It must be noted that the new model/ brand will be required to undergo the evaluation process prior to receiving approval of the model change issued by National Treasury. The new model must adhere to the technical specification for the item.

- 17.4 Furthermore, suppliers are to take note that the price of the new model should not be higher from the



current contract price of the original model.

17.5 Suppliers are not allowed to deliver a new equipment models/brand other than the model/brand awarded to them prior to an approval of model/brand change from National Treasury.

17.6 National Treasury reserve the right not to approve any model change applications.

## **18. ASSIGNMENTS AND CESSIONS OF CONTRACTS AND CHANGES IN CONTACT DETAILS**

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

### **18.2 Assignments of Contract**

18.2.1 Assignment of contract refers to the transfer of rights and obligations in a contract from an assigner 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.

18.2.2 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.

### **18.3 Cession of Contracts**

18.3.1 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 Institution).

18.3.1.1 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.

### **18.4 Changes in the Service Provider Contact Details**

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

## **19. POST AWARD PRODUCT COMPLIANCE PROCEDURES**

19.1 Successful bidders must ensure that the product confirms to 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 own cost) to submit product for testing to confirm compliancy to the relevant item technical specification and requirements at the SANAS





accredited institution.

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

## **20. SHELF LIFE**

- 20.1 All products must have a shelf-life of at least 18 months' years on manufacturing and all products must have a remaining shelf life of at least 12 months upon delivery.
- 20.2 Participating Departments may, without prejudice, decline to accept product with a shelf-life of less than 12 months years.
- 20.3 Contractors may make written applications to the purchasing institution to deliver goods with a shorter shelf-life, provided such applications are accompanied by an undertaking that unused short- dated stock shall be unconditionally replaced before or after expiry.
- 20.4 Any delivery of short, dated supplies without prior written approval must be collected by the respective suppliers at their own cost.
- 20.5 Any participating institution may, without prejudice, decline written applications to deliver short, dated stock.

## **21. PACKAGING AND LABELLING**

### **21.1 Packaging**

- 21.1.1 All deliveries made against this contract, in all modes of transport, are to be packed in suitable containers.
- 21.1.2 Packaging must be suitable for further dispatch, storage and stacking according to Good Wholesaling Practice and Good Distribution Practice.
- 21.1.3 Packaging must be suitable for transportation and should prevent exposure to conditions that could adversely affect the stability and integrity of the product.
- 21.1.4 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.
- 21.1.5 The number of units in the unit pack, shelf pack and shipper pack must be completed in the Bid Response Document.
- 21.1.6 Where a particular stacking and storage configuration is recommended by the supplier, this should be clearly illustrated on the outer packaging.
- 21.1.7 Where the contents of the shipper pack represent a standard supply quantity of an item, the following



must be adhered to:

- 21.1.7.1 Outer packaging flanges must be sealed with suitable tape that will clearly display evidence of tampering
- 21.1.7.2 The contents must be packed in neat, uniform rows and columns that will facilitate easy counting when opened.
- 21.1.8 Where the contents of a shipper pack represent a non-standard supply quantity, the following must be adhered to:
  - 21.1.8.1 Outer packaging flanges must be sealed with suitable tape that will clearly display evidence of tampering.
  - 21.1.8.2 The shipper pack must contain only one product, mixing of multiple items in a single shipper is not allowed.
  - 21.1.8.3 The outer packaging must be clearly marked as a "Part Box".
- 21.1.9 Suppliers must ensure that products delivered are received in good order at the point of delivery.

## 21.2 Labelling

- 21.2.1 All containers, packing and cartons must be clearly labelled. Bulk packs must be labelled in letters not less than font size 48.
- 21.2.2 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:

#	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.
12.	The word "sterile" and the method of sterilization (Where applicable)

## 21.3 Barcodes



- 21.3.1 It is mandatory that all products supplied must include a barcode (number plus symbology). All shipper, shelf and unit packs must be marked with the appropriate number and symbology. The European Article Numbering Code 13 (EAN 13) has been accepted as standard.
- 21.3.2 Suppliers are encouraged to include a 2D barcode or similar on their packaging that will include the brand name, batch number and expiry date.

## **22. REGISTRATION ON DATABASES OF PARTICIPATING INSTITUTIONS**

- 22.1 Awarded bidders must ensure continuous compliance with all statutory requirements which may affect their complying status on Central Supplier Database managed by National Treasury.
- 22.2 All contracted suppliers must ensure registration on all participating institutions supplier databases within 30 days of accepting the award.
- 22.3 Failure to meet this requirement will result in inability to process orders and payments for goods.

## **23. TERMINATION**

- 23.1 The State shall be entitled to terminate this agreement if one or more of the following occur: –
- 23.1.1 The supplier does not honour contractual obligations including submission of information
- 23.1.2 The supplier is provisionally or finally liquidated, making it impossible for the supplier to perform its functions in terms of this transversal contract
- 23.1.3 The supplier enters into settlement arrangements with their creditors
- 23.1.4 The supplier commits an act of insolvency
- 23.1.5 In the event that the supplier is a member of an unincorporated joint venture or consortium and the membership of such joint venture or consortium changes.
- 23.1.6 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.
- 23.1.7 Overall poor performance rating during the contract period

**END**