



SPECIAL CONDITIONS OF THE CONTRACT

RT42-1-2025

**SUPPLY AND DELIVERY OF BANDAGES AND DRESSINGS TO
THE STATE FOR A PERIOD ENDING 31 OCTOBER 2030**

**NON-COMPULSORY BRIEFING SESSION TO BE HELD
VIRTUALLY ON 2 OCTOBER 2026 ON THE MICROSOFT TEAMS
PLATFORM**

CLOSING DATE AND TIME OF BID

12 OCTOBER 2026 AT 11H00

BID VALIDITY PERIOD: 180 DAYS



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LIST OF ATTACHMENTS AND ANNEXURES

- i. Standard Bidding Documents (SBD's)
- ii. Transversal Contracting Documents (TCD's)
- iii. General Conditions of Contract (GCC)
- iv. Annexure A – Technical Specification
- v. Annexure B - Pricing Schedule
- vi. Annexure C- Declaration of Product Discontinuation
- Vii. Annexure D- The guide for online bid submission

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**LIST OF ABBREVIATIONS**

Abb	Full Name
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
CPA	Contract Price Adjustment
CSD	Central Supplier Database
GCC	General Conditions of Contract
OCPO	Office of the Chief Procurement Officer
SABS	South African Bureau of Standards
SANAS	South African National Accreditation System
SBD	Standard Bidding Document
SARS	South African Revenue Services
SCC	Special Conditions of Contract
SCM	Supply Chain Management
TC	Transversal Contract
TCD	Transversal Contract Document
TIC	Tender Information Centre
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Framework Act
QC	Quality Control
RoE	Rate of Exchange
VAT	Value-Added Tax



DEFINITIONS

Customer	A participant on the transversal contract who procures goods and/or services from the appointed Supplier(s).
Consortium or joint venture	means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
Delivery	The process of transporting goods from a bidder's source location to a predefined destination by the participants.
Due Diligence	The investigation or exercise of care that the State conducts before agreeing with the bidders to validate the bid responses.
Historically Disadvantaged Individuals	South African citizen: i. Who, due to the apartheid policy that had been in place, had no franchise in national elections before the introduction of the constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (the interim Constitution) and/or ii. Who is born after the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1983 (Act No 200 of 1993) (the interim Constitution) but due to the apartheid policy that would not have had a franchise in the national election and/or iii. Who is female; and/or iv. Who has a disability. Provided that a person who obtained South African citizenship on or after the coming to effect of the interim Constitution, is deemed not to be an HDI.
Female	refers to a female person who is a South African citizen
Person with Disability	are persons who have a long-term or recurring physical or mental impairment, which substantially limits their prospects of entry into or advancement in employment.
Specific Goals	means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination based on race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994



BID DOCUMENT CHECKLIST AND RETURNABLE

Table 1: Bid Document Checklist and Returnable

#	Document Name ¹	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted.
PHASE 1: MANDATORY REQUIREMENTS EVALUATION				
1.	Pricing Schedule (Annexure B)	Yes	Yes	
2.	SAHPRA License	No	Yes	
PHASE 2: ADMINISTRATIVE REQUIREMENTS EVALUATION				
3.	SBD 1 Invitation to Bid	Yes	Yes	
4.	Proof of authority must be submitted as per SBD 1	No	Yes	
5.	SBD 4 Bidder's Disclosure	Yes	Yes	
6.	SBD 6.1 – Preference points claim form.			
7.	TCD 13 Authorization Declaration	Yes	Yes	
8.	TCD 13.1 List of goods or services offered	Yes	Yes	
9.	Written confirmation for disclosing tax status by SARS	No	Yes	
10.	Central Supplier Database Report	No	Yes	
11.	CIPC Company Registration Documents	No	Yes	
12.	Copy of Identity Documents of the Owners and Directors	No	Yes	
PHASE 3: TECHNICAL COMPLIANCE EVALUATION				
	PART A			
13.	Quality assurance certificate - ISO 13485	No	Yes	
14.	TCD 13.2 Authorization Letter of Undertaking	Yes	Yes	
15.	Sterility certificate from the manufacturer			
	PART B			
16.	Sample Submission for visual screening	No	Yes	
17.	Test Reports from an Accredited Institution	No	Yes	
PHASE 4: PRICE & SPECIFIC GOALS EVALUATION				
18.	Pricing Schedule (Annexure B)	Yes	Yes	

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



#	Document Name ¹	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted.
19.	Declaration of Product Discontinuity			
20.	Proof of Business Shareholding/Ownership	No	Yes	
OTHER BID DOCUMENT REQUIREMENTS				
21.	Company Profile	No	Yes	
22.	Special Conditions of Contract	Yes	Yes	
23.	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 supply and delivery of bandages and dressings to the State for the period ending 31 October 2030.
- 1.2 This bid document is structured as follows:
 - 1.2.1 Section A: Introduction and Terms of Reference
 - 1.2.2 Section B: Conditions of Bid
 - 1.2.2.1 Part 1: Evaluation Criteria
 - 1.2.2.2 Part 2: Additional Bid Requirements
 - 1.2.2.3 Part 3: Recommendation and Appointment of Bidders
 - 1.2.3 Section C: Conditions of Contract

2. LEGISLATIVE AND REGULATORY FRAMEWORK

- 2.1 This bid and all contracts emanating therefrom will be subject to General Conditions of Contract issued per Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) as well as the Preferential Procurement Policy Framework Act 2000 (PPFPA) with its latest 2022 regulations.
- 2.2 The Special Conditions of Contract (SCC) are supplementary to those of the General Conditions of Contract (GCC). However, where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.
- 2.3 This bid is subject to all applicable industry-related legislation, particularly the legislation stated below:
 - a. 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 and Guidelines;
 - b. Patents Act, 1978 (Act 57 of 1978) and the Trademarks Act, 1993 (Act 194 of 1993)



3. OBJECTIVE OF THE BID

- 3.1 To arrange the RT42-1-2025 transversal contract for the supply and delivery of bandages and dressings to the State for the period of 60 months.
- 3.2 For the promotion of historically disadvantaged individuals (maximum 2 points) and Local Content and Production (maximum 8 points) as per the specific goals allocated in terms of Preferential Procurement Regulations 2022 issued according to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000).
- 3.3 As per section 2(1) (f) of the PPPFA, it is the objective of the bid to award bids offering goods with local content and/or local value added according to the objective criteria set. Please refer to the Technical Specifications (Annexure A) for detailed information on the percentage (%) of Local Production and Content requirements to be achieved to meet these objective criteria.

4. BRIEFING SESSION

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

Venue: Microsoft Teams. The link to register and attend the briefing session is included on the National Treasury website and e-tenders. Bidders can click on the link below to access the briefing session:

[RT42-1-2025 Non-Compulsory Briefing Session](#)

Date: 2 October 2026

Time: 10H00

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



5. TERMS OF REFERENCE

5.1 INTRODUCTION

5.1.1 The RT42-1-2025 bid is for the supply and delivery of bandages and dressings to the State for the period ending 31 October 2030.

5.2 TECHNICAL SPECIFICATIONS REQUIREMENTS

5.2.1 The detailed technical specification requirements are as per Annexure A for the supply and delivery of bandages and dressings to the State for the period ending 31 October 2030

5.2.2 The bid consists of eight (8) categories with a total of 52 line items. The summary details are as follows:

Table 2: Summary of Technical Specifications Categories

1.	#	CATEGORY	CATEGORY DESCRIPTION	# ITEMS IN THE CATEGORY
		#		
1		Category 1	Adhesive removal	5
2		Category 2	Bandages	17
3		Category 3	Brain Patties	1
4		Category 4	Drapes	2
5		Category 5	Eye Pad	1
6		Category 6	Gauze	8
7		Category 7	Gauze Plugs	1
8		Category 8	Wound Dressing	17
TOTAL NUMBER OF ITEMS IN THE BID				52



SECTION B: CONDITIONS OF BID

6. PART 1: EVALUATION CRITERIA

6.1 The details of the evaluation phases are outlined below:

Table 3: Evaluation Criteria

Phase 1	Phase 2	Phase 3	Phase 4
Mandatory requirement	Administration Requirements	Technical Compliance	Price and Specific Goals
Compliance with mandatory requirements	Compliance with the Administration document requirements	Compliance with the technical specifications and requirements	Bids evaluated in terms of the 90/10 preference system

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

6.2 PHASE 1: MANDATORY REQUIREMENTS EVALUATION

6.2.1 Bidders' must submit all required documents indicated hereunder with the bid documents at the closing date and time of the bid. During this phase bidders' responses will be evaluated against the mandatory requirements for compliance. Bidders who fail to comply with all the mandatory criteria will be disqualified.

6.2.2 Pricing Schedule

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

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

6.2.2.3 The pricing for this bid is required to be on a national level.

6.2.2.4 Failure to submit the Pricing Schedule will invalidate the bid.



- 6.2.2.5 All prices must be entered in the field provided in the Pricing Schedule supplied with the bid document.
- 6.2.2.6 All prices must be quoted in rands and rounded to two (2) decimal places.
- 6.2.2.7 The completed Pricing Schedule must be submitted in Microsoft Excel format as an unlocked electronic (soft copy) file to enable verification, analysis, and contract administration. Bidders shall not password-protect, lock, alter formulas, or otherwise restrict access to the Pricing Schedule.
- 6.2.2.8 Pricing structures that do not comply with the requirements set out in this bid document, including the prescribed pricing methodology, format, units of measure, and pricing schedule requirements, may result in the bid being declared non-responsive and disqualified from further evaluation
- 6.2.3 **South African Health Products Regulatory Authority (SAHPRA) Licence**
- 6.2.3.1 Bidders must submit a manufacturer's, distributor's or wholesaler's licence in accordance with 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). The licence must be issued by SAHPRA to the bidder.
- 6.2.3.2 In the case of a joint venture partnership, all partners in a joint venture must submit the SAHPRA licence. Failure of any member in the partnership to have a licence will disqualify the bid.
- 6.2.3.3 The licence for the manufacturing, importing, exporting, distribution and /or wholesaling of medical devices and IVDs must be issued by the South African Regulatory Authority and be valid at the closing date and time of the bid.
- 6.2.3.4 Bidders must submit evidence of the approved medical device establishment licence on or before the closing date and time of the bid.
- 6.2.3.5 Failure to submit the SAHPRA Licence will invalidate the bid.
- 6.3 **PHASE 2: ADMINISTRATION REQUIREMENTS EVALUATION**
- 6.3.1 Bidders must submit the following documents below to comply with the policy to guide uniformity in procurement reform processes.
- 6.3.1.1 **SBD 1** – Invitation form to bid.
- 6.3.1.2 **Proof of Authority** –This is proof that the company representative has been given authority by the company to sign bid documents on their behalf, as required on SBD 1.



6.3.1.3 **SBD 4 – Bidders Disclosure**

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

6.3.1.5 **TCD 13 and 13.1 - Authorization Declaration** - All bidders are required to complete the “Authorisation Declaration” (TCD 13 and TCD 13.1) for all relevant goods or services in full, sign it, and submit it together with the bid response. at the closing date and time of the bid invitation.

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

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

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

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

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

6.4 **PHASE 3: TECHNICAL SPECIFICATION REQUIREMENTS**

6.4.1 During this phase bidders’ responses will be evaluated based on technical requirements for each item offered on the pricing schedule. Non-compliance with the applicable requirements for each item below will result in disqualification of the relevant line item being evaluated. The technical specification requirement evaluation is in two parts, **Part A and Part B**. Only items which comply with Part A of the evaluation requirements will be evaluated further in Part B of phase 3 evaluation

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

6.4.2.1 Items must comply with technical requirements on the technical specifications (**Annexure A**) as stated in the bid document of each item. Non-compliance with the technical specification requirements will invalidate the items to which compliance is not adhered.

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

6.4.2.3 The State reserves the right to consider products that deviate from the stated technical specifications by not more than 5% -10% provided that:

- a) the bidder clearly discloses and substantiates the deviation in its bid submission;
- b) the deviation results in an equal or superior level of performance, functionality, quality, safety, reliability, durability, or usability when compared to the stated technical specification;
- c) the deviation does not adversely affect the intended purpose, clinical outcome, operational requirements, safety of users, target population, compatibility, interoperability, or regulatory compliance of the product;
- d) the product continues to meet all mandatory requirements, applicable standards, certifications, and legislative or regulatory requirements specified in the bid document; and
- e) sufficient documentary evidence, test reports, certifications, technical data, or other supporting information is provided to enable an objective assessment of the deviation
- f) the Bid Evaluation Committee is satisfied that the intended functional outcome of the specification is achieved.

**PART A****6.4.3 Quality Assurance Requirements**

- 6.4.3.1 Bidders must submit at the closing date and time of the bid, valid quality assurance certificates ISO 13485 to confirm compliance for the items offered as per the pricing schedule. The certificate holder must be the original product manufacturer.
- 6.4.3.2 The ISO certificate must belong to and be in the name of the original manufacturer of the product listed in the pricing schedule corresponding with the authorization declaration as per third-party undertaking letter. Where a bidder offers products from more than one manufacturer, a valid ISO certificate must be provided for each manufacturer.
- 6.4.3.3 The ISO Certificates must be issued by a SANAS Accredited institution or body accredited under the International Accreditation Forum (IAF) member bodies.
- 6.4.3.4 Failure to submit the ISO 13485 certificate will invalidate the bid for the relevant item.

6.4.4 Third-Party Authorization Letter of Undertaking

- 6.4.4.1 Any bidder who is not an original manufacturer of the product must submit a valid Third-Party Undertaking letter (template provided as TCBD 13.2) in full for all relevant goods. The letter of undertaking from the manufacturer must include, but not be limited to, the following:
- a) In terms of products: The letter must list the item number (s), item description, and brand/model name offered by the third-party manufacturer.
 - b) The letter must be issued on the third-party service provider's official letterhead and must be dated and signed by an authorised representative.
 - c) The letter must not be older than the date of the bid advertisement.
 - d) The letter must include the third-party company name, contact person's name, address and telephone number or email address. The designation or capacity of the person signing the letter on behalf of the third party must also be clearly stated.
 - e) All information contained in the letter and any supporting documentation submitted in support thereof must be provided in English.
- 6.4.4.2 Third-Party Authorization Letter of Undertaking must be from an Original Product Manufacturer (OPM). In the case where the letter of undertaking is from an authorized importer/distributor, proof from the OPM authorizing the importer or distributor must also



be submitted with the bid at the closing date and time of the bid; such proof must not be older than the advertisement date of the bid.

- 6.4.4.3 Failure to indicate the relevant item numbers and brand name on the Third-Party Authorization Letter of Undertaking will render the affected line items non-responsive.
- 6.4.4.4 The State reserves the right to verify any information supplied by the bidder in the Third-Party Authorization Letter of Undertaking and, should the information be found to be false or incorrect, the bidder will be disqualified for all items; further, the State may exercise additional legal remedies available.
- 6.4.4.5 The bidder must ensure that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party. No agreement between the bidder and the third party will be binding on the State.
- 6.4.4.6 Failure by a bidder to submit the required Third-Party Authorization Letter of Undertaking confirming the arrangements with the third party will result in the bid being declared non-responsive and disqualified from further evaluation.
- 6.4.4.7 Notwithstanding any provision to the contrary contained in this bid or any supporting documentation submitted by a bidder, the State reserves the right, in its sole discretion, to disregard, reject, assign no evidentiary value to, or otherwise not accept any authorisation letter, support letter, distributorship confirmation, manufacturer authorisation, or any similar document issued by a third party where:
- a) the third party has been restricted from doing business with the State in terms of any applicable law, regulation, instruction, directive, or decision of a competent authority; this relates to the third party being recorded on the National Treasury database of restricted suppliers or the Register for Tender Defaulters;
 - b) the third party is, in the opinion of the State, eligible for the disregard of its bids or offers in terms of Treasury Regulation 16A9.2,
 - c) the State has reasonable grounds to believe that the third party has engaged in fraudulent, corrupt, collusive, anti-competitive, improper, or undesirable conduct; or
 - d) acceptance of such authorisation letter or supporting document may compromise the integrity, fairness, transparency, competitiveness, or lawfulness of the procurement process.
- 6.4.4.8 The submission of an authorisation letter or other form of third-party support shall not oblige the State to recognise or accept such document for evaluation purposes. The State



reserves the right to verify the status, standing, eligibility, and business conduct of the issuing third party and to make such enquiries as it deems necessary before determining the evidentiary value or acceptability of any such documents.

6.4.5 Sterility certificate from the manufacturer

6.4.5.1 Where applicable, bidders must submit proof of a valid sterility certificate from the manufacturer at the bid closing date and time.

6.4.5.2 Acceptable proof includes:

- a) ISO 17665-1:2006/SANS 17665-1:2007 (steam sterilization), or
- b) ISO 11135 (ethylene oxide sterilization), or
- c) ISO 11137 (radiation sterilization).

6.4.5.3 Where the sterilisation of items is outsourced to a third party, the bidder must submit a letter confirming the outsourcing arrangement together with the relevant ISO certificate. The letter must be dated and signed by both the bidder and the third-party service provider.

6.4.5.4 The certificate must confirm that the manufacturer's sterilization facilities, including physical buildings and equipment, comply with the prescribed requirements. This applies to all South African and international facilities where non-sterile products are sterilized.

6.4.5.5 Failure to submit the required sterility certificate will render the bid non-compliant for the relevant items. Sterility testing is performed under SABS standards, as required, by the SABS Microbiology Division for sterile products.

PART B (TEST REPORTS AND SUBMISSION OF SAMPLES)

6.4.6 **NB:** Only items that comply with **Part A** above will be evaluated in **Part B** of the technical specification requirements evaluation. The requirements for Part B are as follows:

6.4.7 Samples Submission for Visual Screening Evaluation

6.4.7.1 All items must comply with the technical specifications provided in Annexure A of this bid, as stated for each item. Failure to comply will result in the invalidation of the relevant items.

6.4.7.2 Only items that comply with **Part A** will be required to submit samples to verify compliance with technical specifications at the venue, date, and time communicated by the National Treasury.



6.4.7.3 The submitted sample must match the exact brand and manufacturer specified in the pricing schedule. Any samples that do not meet this requirement, including those from different manufacturers or brands, will be disqualified.

6.4.7.4 Failure to submit the samples as required will invalidate the bid for the items for which samples are not submitted.

6.4.7.5 Where applicable, the BEC may subject any of the samples required to applicable clinical evaluations, applications, or tests at any State facility to verify compliance with the technical specifications. In this case, this will be arranged with the bidder.

6.4.7.6 **Sterility-**

- a) Where items are indicated on the specification that they are sterile, the Sterilization processes used for medical devices shall comply with the requirements of the relevant item standards.
- b) For All products for which sterility is required, the packaging of the product to be delivered and the sample to be submitted must indicate the sterility of the product.
- c) All sterilized products shall be individually packed or in unit packages sterilizable by the method(s) stated by the manufacturer.

6.4.7.7 **Sample Submission –**

- a) The National Treasury will send a schedule indicating the date, time, place, and venue to the responsive bidders from Phase 3 Part A to submit samples for evaluation. Bidders are hereby notified that a schedule for the submission of samples will only be issued to responsive bidders from Phase 3 Part A on short notice of at least two (2) weeks before the stipulated sample submission date. Bidders shall, therefore, ensure that they are adequately prepared and, in a position, to submit the required samples within the prescribed timeframe.
- b) It is the responsibility of the bidder to ensure that the correct contact details are provided in the bid document and to ensure that samples are submitted on time, at the correct venue.
- c) Where different sizes of the same item are called for against different item numbers, samples of each size must be submitted.
- d) All samples submitted must be a true representation of the product that will be supplied during the contract period and MUST be in the original pack and comply with labelling requirements.
- e) All samples must be in original packaging for sample evaluation. Samples that are not in the original packaging will be disqualified.



- f) The quantity of samples required for each item is indicated in Annexure A Technical Specification.

6.4.7.8 **Manufacturers' Technical Specification-Brochures** –Where required, bidders must upload, together with the bid, an original manufacturer's technical specification (brochure) for all products offered, preferably in colour, with fully comprehensive product technical information. The brochure must indicate the product name and description, make/model, device images, and all information required to verify compliance with technical specification requirements.

6.4.7.9 **Product Labels and Pictures** – Where applicable, bidders must upload labels and pictures of products with the bid submission. No hard copies or USB submissions will be accepted.

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

- a) Samples must be 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 box.
- b) Samples must be packed in original packaging.
- c) Failure to comply with this condition may invalidate the bid against the relevant item.

6.4.7.11 **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 the National Treasury has issued a request to bidders to collect the samples, the samples will be disposed of at the discretion of the National Treasury.

6.4.8 **Submission of Test Report from a South African National Accreditation System (SANAS) Accredited Institution**

6.4.8.1 Where the item technical specification indicates a standard, responsive bidders from Phase 3 Part A must submit samples for testing to a SANAS-accredited institution (accredited to conduct testing for the relevant standard). Responsive bidders from Phase 3 Part A must submit a test report from a SANAS-accredited testing institution (accredited for the relevant standard).

6.4.8.2 Each test report must clearly indicate the relevant RT42-1-2025 item numbers to ensure easy identification and linkage to the bid items.

6.4.8.3 The National Treasury will send a schedule indicating the date to responsive bidders from Phase 3 Part A to submit a test report from a SANAS-accredited testing institution. Bidders are hereby advised that a schedule for the submission



of test reports may be issued to bidders within a period of one (1) month following the bid closing date.

- 6.4.8.4 The test reports must not be older than eighteen (18) months at the time of submission.
- 6.4.8.5 The test report must be submitted to **Demand.Acquisition2@treasury.gov.za/Lebogang.mosuwe@treasury.gov.za**. Failure to submit a test report issued by a SANAS-accredited testing institution at the specified period will disqualify the relevant item.
- 6.4.8.6 The procedures for sampling frame guidelines and testing for product compliance may differ and should be obtained from the relevant testing institution before the submission of samples. The cost of compliance testing will be for the account of the prospective bidder.
- 6.4.8.7 Failure to submit a test report issued by a SANAS-accredited testing institution will result in the disqualification of the relevant item.
- 6.4.8.8 Bidders must enquire at the SABS office countrywide for the relevant standards specifications for SANS, SABS, ISO, and CKS. Obtaining any standards/specifications will be the responsibility and for the account of the prospective bidder. To purchase standards, obtain quotes, or enquire about the availability of e-standards, please contact Standards Sales

Physical Address:

1 Dr Lategan Road

Groenkloof

Pretoria

Contact person: Ms Wilheminah Moshobane/ Mr Mlando Mvubu

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- 6.4.8.9 The SABS website: www.sabs.co.za and follow the “Search/Buy Standards” link.



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

6.5.1 **Pricing Schedule and Structure Requirements**

- 6.5.1.1 Prices quoted must be furnished based on “delivered to State facility”, country-wide, inclusive of VAT.
- 6.5.1.2 The pricing schedule provided in this bid forms an integral part of the bid document and bidders must ensure that it is completed without changing the structure thereof. Bidders are required to complete a mandatory Pricing Schedule as a response to how much the items offered will be charged.
- 6.5.1.3 Due diligence on market-related pricing reasonableness may be conducted. The State reserves the right to disqualify bid offers that are under-quoted or above market value. In this case, the bidder may be required to submit supporting documentation to the State to prove that the pricing is not under-quoted or above market value.
- 6.5.1.4 Conditional discounts offered will not be taken into consideration during evaluation.
- 6.5.1.5 All prices must be entered in the fields provided in the Pricing Schedule supplied with the bid document. Pricing structures that do not comply with this requirement may result in the bid being declared non-responsive.
- 6.5.1.6 The completed Pricing Schedule (Annexure B) must be submitted together with the bid document and as an unlocked Microsoft Excel spreadsheet at the closing date and time of the bid.
- 6.5.1.7 The bidder shall ensure that all prices are quoted using the prescribed units of measure indicated in the pricing schedule.
- 6.5.1.8 Prices submitted in this bid must be filled in on the field provided on the pricing schedule supplied with the bid. Price structures that do not comply with this requirement may invalidate the bid.

6.5.2 **Declaration of Product Discontinuation**

- 6.5.3 Bidders are required to complete in full the **Declaration form Annexure C** for any product offered that is in the process of being discontinued or is planned to be discontinued by the original product manufacturer. The State reserves the right not to consider any item offered that is currently or is planned within the first 18 months of the contract to be discontinued.
- 6.5.4 Failure to disclose the above may result in the State terminating the contract for the



relevant item for which declaration was not made. The State reserve the right to institute penalty costs associated with the State having to instate alternative sourcing methods for the relevant item.

6.5.5 Preferential Point System

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

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

6.5.5.2 The following formula will be used to calculate the points for price out 90:

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

Where,

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

P_t = Comparative price of a bid under consideration

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

6.5.5.3 The following goals will be used to calculate the points for specific goals out of 10 points

Table 4: Preference Point system

SPECIFIC GOALS	POINTS ALLOCATED OUT OF 10
Who is born after the introduction of the Constitution of the Republic of South Africa, 1983(Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (the interim Constitution) but, due to the apartheid policy that had been in place would not have had a franchise in the national elections and/or	2
Other specific goals (goals of the RDP- plus local manufacture) - Local Content and Production	8
POINTS	10

- a) The points scored by a bidder in respect of the goals indicated above will be added to



the points scored for price.

- b) **SBD 6.1:** Bidders are required to complete the SBD 6.1 forms to claim preference points. Only a bidder who has completed and signed the declaration part of the SBD 6.1 preference points claim forms will be considered for preference points.
- c) The bidder's Central Supplier Database (CSD) report, CIPC registration documents, and Identity Documents (ID) copies submitted will serve as proof of ownership and directorship of the company.
- d) Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender will not be allocated with the points claimed.
- e) The State may, before a bid is adjudicated or at any time, require a bidder to submit any relevant additional supporting documents to substantiate claims it has made about preference.
- f) Points scored will be rounded off to the nearest 2 decimals.
- g) If two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for the specified goals. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- h) A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.
- i) Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.

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

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

Where:

PSSG= Points scored for a specific goal

MPA = Maximum points allocated for a specific goal

PEO = Percentage of equity ownership by an HDI

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

- a) The specific goals contemplated in the paragraph above and are related to equity ownership must be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company's shares that are owned by individuals, who are actively involved in the management of the enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.
- b) If the percentage of ownership contemplated in the paragraph above changes after the closing date of the tender, the tenderer must notify the Office and such tenderer will not be eligible for any preference points.
- c) Equity in private companies must be based on the percentage of equity ownership.
- d) Preference points may not be awarded to public companies and tertiary institutions.
- e) Equity claims for a Trust may only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust.
- f) Documentation to substantiate the validity of the credentials of the trustees contemplated in the paragraph above must be submitted to the Office.
- g) A consortium or Joint Venture may claim points for specific goals, based on the percentage of the contract value managed or executed by individuals who are actively involved in the management or exercise control of the respective parties of the consortium or Joint Venture.
- h) A tenderer who does not submit proof of ownership may not be disqualified from the bidding process but will be allocated zero points for the relevant specific goals for ownership.

6.5.5.6 Specific goals in relation to procuring locally produced products

- a) Preference points may only be claimed for the content of the products locally sourced and locally manufactured (fabricated, processed or assembled), in the Republic of South Africa. In cases where production has not yet commenced at the time of bid closure, evidence shall be produced that at the time of bid closure, the bidder was irrevocably committed to local production of the product
- b) Local content means that portion of the bid price represented by the costs of components, parts, or materials that have been or are still to be sourced locally



(whether by the bidder or his suppliers or sub-contractors for the relevant item offered.

- c) Imported content means that portion of the bid price represented by the costs of components, parts, or materials that have been or are still to be imported (whether by the bidder or his suppliers or sub-contractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duties, sales duties, or other similar taxes or duties at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies for which a bid has been submitted are manufactured.
- d) Bidders must indicate in the pricing schedule (Annexure B) which product(s) [item number(s)] is/are manufactured locally and indicate the local content % of each product/item in relation to the bid price. The State may request additional information for the bidder to substantiate the points claimed against the local content and production. This may also include due diligence through manufacturing site visits.
- e) The following formula will be applied to calculate the number of points out of the points allocated to local content and production-specific goals:

$$\text{PSLC} = \text{MLC} \times \text{PLC} / 100$$

Where:

PSLC = Points scored for local content

MLC = Maximum points allocated for Local Content

PLC = Percentage of Local Content for product offered

- f) To qualify for the points of local manufacturing, the definition of a locally produced product will be limited to at least the conversion process (substantiated value adds) being in the Republic of South Africa. Substantial supporting documents may be required at any point in time before and post-award of the contract. Due diligence, which includes site visits, may be conducted in this regard.
- g) In the event of a contract being awarded as a result of points claimed, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct. If the claims are found to be incorrect, the State, in addition to any other remedy it may have –



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

6.5.5.7 Items Grouped as a Series

- a) Items that have been grouped as a series as indicated in the pricing schedule will be allocated preference points for price using the total amount of the group series.
- b) Bidders are required to offer prices for all units of measure specified in the series, and for all items within a group series. Failure to give an offer for any of the items in a group series may disqualify the bidder for all the items in the group series.

6.5.5.8 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.

6.5.6 Cost Breakdown

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

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

6.5.6.3 Example:

Table 5: Example of Cost Breakdown

Cost-driver	% Total Cost
Imported raw material	30%
Local raw material	20%
Labour	15%
Transport	30%
Other (Indicate)	5%



Cost-driver	% Total Cost
The total % of the item	100%

6.5.7 TCD 14 Historical Exchange Rates

6.5.7.1 In terms of cost price adjustment, bidders should make use of any relevant currency for the items offered by calculating the average for the period **1 March 2026 to 31 August 2026** 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.

6.5.8 Responsive Bids

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

7. PART 2: ADDITIONAL BID REQUIREMENTS

7.1 TERMS AND CONDITIONS OF BID

7.1.1 Counter Conditions

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

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

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



7.1.2 Undesirable/improper² practices during the bidding stage

7.1.2.1 Fronting

- a) The National Treasury supports the spirit of broad-based black economic empowerment and recognises that real empowerment can only be achieved through individuals and businesses conducting themselves -by the Constitution and in an honest, fair, equitable, transparent, and legally compliant manner. Against this background, the National Treasury does not support any form of fronting.
- b) The National Treasury may, in its discretion, during or after the bid evaluation processes, conduct or initiate the necessary inquiries/investigations to determine the accuracy of the representation made in this bid document. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade, Industry, and Competition, be established during such inquiry/investigation, the onus will be on the bidder to prove that fronting does not exist.
- c) Failure to do so by the bidder within fourteen (14) days from the date of notification by the National Treasury may invalidate the bid/contract and may also result in the restriction of the bidder from conducting business with the public sector for a period not exceeding ten (10) years, in addition to any other remedies the National Treasury may have against the bidder concerned.
- d) If a bidder is suspected of fronting, the State reserves the right to report the matter to the Competition Commission, and if found guilty of any fronting, the State may:
 - i) Disregard the bid from the bidder or cancel the contract in question.
 - ii) disregard the bid of the contractor for any future contracts; or
 - iii) Restrict the bidder (or contractor later) from doing business with the State
- e) The State reserves the right to disregard a bid from a bidder or a bidder whose director has previously been disqualified from a public procurement process for fronting or found guilty of fronting.

² means any conduct by a bidder, contractor, its directors, members, shareholders, employees, agents, subcontractors or any person acting on its behalf that is unlawful, unethical or inconsistent with the principles of fairness, transparency, competitiveness, accountability and integrity in public procurement, including but not limited to fraud, corruption, bribery, collusion, fronting, anti-competitive conduct, conflicts of interest, money laundering, forgery, submission of false or misleading information, bid-rigging, abuse of the procurement process, or any other conduct that may prejudice the State or bring the public procurement system into disrepute.

**7.1.2.2 Collusive bidding or bid rigging**

- a) Collusive bidding refers to an illegal agreement or coordinated practice among competing bidders to manipulate a tender or bidding process, thereby restricting or eliminating genuine competition and ensuring that a predetermined bidder—or a member of the collusive group—wins the contract, often at inflated or non-competitive prices
- b) If a bidder is suspected of collusive or bid rigging, the State reserves the right to report the matter to the Competition Commission for further investigation.
- c) The State reserves the right to disregard a bid from a bidder or bidder whose director has previously been found guilty of collusive bidding or bid rigging.

7.1.2.3 Under-quoting

- a) Underquoting refers to an instance where a bidder submits pricing that is significantly lower than the market-related price of supplying goods and or services with an intention of being the most preferred bidder.
- b) If a bidder is suspected of underquoting and, upon an internal investigation, it has been found that the bidder has engaged in a practice of under-quoting, the State reserves the right to reject the entire bid or a bid on specific line items.

7.1.2.4 Abuse of Price Adjustment Provision

- a) Abuse of the price adjustment provision refers to the practice of submitting an unrealistically low (in monetary terms) bid to secure a contract award and, at the contract stage, improperly using the price adjustment provision to unjustifiably or excessively increase the contract price through unwarranted rates or adjustments.
- b) The State reserves the right to disregard a bid from a bidder who has previously abused the price adjustment provision.

7.1.2.5 Other undesirable/improper practices.

- a)
- b)
- c)
- d) Notwithstanding any other provision of this bid document, where the State has any



information, allegation or evidence suggesting that a bidder has engaged, or is engaged, in any improper practice, whether in relation to this bid or any other procurement undertaken by an organ of state, including but not limited to fraud, corruption, collusive tendering, fronting, bribery, misrepresentation, submission of false or fraudulent documents, conflicts of interest, anti-competitive conduct, or any other conduct that may compromise the integrity of public procurement or bring the public procurement system into disrepute, the State reserves the right to:

- i) conduct such investigations as it deems necessary;
 - ii) Request the bidder to provide written representations or additional information;
 - iii) refer the matter to any competent authority or institution, including but not limited to law enforcement agencies, the Competition Commission, the Auditor-General, the Public Protector, the Special Investigating Unit, the National Prosecuting Authority, the relevant professional body, or any other institution responsible for investigating such matters; and
 - iv) Consider any findings, reports or evidence arising from such investigation.
- e) Where, following the investigation or consideration of the available information, the State reasonably concludes that the bidder has engaged in any improper practice, the State reserves the right to reject the bidder's bid, in whole or in part, without incurring any liability, and to take any further action permitted in law.
- f) The exercise of this right shall be without prejudice to any other rights or remedies available to the State under the Constitution, applicable legislation, the General Conditions of Contract, or any other applicable legal instrument.

7.2 SUBMISSION OF BIDS

7.2.1 ONLINE BID SUBMISSION

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

7.2.1.2 Manual or hardcopy bids are not acceptable.

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

7.2.1.4 The guide for online bid submission is attached as Annexure D.

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

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



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

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

7.3 **LATE BIDS**

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

7.4 **COMMUNICATION AND CONFIDENTIALITY**

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

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

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

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

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

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

7.4.7 No representations made by or on behalf of the National Treasury about this bid will be binding on the National Treasury unless that representation is expressly incorporated into



the contract ultimately entered between the National Treasury and the successful bidder(s).

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

7.5 **CONTACT DETAILS**

- 7.5.1 **General:** - National Treasury, Office of the Chief Procurement Officer, Chief Directorate: Transversal Contracting, Private Bag x115, Pretoria, 0001. Physical address: 40 Church Square, Old Reserve Bank Building, Pretoria, 0002.

- 7.5.2 **Bid Enquiries:** - All inquiries should be in writing to Demand.Acquisition2@treasury.gov.za. The closing date for receipt of all inquiries is **08 October 2026**. All inquiries beyond the closing date will not be considered.

8. PART 3: RECOMMENDATION AND APPOINTMENT OF BIDDERS

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

- 8.2 On approval of the recommendation/s and appointment/s, the successful bidder(s) will sign an appointment letter, and the unsuccessful bidder(s) will be informed accordingly. The following paragraphs will be applicable when the BEC makes the recommendation to the BAC.

8.3 **Tax Compliance Requirements**

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

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

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

- 8.3.4 Where Consortia / Joint Ventures / Sub-Contractors are involved, each party must be



registered on the CSD, and their tax compliance status will be verified through the CSD or SARS.

8.4 **Multiple Award**

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

8.5 **Negotiations**

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

8.6 **Due Diligence**

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

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

8.7 **Right of Award**

8.7.1 The State reserves its following rights -

8.7.1.1 To award the bid in part or in full,

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

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

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

8.7.1.5 Not to accept any of the bids submitted,

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

8.7.1.7 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 as far as this RT42-1-2025 is concerned:
- 9.2.1 Bid Documents
 - 9.2.2 Letter of Appointment
 - 9.2.3 Award Documents
 - 9.2.4 Transversal Contracting Agreement (TCA)
- 9.3 If there is any contradiction between the abovementioned documents, the special conditions of the contract shall take precedence. For Section B, the term “service provider” shall refer to the preferred bidder appointed in terms of the RT42-1-2025 transversal contract.

10. PARTICIPATING STATE INSTITUTIONS

- 10.1 This transversal contract RT42-1-2025 is intended to be utilized by various organs of the State as listed below:

Table 6: Participating Government Institutions

#	PARTICIPANTS
1	Department of Defence
2	Department of Correctional Services
3	Department of Health Eastern Cape
4	Department of Health Free State
5	Department of Health Gauteng
6	Department of Health Limpopo



#	PARTICIPANTS
7	Department of Health Mpumalanga
8	Department of Health Northwest
9	Nelson Mandela Children's Hospital

11. POST-AWARD PARTICIPATION

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

12. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

12.1 Contract Administration

- 12.1.1 The administration and facilitation of the transversal contract is the responsibility of the National Treasury and all correspondence in this regard must be directed to the Transversal Contracting Department via email on TCcontracts2@treasury.gov.za
- 12.1.2 Suppliers must advise the Chief Directorate: Transversal Contracting, National Treasury immediately when unforeseeable circumstances will adversely affect the execution of the transversal contract. Full particulars of such circumstances as well as the period of delay must be furnished.

12.2 Supplier Performance Management

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



contacted for corrective actions.

- 12.2.2 Supplier performance rating Form (to be provided for by the National Treasury after the bid award) will be instituted, and every supplier must complete it to ensure good performance.
- 12.2.3 End-user State institutions are required to report to the National Treasury on where supplier's performance is not satisfactory.
- 12.2.4 Successful suppliers will have their performance scored. The National Treasury will provide a template that will be used to measure overall performance in terms of the transversal contract. Suppliers who score an unacceptable performance rating may not be awarded future contracts of the same bid and may have the transversal contract terminated before the end of the transversal contract period.

13. CONTRACT PRICE ADJUSTMENT

13.1 Formula

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

Table 7: 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 that will not change over the adjustment period and do NOT represent the profit margin. In this bid, the fixed portion is 15% of the original bid price. Using the same example as above, it would amount to R150 which will remain fixed over the contract periods.

13.2.3 Cost components and proportions

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

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

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

Table 8: Contract Price Adjustment Cost Components

Cost Component	% Contribution
D1 – Imported Raw Material / Finished product (if applicable)	



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

13.2.4 Applicable indices/references

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

Table 9: Applicable Indices/References

Cost component	Index Publication	Index Reference
D1 – Imported Finished product (if applicable);	Reserve bank ROE publication/ Supplier / Manufacturer invoice(s) and remittance advice. ³	Documentary evidence to accompany the claim and ROE
D2 - Local Finished product (if applicable):	Specify (STATS SA Index)	STATS SA Table (Specify)
D3 – Labour	STATS SA P0141 (CPI), Table E; OR Labour Agreement ⁴	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)

³ In cases where invoices are supplied as documentary evidence, it is advised that invoices closest to the Base Index date and the End Index date be submitted. It should ideally reflect the adjustment period.

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



13.2.5 **Base index date**

13.2.5.1 The base index date for purposes of calculating price adjustments is the reference date from which all subsequent index movements will be measured. For this bid, the base index date is **September 2026**.

13.2.6 **End index date.**

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

13.2.7 **Price adjustment periods**

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

13.2.7.2 The state reserves the right to amend the dates should there be changes to the effective date of the contract or there be an extension of the contract.

Table 10: Price Adjustment Period

Adjustment Period	CPA application to reach the office by the following dates	End Index	Dates from which adjusted prices will become effective
1st Adjustment	03 February 2027	December 2026	01 April 2027
2nd Adjustment	03 February 2028	December 2027	01 April 2028
3rd Adjustment	05 February 2029	December 2028	01 April 2029

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

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

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

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



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

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

Table 11: CPA Rate of Exchange

Currency Name	Rates of exchange: (1 March 2026 to 31 August 2026)
US Dollar	16.47091
Euro	19.05941
Pound	22.0984

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 March 2026 to 31 August 2026** using the Reserve Bank-published rates for the specific currency. Visit <https://www.resbank.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 12: Rate of Exchange Average Periods

Adjustment Period	CPA application to reach the office by the following dates	End Index	Dates from which adjusted prices will become effective
1st Adjustment	03 February 2027	December 2026	01 April 2027
2nd Adjustment	03 February 2028	December 2027	01 April 2028
3rd Adjustment	05 February 2029	December 2028	01 April 2029

**13.2.9 General**

- 13.2.9.1 Unless prior approval has been obtained from the 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 If the supplier's CPA application, based on the above formula and parameters, differs from Transversal Contracting verification, Transversal Contracting will consult with the supplier to resolve the differences.
- 13.2.9.5 Bidders are referred to in 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 ADHERENCE, ORDERS AND PAYMENTS**14.1 Orders**

- 14.1.1 Suppliers should note that each purchasing State institution is responsible for generating the order(s) as well as the payment(s) thereof.
- 14.1.2 Suppliers should note that the order(s) will be placed as and when required during the transversal contract period and delivery points will be specified by the relevant purchasing State institution(s).
- 14.1.3 The instructions appearing on the official order form regarding the supply, dispatch, and submission of invoices must be strictly adhered to, and under no circumstances should the Supplier deviate from the orders issued by the purchasing State institutions.
- 14.1.4 The State is under no obligation to accept any quantities which are more than the ordered quantities.

14.2 Delivery Adherence

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



- 14.2.2 All deliveries or dispatches must be accompanied by a delivery note stating the official order number against which the delivery has been affected.
- 14.2.3 In respect of items awarded, Suppliers must adhere strictly to the delivery lead times quoted in their bids.
- 14.2.4 Deliveries not complying with the purchase order forms will be returned to the Supplier(s) at the Supplier's expense.

15. SUSPENSION FOR MATERIAL BREACH

- 15.1 For the purpose of the "Suspension for material breach" clause, unless the context indicates otherwise, a word or expression to which a meaning has been assigned in this SCC has the same meaning, and–

"cure conditions" means conditions provided to cure a breach;

"cure period" means a period determined by the Non-Breaching Party to cure a breach;

"material breach" means a breach or failure by a Party to perform any of its material obligations under this agreement that:

- i. is substantial in nature and goes to the essential purpose of this Agreement,
- ii. is not cured within the Cure Period (as defined above) after written notice specifying the breach and the required cure, and
- iii. results in, or would reasonably be expected to result in, material harm to the requesting Party (including substantial impairment of essential rights, non-monetary detriment, or critical service disruption), provided that, for the avoidance of doubt, a breach that is cured within the Cure Period shall not be deemed a Material Breach.

"minor breach" means a breach that:

- i. does not constitute a Material Breach,
- ii. is curable and capable of being remedied within a shorter timeframe designated by the Non-Breaching Party, and
- iii. does not have a substantial adverse effect on the essential rights, critical obligations or the core purpose of this agreement.

Minor breaches may be addressed by the Non-Breaching Party, at its option, by:

- i. requiring cure,



- ii. issuing a warning, or
- iii. any other remedy provided in this agreement, without limiting any other rights of suspension for Material Breach.
- iv. any other remedy available under this agreement, provided that such remedy does not

15.2 **The right to suspend performance or obligations**

15.2.1 Notwithstanding any other provision of this agreement, if a Party (the “Breach Party”) commits a material breach (as defined above), the non-breaching Party (the “Non-Breaching Party”) may suspend performance of its obligations under this agreement, in whole or in part, by giving written notice to the Breach Party specifying:

15.2.1.1 The nature of the breach,

15.2.1.2 the actions required to cure the breach (the “Cure Conditions”),

15.2.1.3 a reasonable cure period of no less than 14 days, or such shorter period as expressly permitted by applicable law, provided that the breach is capable of being cured within such period; and

15.2.1.4 That suspension will take effect on the later of:

- a) the end of the cure period, or
- b) the date on which the Non-Breaching Party provides such notice.

15.2.2 If the Breach Party cures the breach to the satisfaction of the Non-Breaching Party within the Cure period, the suspension shall be lifted, and the parties shall resume performance under the terms of this agreement as if no suspension had occurred, subject to any other rights or remedies available under this agreement or applicable law.

15.2.3 If the Breach Party fails to cure the breach within the cure period, the Non-Breaching Party may, at its option:

15.2.3.1 terminate this agreement for cause, effective upon written notice to the Breach Party; or

15.2.3.2 continue the suspension of its obligations or pursue any other remedies available under this agreement or applicable law.

15.3 **Relationship to other remedies**

15.3.1 The rights to suspend performance under this clause are in addition to, and not exclusive of, any other rights or remedies available at law or in equity. These rights



include, but are not limited to, the right to terminate this agreement for cause, claim damages, or require the breaching party to perform its contractual obligations. All such remedies remain fully enforceable in accordance with the terms of this agreement and applicable law.

15.4 **Notices**

- 15.4.1 All notices required or permitted under this clause shall be in writing and shall be deemed effective when delivered in accordance with any contact details provided during the contracting phase.

16. CONTINUITY OF SUPPLY

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

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 participating authorities reserve the right to purchase outside of the contract 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. PACKAGING AND LABELLING

17.1 **Packaging**

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

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

17.1.3 Packaging must be suitable for transportation and should prevent exposure to conditions that could adversely affect the stability and integrity of the product.

17.1.4 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.



- 17.1.5 Where a particular stacking and storage configuration is recommended by the supplier, this should be clearly illustrated on the outer packaging.
- 17.1.6 Where the contents of the shipper pack represent a standard supply quantity of an item, the following must be adhered to:
- 17.1.6.1 Outer packaging flanges must be sealed with suitable tape that will display evidence of tampering.
- 17.1.6.2 The contents must be packed in neat, uniform rows and columns that will facilitate easy counting when opened.
- 17.1.7 Where the contents of a shipper pack represent a non-standard supply quantity, the following must be adhered to:
- 17.1.7.1 Outer packaging flanges must be sealed with suitable tape that will display evidence of tampering.
- 17.1.7.2 The shipper pack must contain only one product, mixing of multiple items in a single shipper is not allowed.
- 17.1.7.3 The outer packaging must be marked as a "Part Box".
- 17.1.8 Suppliers must ensure that products delivered are received in good order at the point of delivery.
- 17.2 **Labelling**
- 17.2.1 All containers, packing, and cartons must be clearly labelled. Bulk packs must be labelled in letters not less than font size 48.
- 17.2.2 The following information must be clearly and indelibly printed on all shelf and shipper packs, including any part boxes packaging in at least English language:

Table 13: Labelling details

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



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

17.3 Barcodes

- 17.3.1 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.
- 17.3.2 Suppliers are encouraged to include a 2D barcode or similar on their packaging that will include the brand name, batch number, and expiry date.

17.4 Peel Apart Packs

- 17.4.1 The material and design of a peel-apart (unit) pack shall be such as to ensure:
- 17.4.2 Easy opening with the fingers.
- 17.4.3 Maintenance of sterility of the contents under dry, clean, and adequately ventilated storage conditions.
- 17.4.4 Minimum risk of contamination of the contents during opening and removal from the package
- 17.4.5 Adequate protection of the contents during normal handling, transportation, and storage.
- 17.4.6 That once opened, the package cannot be easily re-sealed, and it shall be obvious that the unit package has been opened; and
- 17.4.7 That a peel-apart pack shall tear cleanly without the formation of loose fluff or loose fibres.
- 17.4.8 Both the content and the immediate package shall be sterile and shall comply with the requirements of the "Sterility tests" given in the latest version of the USP (United States Pharmacopeia).

17.5 Bulk Packing

- 17.5.1 The pallet system in bulk is preferred with the following criteria:
- 17.5.1.1 Maximum pallet size 1,2m x 1m



17.5.1.2 Maximum mass a 1000kg/pallet

17.5.1.3 Pallet material used must be of such good quality as to withstand normal mechanized handling.

17.5.1.4 Maximum single packed pallet total height 80 cm.

17.5.1.5 Maximum single stacking height 4m.

17.5.1.6 Side delivery from transport is used. Special reference is made to the containerization principle.

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 the National Treasury in writing 90 days before 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 assigned to an assignee. The effect of this is that the service provider appointed through a competitive bidding process transfers the contract in its entirety that is, the obligation (the responsibility of rendering the services) and the right (of receiving payment for service rendered) to a third party that did not participate in the bidding process or a bidder that participated in the bidding process but was not successful.

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 Institutions).

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

- 20.1 Suppliers must ensure continuous compliance with all statutory requirements which may affect their complying status on the Central Supplier Database managed by the National Treasury.
- 20.2 All suppliers must ensure registration on all participating institutions within 30 days of accepting the award.
- 20.3 Suppliers must ensure that they register with all the participating institutions the items that they have been awarded in the contract. Suppliers must take note that the participating institutions have different systems that they use internally to capture awarded contract information including that of awarded suppliers
- 20.4 Failure to meet this requirement will result in an inability to process orders and payments for goods.

21. MONITORING

- 21.1 Monitoring audits may be conducted periodically and randomly by the National Treasury, Participating Institutions, and or by a service provider appointed by the State to determine continuous compliance with the product and terms of the contract. The Participating Institutions, will monitor the performance of contracted suppliers and maintain a report for compliance with the terms of this contract as follows:
- 21.1.1 Compliance with delivery lead times
- 21.1.2 Percentage of orders supplied in full first time.
- 21.1.3 Compliance with reporting requirements according to reporting schedule.
- 21.1.4 Attendance of compulsory meeting: The National Treasury compulsory meetings with suppliers to review supplier performance. The schedules of the meetings will be sent to successful bidders.



- 21.2 The state may conduct a random audit(s) with or without prior appointment arrangements with the appointed Supplier(s).
- 21.3 The National Treasury will conduct meetings with the Participating Institutions and Suppliers to discuss transversal contracting issues.
- 21.4 The National Treasury may request Participating Institutions to impose penalties, where deemed necessary, as per Sections 21 and 22 of the General Conditions of Contract.
- 21.5 Any change in the status of supply performance during the contract period must be reported within seven (7) days of receipt of such information to the National Treasury.
- 21.6 Reporting and Supplier(s) meetings and schedules will be communicated to successful bidders.
- 21.7 All successful Suppliers are required to submit historical value and volume reports via e-mail every quarter to: TCcontracts1@treasury.gov.za / TCcontracts2@treasury.gov.za
- 21.8 Detailed reporting requirements from Suppliers will be provided to awarded Suppliers.

22. TERMINATION

- 22.1 The State shall be entitled to terminate this agreement if one or more of the following occur:
- 22.1.1 The Supplier decides to transfer the contract or cede the contract.
- 22.1.2 The supplier does not honour contractual obligations including the submission of information.
- 22.1.3 The supplier is provisionally or finally liquidated, making it impossible for the supplier to perform its functions in terms of this transversal contract.
- 22.1.4 The supplier enters settlement arrangements with their creditors.
- 22.1.5 The supplier commits an act of insolvency.
- 22.1.6 If the supplier is a member of an unincorporated joint venture or consortium and the membership of such joint venture or consortium changes.
- 22.1.7 There is a change in ownership of the supplier that has the effect that over 50% ownership of the Supplier belongs to the new owner without prior written approval of the State.
- 22.1.8 Overall poor performance rating during the contract period.

END