



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

YOU ARE HEREBY INVITED TO QUOTE FOR REQUIREMENTS OF THE FRERE HOSPITAL					
BID NUMBER:	SCMU3-23/24-0721-HO		CLOSING DATE: 12 March 2024		CLOSING TIME: 11:00 a.m.
DESCRIPTION	Invitation to bid for repairs, maintenance, and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.				
BID RESPONSE DOCUMENTS MAY BE DOWNLOADED OFF ECDOH WEBSITE: <a href="http://WWW.ECDHOH.GOV.ZA">WWW.ECDHOH.GOV.ZA</a> UNDER TENDERS					
SUBMISSION OF BIDS ON THE CLOSING DATE MUST BE MADE TO:					
Tender Box at Ground Floor,					
Global Life Office Building					
Phalo Avenue					
Bhisho, 5605					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr M Magula		CONTACT PERSON	Mr M Magula	
TELEPHONE NUMBER	(040) 608 9645		TELEPHONE NUMBER	060 557 9601	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	Mzuhleli.magula@echealth.gov.za		E-MAIL ADDRESS	Magulamzuhleli@gmail.com	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		O R	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No

<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>			
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>			
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.			



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**PART B**  
**TERMS AND CONDITIONS FOR QUOTE**

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED- (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE <a href="http://WWW.SARS.GOV.ZA">WWW.SARS.GOV.ZA</a> .
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE QUOTE INVALID.**

**TERMS AND CONDITIONS FOR BIDDING**

SIGNATURE OF BIDDER: .....

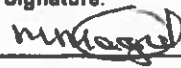



CAPACITY UNDER WHICH THIS BID IS SIGNED: .....  
(Proof of authority must be submitted e.g. company resolution)

DATE



**BID NO. SCMU3-23/24-0721-HO INVITATION TO BID FOR REPAIRS, MAINTENANCE AND CALIBRATION OF MEDICAL EQUIPMENT FOR THE EASTERN CAPE DEPARTMENT OF HEALTH FACILITIES FOR A PERIOD OF 36 MONTHS.**

### **DOCUMENT CONTROL SHEET**

Revision			
Drafted By	Date: 29/01/2024	Name: M Magula	Signature: 
Reviewed By	Date: 01 February 2023	Name: P Mtheleli	Signature: 
Recommended by: Programme Manager	Date: 29-01-2024	Name: T Smayile	Signature: 
Approved By: Specification Committee	Date: 09-02-2024	Name: AM Cengimbo	Signature: 

**EASTERN CAPE DEPARTMENT OF HEALTH**  
**HEALTH FACILITIES DEVELOPMENT AND MAINTENANCE (INFRASTRUCTURE)**  
**HEALTH TECHNOLOGY MANAGEMENT**

**Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.**

The Eastern Cape Department of Health has pursued the services of qualified service providers and or contractors to repair, maintain and calibration of medical equipment for the Eastern Cape department of Health Facilities. The overall objective of the programme is to strengthen health service delivery and improve service quality in all health facilities. The programme is aimed at achieving quality healthcare

1. Services to allow the ECDOH to perform the following activities;
  - ✓ Emergency equipment repairs
  - ✓ Unplanned equipment repairs
  - ✓ OEM scheduled maintenance
  - ✓ Access to equipment spare parts, accessories and consumablesThis will be achieved through contracting with the original equipment manufacturer (OEM) and or their accredited service vendors (ASVs).
2. The programme aims to improve safety and functionality of medical equipment and related incidental services in Public Health Facilities (hereinafter called the Final Beneficiary) of the Eastern Cape Department of Health.

**PART A: BID NOTICE**

3. The Eastern Cape Department of Health (hereinafter called the Purchaser) now invites sealed bids from prospective Bidders for repair, maintenance, calibration, support of medical equipment and related incidental services. Interested prospective Bidders may obtain further information in respect of the Tender Documents from the office of the Purchaser.
4. A complete set of Bidding Documents written in English may be downloaded off the ECDOH Website or purchased by prospective bidders on the submission of a written application to the address below and upon payment of a non-refundable fee of R100.00 price for each set or downloaded at no cost off ECDOH Website [www.ecdoh.gov.za](http://www.ecdoh.gov.za)
5. . The documents will be available from **12 February 2024**

**PART B: INSTRUCTIONS TO BIDDERS**

6. Bidders have the option to form consortia or joint venture (JV) between companies. Such consortia (joint ventures) will be limited to two (2) companies only. In case of a consortium the Bidders must define clearly the responsibility of the consortium partners and state the lead partner of the consortium.
7. Bids must be delivered to the address below at or before 11.00 hours (local time) **on the 12 March 2024**. Bids will be opened in the presence of the bidders' representatives, who choose to attend in person at the address below at 11:00 hours (local time) **on the 12 March 2024**.
8. **A non-compulsory bid briefing session will be held at Frere Hospital, Clinical Engineering Lecture Room on the 23 February 2024, at 10:00 hours**, with a view to provide an opportunity to the Bidders to interact in person with the Purchaser so that the price schedule and other information are correctly filled in and also to ensure that the submitted bids become responsive. All prospective Bidders are invited and strongly encouraged to attend this bid briefing session. Branch Manager/Company Bid Compiler must attend the Briefing Session.



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9. The prospective Bidder shall bear all costs associated with the preparation and submission of this bid, and the Purchaser will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.

10. The address referred to above is as follows:

**Tender Box at Ground Floor,**

**Global Life Office Building**

**Phalo Avenue**

**Bhisho, 5605**

## LIST OF ABBREVIATIONS

<b>AC</b>	Alternating Current
<b>ACCE</b>	American College of Clinical Engineering
<b>BEE</b>	Black Economic Empowerment
<b>CE/EC</b>	European Certification
<b>CET</b>	Clinical Engineering Technician
<b>CM</b>	Corrective Maintenance
<b>CMMS</b>	Computerised Maintenance Management System
<b>CPI</b>	Consumer Price Index
<b>CT</b>	Computed Tomography
<b>DC</b>	Direct Current
<b>EC</b>	Eastern Cape
<b>ECDOH</b>	Eastern Cape Department of Health
<b>ECRI</b>	formerly known as “Emergency Care Research Institute”
<b>EOL</b>	End of Life
<b>EU</b>	European Union
<b>FDA</b>	Food and Drug Administration
<b>GCC</b>	General Conditions of Contract
<b>HDI</b>	Historically Disadvantaged Individuals
<b>Hrs.</b>	Hours
<b>HT</b>	Health Technology
<b>IEC</b>	International Electro-Technical Commission
<b>IPM</b>	Inspection Preventive Maintenance
<b>ISO</b>	International Standards Organisation
<b>MRI</b>	Magnetic Resonance Imaging
<b>NHI</b>	National Health Insurance
<b>OEM</b>	Original Equipment Manufacturer
<b>OD</b>	Organizational Development
<b>OHS</b>	Occupational Health and Safety
<b>PM</b>	Preventive Maintenance
<b>PPFA</b>	Preferential Procurement Policy Framework Act
<b>QA</b>	Quality Assurance
<b>ROE</b>	Rate of Exchange
<b>SABS</b>	South African Bureau of Standards
<b>SANS</b>	South African National Standards
<b>SCC</b>	Special Conditions of Contract
<b>SCM</b>	Supply Chain Management
<b>SMME</b>	Small Medium and Micro Enterprises
<b>WHO</b>	World Health Organization
<b>Yrs.</b>	Years
<b>ZAR</b>	South African Rand
<b>ACSV</b>	Accredited Certified Service Vendor



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## 1. BACKGROUND

- 1.1 The Eastern Cape Department of Health has pursued the services of qualified service providers and or contractors to repair, maintain, calibrate and support medical equipment for the Eastern Cape department of Health facilities. The ECDOH has extended the medical equipment maintenance programme to new and existing health facilities throughout the Province of the Eastern Cape. The programme is focused at provision of maintenance and application support services. It aims improving suitability, availability, utilization, safety and functionality of medical equipment in all public health facilities of the Eastern Cape Department of Health. It is intended that this intervention will be applied throughout the Province of the Eastern Cape benefitting new and existing public Health Facilities in all 8 health district municipalities, for which this invitation for tender covers.
- 1.2 The objective of this programme is to establish the required contracts for repair, maintenance and calibration of medical equipment, thus contributing to an improved delivery of health services to the population. The programme purpose is to strengthen quality of health services in public health facilities in the province.

## 2. LEGISLATIVE AND REGULATORY FRAMEWORK

- 2.1 This bid and all contracts emanating there from shall be subject to the General Conditions of Contract (GCC) issued in accordance with **Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999)**. The Special Conditions of Contract (SCC) are Supplementary to that of the General Conditions of Contract. Where the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail as recorded by Clause 2 in the General Conditions of Contract.
- 2.2 The bid and all contracts emanating there from shall be governed within boundaries of South African laws.

## 3. SCOPE OF SERVICES

- 3.1 The services through the Service Providers/Contractor shall cover repairs, specialist preventive maintenance (PM) and corrective maintenance (CM), application support and user training, maintenance training for selected medical equipment in all public health facilities in 8 districts of Eastern Cape Department of Health. In addition to these services, the Service Provider/Contractor will be responsible for the supply of spare parts, as required.

## 4. COST OF BIDDING

- 4.1 The Bidder shall bear all costs associated with the preparation and submission of its bid, and the Management Division will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.



## 5. CONTENT OF BIDDING DOCUMENTS

5.1 The Equipment and Services required, bidding procedures and Contract terms are prescribed in the Tender Documents. The Tender Documents include:

- ☐ Part A: Bid Notice
- ☐ Part B: Instructions to Bidders
- ☐ Part C: Invitation Letter (Bid strategy)
- ☐ Part D: Special Conditions of the Contract
- ☐ Part F: Maintenance Service Obligations
- ☐ Part G: Returnable Forms
  - Form No.1: Authorisation to Sign
  - Form No.2: Authorisation Declaration
  - Form No.3: Summary Form of Offer
  - Form No.4: Declaration of Interests (SBD 4)
  - Form No.5: Personnel Strength Assessment Form
  - Form No.6: Joint Venture Disclosure Form
  - Form No.7: Preference Points Claim Form (SBD 6.1)
  - Form No.8: Contractual Agreement
- ☐ Part H: Returnable Schedules
  - Schedule A: Functionality Evaluation Criteria
  - Schedule B: Contractor Response Times
  - Schedule C: Proposed Fees for Personnel
  - Schedule D: Equipment Inventory List
  - Schedule E: Equipment risk and complexity
  - Schedule F: Pricing Schedule
- ☐ Part I: General Conditions of Contract

5.2 **All Bidders are required to submit these documents, duly filled in ink. The Bidders MUST not change the presentation and format of these documents in either form. NB: The Completed Bid Document/Submission must be professionally bound with Index/Table of Contents that tally with the supporting documents submitted.**

5.3 The Bidder is expected to examine all instructions, forms, terms, and specifications in the Tender Documents. Failure to furnish all information required by the Tender Documents or submission of a bid not substantially responsive to the Tender Documents in every respect will be at the Bidder's risk and may result in rejection of its Bid.

## 6. CLARIFICATION OF DOCUMENTS

6.1 Any Bidder requiring any clarification of the Tender Document may notify the Purchaser in writing at the mailing address as indicated in the Notice. The Purchaser will respond in writing to any request for clarification received no later than 14 days prior to the deadline for submission of the tender. Written copies of the Purchaser's response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective Bidders which have received the Tender Document.



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- 6.2 A bid compulsory briefing session will be held as per date and time specified on the bid notice with a view to provide an opportunity to the Bidders to interact in person with the Purchaser so that the price schedule and other information are correctly filled in and also to ensure that the submitted bids become responsive. All prospective Bidders are invited to this bid briefing session.

## **7. AMENDMENT OF TENDER DOCUMENTS**

- 7.1 At any time prior to the deadline for submission of Bids, the Purchaser may, for any reason, whether at his own initiative or in response to a clarification requested by a prospective Bidder, modify the Tender Documents by amendment.
- 7.2 The amendment shall be notified in writing or fax to all Bidders who have attended the compulsory briefing session and who have received the tender documents. The amendment shall take precedence and shall be binding.
- 7.3 In order to afford prospective Bidders reasonable time in which to take the amendment into account in preparing their bids, the Purchaser may, at his discretion, extend the deadline for the submission of bids.

## **8. LANGUAGE OF BIDS, UNITS OF MEASUREMENT**

- 8.1 The bid prepared by the Bidder and all correspondence and documents relating to the bid, exchanged by the Bidder and the Purchaser, shall be written in the English language. Supporting documents and printed literature furnished by the Bidder may be written in another language, provided that they are accompanied by accurate translation of its pertinent passages. For purposes of interpretation of the bid, the English translation shall govern in such case.
- 8.2 The units of measurement of the international metric system should apply and be used in the bids.

## **9. DOCUMENTS COMPRISING THE BID**

- 9.1 The bid prepared and submitted by the Bidder must comprise all the documents listed under Clause 5.1 and including all required supporting information and evidence.

## **10. BID FORMS**

- 10.1 The Bidder must complete and sign the Bid Forms furnished in the Tender Documents.

## **11. CONSORTIUMS AND JOINT VENTURES**

- 11.1 In response to this invitation to bid, bidders are permitted to form Consortia/Joint Ventures. Bidders bidding as JV/Consortium must complete in full and sign the returnable Joint Venture Disclosure form (Part G – Form No.8).
- 11.2 The Consortium must submit a “Letter of Intent” to enter into a Joint Venture and/or a Joint Venture agreement signed by all Consortium/JV partners.
- 11.3 The agreement shall be legally binding on all consortium members and must clearly stipulate the contract terms and conditions.
- 11.4 The Consortium/Joint Venture shall nominate and appoint a member authorized to be the lead partner and this authorization shall be included in the agreement entered into between the consortium members;

- 11.5 The Consortium/Joint Venture shall appoint lead member who shall be the only authorized party to make legal statements, communicate with the Employer and/or any duly appointed representative, and receive instructions for and on behalf of any and all the members of the consortium.
- 11.6 The letter of intent and/or copy of the agreement entered into by the consortium members shall be submitted with the bid. Failure to submit the agreement shall disqualify the bid.

## 12. PERIOD OF VALIDITY

- 12.1 Bid must be valid for the period of at **least Hundred and twenty (120)** days from the date of closing of the Bid. Bid validity for a shorter period shall be rejected by the Employer as non-responsive.
- 12.2 In exceptional circumstances, the Employer may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing or by fax. A Bidder granting the request will not be required nor permitted to modify his Bid.

## 13. RESPONSE FIELDS

- 13.1 Bidders are required to submit responsive bids by completing all the prices, mandatory response fields and item questionnaires on the provided pricing schedule for the individual items. In this regard bidder's attention is drawn to the response field and price structure explanations and examples supplied in the bid document.
- 13.2 In the event that any returnable form or certificate provided in Part G of this invitation to bid does not have adequate space for the bidder to provide the requested details, the bidder should attach an annexure to such form or certificate on which the requested details should be provided and the bidder should refer to such annexure in the form or certificate provided.
- 13.3 Non-compliance with this condition will **invalidate** the bid for the item(s) concerned.

## 14. SEALING AND MARKING OF BIDS

- 14.1 The Bidder shall seal the original and one (1) copy of the bid in separate envelopes, duly marking the envelopes as "ORIGINAL" and "COPY." The envelopes shall then be sealed in an outer envelope.
- 14.2 The inner and outer envelopes shall:
  - a) Be addressed to the Purchaser at the address given in the Invitation for Bid; and
  - b) Bear the Project Name and Bid Number – indicated in the Invitation for Bid, and a statement: "DO NOT OPEN BEFORE," to be completed with the time and the date specified in the Invitation for Bid.
- 14.3 The inner envelopes shall also indicate the Name and Address of the Bidder to enable the bid to be returned unopened in case it is declared "late."
- 14.4 If the outer envelope is not sealed and marked as required by Clause 14.2, the Purchaser will assume no responsibility for the bid's misplacement or premature opening.

## 15. SUBMISSION OF BIDS

- 15.1 All Tender Documents must be delivered in sealed envelopes, to the address and date/time specified in the Invitation for Bid.
- 15.2 The envelope shall be clearly marked with the wording as specified in the Invitation for Tender and with the Bidder's address.



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## **16. DEADLINE FOR SUBMISSION OF BIDS**

- 16.1 Bids must be received by the Purchaser at the Address and date/time specified in the Invitation to Bid.
- 16.2 The Purchaser may, at his discretion, extend this deadline for the submission of bids by amending the Tender Documents in which case all rights and obligations of the Purchaser and Bidders previously subjected to the deadline will thereafter be subject to the deadline as extended.

## **17. LATE BIDS**

- 17.1 Any Bid received by the Purchaser after the prescribed deadline submission date and time, at the address indicated in the bid notice, will be rejected and returned unopened to the Bidder.

## **18. COUNTER CONDITIONS**

- 18.1 Amendments to any of the Bid Conditions or setting of counter conditions by Bidders shall invalidate the bid rendering it non-responsive and therefore will be disqualified.

## **19. FRONTING**

- 19.1 The Purchaser supports broad based black empowerment and recognizes that true empowerment can be achieved through individuals and businesses conducting themselves in line with the country's Constitution and in an honest fair, equitable, transparent, and legal manner. Against this background, the Purchaser condemns any form of fronting.
- 19.2 The Purchaser, 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 bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry/investigation, the onus will be.
- 19.3 On the bidder/contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the bidder/contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the Purchaser may have against the bidder/contractor concerned.

## **20. MODIFICATION AND WITHDRAWAL OF BIDS**

- 20.1 The Bidder may modify or withdraw his/her Bid after the Bid's submission, provided that written notice of the modification or withdrawal is received by the Purchaser prior to the deadline prescribed for submission of Bids.
- 20.2 The Bidder's modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of Clause 14 of the Instructions to Bidders. A withdrawal notice may also be sent by fax but followed by a signed confirmation copy, post marked not later than the deadline for submission of Bids.
- 20.3 No Bid may be modified subsequent to the deadline for submission of Bids.
- 20.4 No Bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified in this bid.

## **21. OPENING OF BIDS BY PURCHASER**

- 21.1 The Purchaser will open bids, in the presence of Bidder's representatives who choose to attend as witnesses, at the time, on the date, and at the place specified in the Instructions to Bidders. The Bidder's representatives who are present shall sign a register, evidencing their attendance.
- 21.2 The Purchaser will prepare a record of the Bid opening.

## **22. CLARIFICATION OF BIDS**

- 22.1 To assist in the examination, evaluation and comparison of bids the Purchaser may, at his discretion, ask the Bidder for a clarification of his bid. The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.

## **23. PRELIMINARY EXAMINATION**

- 23.1 The Purchaser will examine the bids to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the bids are generally in order.
- 23.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying/adding the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the Bidder does not accept the correction of the errors, his bid will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.
- 23.3 The Purchaser may waive any minor informality or non-conformity or irregularity in a bid which does not constitute a material deviation, provided such a waiver does not prejudice or affect the relative ranking of any Bidder.
- 23.4 Prior to the detailed evaluation, the Purchaser will determine the substantial responsiveness of each Bid to the Tender Documents. For purposes of these Clauses, a substantially responsive bid is one which conforms to all the terms and conditions of the Tender Documents without material deviations and offers all equipment items. Deviations from or objections or reservations to critical provisions will be deemed to be a material deviation. The Purchaser's determination of a bid's responsiveness is to be based on the contents of the bid itself without remedy to extrinsic evidence.
- 23.5 A bid determined as not substantially responsive will be rejected by the Purchaser and may not subsequently be made responsive by the Bidder by correction of the nonconformity.



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## 24. EVALUATION CRITERIA

### 24.1 Stage 1: Pre-Qualification, Mandatory and Administrative Requirements

- 24.1.1 Bidders' responses will be evaluated based on the mandatory requirements indicated hereunder. This phase is not scored points and bidders who fail to comply with one or more of the mandatory requirements below will be disqualified.

☐ **Specific Goals Status Verification Certificate**

Bidders are required to complete the preference claim form (SBD 6.1), and submit their original and valid Specific Goals Status Verification supporting documents certified copies thereof at the closing date and time of the bid in order to claim the Specific Goals Status Points. For Bidders bidding as a Consortia / Joint Ventures / Sub-contractor, consolidated BEE certificate for the JV must be submitted certified copies of B-BBEE Verification Certificates. Failure to submit Specific Goals supporting documents will be interpreted to mean that preference points for Specific Goals Status contribution are not claimed.

☐ **Consortia / Joint Venture Agreement (where applicable)**

Bidders bidding as a Consortia / Joint Ventures with a Sub-contractor must submit a "Letter of Intent" and or "Joint Venture agreement" signed by all JV partners with the bid. The JV partners must complete and sign the Joint Venture Disclosure Form (Part G – Form No.8).

☐ **Declaration of Interests (SBD 4)**

Bidders must complete in full and duly sign returnable forms for declaration of interest (Part G - Form No.4) and submit with the bid.

☐ **SBD 6.1 Preference Points Claim Form in Terms of the Preferential Procurement**

Bidders are required to complete the preference claim form (SBD 6.1), and submit their original and valid B-BBEE status level verification certificate or a certified copy thereof at the closing date and time of the bid in order to claim the B-BBEE status level points.

## Mandatory Requirements

☐ **Summary Labour Rates Table**

Bidders must complete in full, initial and duly sign the returnable pricing schedules (Part H - Schedule F) using "ink", and submit together with the bid. Failure to complete all fields in the pricing schedules will be disqualified.

☐ **Authorization Letter from the Original Equipment Manufacturer or Distributor**

Where the bidder is not the OEM, bidders must submit an appointment letter displaying a validity period from the OEM authorizing the bidder to conduct maintenance service on the equipment in RSA and/or the Eastern Cape region.

☐ **Reference Manufacturer Training Certificates**

Bidders must submit with the bid the manufacturer training certificates for all the qualified technical personnel that will be conducting the maintenance services on all the equipment bided for.

#### ☐ **Central Supplier Database Registration**

Bidders must submit latest CSD with the Bid Document.

**Note:** All supporting reference documents submitted with the bid must be true manufacturer documents showing name, original logo, and physical address of the manufacturer. Questionable self-created and or other typed documents will not be accepted and will lead to disqualification.

### **24.2 Stage 2: Functionality Evaluation**

**24.2.1** The functionality evaluation will be conducted in terms of the evaluation criteria to verify the compulsory documents requested in terms of section; Part G-returnable documents. Bidders, who fail to comply with the required information, will be regarded as non-responsive.

#### ☐ **Accreditation Schedule**

The bidder is required to submit a completed **Schedule E** of the equipment they are accredited for by the manufacturer to repair, service and supply spares and accessories in the Eastern Cape.

#### ☐ **Summary Labour Rates Table**

The bidder is required to submit a completed **Part H: Schedule E** which includes all the equipment the Service Provider is accredited per model for in all the facilities in the Eastern Cape. The bidder is expected to complete all the returnable documents under Schedule E. Failure to comply with any of the conditions set out in returnable Rate Based Pricing Schedule Equipment database and Pricing Schedule (Part H – Schedule D and E) will result in bid disqualification.

#### ☐ **Maintainability and Serviceability (Ms)**

The bidder must propose a Clinical Engineer and or Clinical Engineering technicians for the equipment technology offered available to perform maintenance services.

The returnable personnel strength assessment form (Part G – Form No.7) must be completed, duly signed and submitted with the bid.

Qualification and manufacturer certificate/s must be attached and submitted with the bid as proof.

Personnel experience records or resumes and on the job proof of certification must be submitted together with minimum (3) contactable reference.

## **24.22 POINTS AWARDED FOR PRICE**

### **3. THE 80/20 PREFERENCE POINT SYSTEMS**

A maximum of 80 or 90 points is allocated for price on the following basis:

**80/20**

$$Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender



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### 3.1. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

#### 3.1.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

**80/20**

$$P_s = 80 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{max}$  = Price of highest acceptable tender

### 4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

**(Note to organs of state: Where either the 80/20 preference point system is applicable, corresponding points must also be indicated as such.)**

**Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)**

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Number of points claimed (80/20 system) (To be completed by the tenderer)
---	---	--



	(To be completed by the organ of state)	
Historically Disadvantaged Individuals Ownership	20% (4)	
Women Ownership	20% (4)	
Youth Ownership	20% (4)	
Disability Ownership	20% (4)	
Military Veterans Ownership	10% (2)	
Locality Ownership	10% (2)	
<b>TOTAL</b>	<b>100% (20)</b>	

- a) *Service providers must submit proof of its Specific Goals points claimed / status of contributor.*
- b) *The Specific Goals supporting documents required to verify claimed points may inline with the specified requirements include:*
- *Historically Disadvantaged Individuals Ownership: Proof of ownership (CIPRO certificate) with id no.*
  - *Women Ownership: Ownership: Proof of ownership (CIPRO certificate) with id no.*
  - *Youth Ownership: Ownership: Proof of ownership (CIPRO certificate) with id no.*
  - *Disability Ownership: Proof of ownership (CIPRO certificate) with valid medical documentary proof.*
  - *Military Veterans Ownership: Proof of ownership (CIPRO certificate) with valid proof of veteran status.*
  - *Locality Ownership: Proof of business address (municipal account or valid lease agreement)*
  - *Updated CSD report*

#### **DECLARATION WITH REGARD TO COMPANY/FIRM**

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

1 of this form;

- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

.....	
<b>SIGNATURE(S) OF BIDDER(S)</b>	
<b>SURNAME AND NAME:</b>	.....
<b>DATE:</b>	.....
<b>ADDRESS:</b>	.....
	.....

#### 24.2.4 AUTHORISATION DECLARATION

- 24.1 Any bidder who is sourcing goods and services from a third party must complete the Authorisation Declaration (Part G – Form No.2) form in full for all relevant goods and or services, signed and submitted together with the bid documents at the closing date and time of the bid.
- 24.2 The Purchaser reserves the right to verify any information supplied by the bidder in the authorisation declaration and bid submission, should the information be found to be false or incorrect, the Purchaser will exercise any of the remedies available to it in the bid documents.
- 24.3 The bidder must ensure that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party.  
No agreement and or obligations between the bidder and the third party shall be binding to the ECDOH.

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

## 25 TAX CLEARANCE CERTIFICATE

- 25.1 An Original and valid Tax Clearance Certificate issued by the South African Revenue Services certifying that the taxes of the bidder are in order must be submitted at the closing date and time of bid.
- 25.2 Copies and/or certified copies of the Tax Clearance Certificate will not be accepted.
- 25.3 Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid.

## 26 CONTRACT PRICING AND ADJUSTMENTS

- 26.1 The bidder must complete in FULL price details for the required services on the Pricing Schedule form/s attached as Part H – Schedule F which completed form/s must be submitted together with the bid documents. Failure to comply with this requirement may invalidate the bid.
- 26.2 Prices quoted must be furnished for repair, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities.
- 26.3 Bid pricing details must be completed manually using clear BLACK INK and duly signed.
- 26.4 An excel electronic version of the pricing schedule must be submitted with the bid on memory stick.
- 26.5 All bid prices must be inclusive of 15% Value-Added Tax.
- 26.6 It is an express requirement of this invitation to bid that the bidders provide some transparency in respect to their pricing approach. In this regard, bidders must indicate the basis on which they have calculated their pricing by completing all aspects of the Summary Pricing Schedule form Part H – Schedule E and F.
- 26.7 The prices and fees quoted by the Bidder shall be firm for a period of thirty-six (36) months. The bidder shall use the prevailing Rate of Exchange (RoE) based on the South African Reserve Bank at 12:00 on the **advertised date** to price imported content offered in this bid.
- 26.8 Rate of Exchange to be used to convert bid price: Rate of exchange to be used in this bid in the conversion of the bid price of the item(s) to South African currency is **US Dollar** as indicated in the table below

Currency	Rates of exchange
US Dollar	Advert date

- 26.9 All deliveries of goods and rates will be DDP. [Definition DDP: Delivered Duty Paid (named place of destination) in the country of the purchaser. Seller is responsible for delivering the goods to the hospital / Institution in the Eastern Cape Department of Health, and pays all costs in bringing the goods to the destination including import duties and taxes].
- 26.10 Prices in the pricing schedule of the Contract shall differentiate between foreign and local pricing and shall indicate/substantiate the base rate of exchange (ROE) used to convert the foreign portion to South African currency. Any increase or reduction in the relevant amount as a result of any fluctuation in the rate of exchange or revaluation of currencies shall, irrespective of whether the price is firm or not, be subject to the following conditions:



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- 26.11 Fluctuations between contract pricing schedule rates and quotes: Will be fully exposed to ROE adjustments with the ROE determined at the average buy and sell spot rate on quote date based on the South African Reserve Bank rates at 12:00 on the date of the quote. Visit [www.reservebank.co.za](http://www.reservebank.co.za) to obtain the relevant rates.

Currency	Rates of exchange
US Dollar	Average buy and sell spot rate on the quote date

- 26.12 Fluctuations between quote date and order date: The order amount in South African currency will be placed on the Supplier less, or plus, an amount reflecting any change in the exchange rate exceeding 5% (tolerance rate) compared to the quoted rate, determined at average buy and sell spot rate on quote date based on the South African Reserve Bank rates. In the event where the actual spot rate differs by more than 5% from the quote rate on the date of the order, the supplier may request an updated quote (if more) or the Department may request an updated rate (if less).
- 26.13 Fluctuations between order date and invoice settlement date: Any further fluctuation in the ROE and the cost of taking forward cover, which may occur between the purchaser order and the date of the invoice settlement, shall be absorbed by the Supplier.
- 26.14 Any request for price changes or rate of exchange variation shall be supported by documentary evidence, in the form of proof of the applicable rates on the applicable dates, by providing printouts of the South African Reserve Bank rates
- 26.15 Applications for price adjustments must be submitted in a formal letter listing the items applicable to the adjustment and accompanied by documentary evidence in support of any adjustment claim.

## 27 DECLARATION OF INTERESTS

- 27.1 The bidder must complete and submit with the bid a duly signed declaration of interest (SBD 4) form. The declaration of interest form is attached as Part G – Form No.4.
- 27.2 Failure to comply with this condition shall invalidate the bid.

## 28 BIDDER DUE DILIGENCE

- 28.1 The department reserves the right to conduct supplier due diligence prior to award of the contract or at any time during the contract period. This may include site visits to service points and business premise inspections.

## 29 CONTACTING THE PURCHASER

- 29.1 No Bidder shall contact the Purchaser on any matter relating to his bid, from the time of the bid opening until the Contract has been awarded.
- 29.2 Any effort by a Bidder to influence the Purchaser in the Purchaser's bid evaluation, bid comparison or contract award decisions will result in the rejection of the bid.

## 30 PURCHASER'S RIGHT TO ACCEPT AND REJECT ANY OR ALL BIDS

- 30.1 The Purchaser reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to contract award without thereby incurring any liability to the affected Bidder or Bidders.

### 31 NOTIFICATION OF AWARD

- 31.1 Prior to the expiration of the period of bid validity, the Purchaser will notify the successful Bidder in writing, by registered letter or fax, that his bid has been accepted.
- 31.2 The notification of award will constitute the formation of the Contract.

### 32 SIGNING OF THE CONTRACT

- 32.1 At the same time as the Purchaser notifies the successful Bidder that his bid has been accepted the Purchaser will send the Bidder the Contractual Agreement (Part G – Form No.10) provided in the Tender Documents, incorporating all agreements between the parties.
- 32.2 Within 14 days of receipt of the Contract Form, the successful Bidder shall sign and date the Contract and return it to the Purchaser.

## PART C: BID STRATEGY

### THE BID CALLS FOR REPAIRS, MAINTENANCE AND CALIBRATION OF MEDICAL EQUIPMENT FOR ALL THE EASTERN CAPE DEPARTMENT OF HEALTH FACILITIES FOR A PERIOD OF THIRTY SIX (36) MONTHS.

- 1. The Purchaser seeks to appoint the original equipment manufacturer (OEM) and or accredited service vendors (ASVs) for all the equipment models offered.
- 2. The Purchaser reserves the right to split-award contracts per health service region or regions to more than one preferred bidder. In the event where there is more than one vendor appointed as ACSV for the same model, the department reserves the right to negotiate the price with all ACSVs.
- 3. For multiple bidders bidding for the same item Make and/or Model, clarity or conformation will be obtained from the OEM.
- 4. The successful bidder will be requested to repair, maintain and calibrate medical equipment at the facilities where the equipment is placed. Will have to supply spares, accessories and consumables (**RT Rates to be used where applicable**).
- 5. Bidders should comply their offers to Department of Public service and administration labour rates for consulting services (as per Schedule F which must be completed in full)
- 6. The mark-up on spare parts is up to 30% and the Purchaser has a right to request documentation to that effect.
- 7. The travel rates will be determined as per the Department of Transport rates in relation to the types and models of vehicles used at the time of performing a service up to a maximum of 2200 cc. **The decision was based on Geographic's of the Eastern Cape and therefore a double cab diesel 2200 cc will be sufficient to complete all task required in the HTM of the province.**
- 8. The accommodation rates should as per National Treasury regulation.
  - a. Different manufacturer offering different makes and models and pricing, the bid is not competitive; it will be awarded on compliance.
- 9. The award will be based on compliance with all the administrative as per Part G: Returnable Contract Forms and Part H: Schedule E (**Summary Labour Rates Table**).

	SIGNATURE	DATE
REVIEWED BY:		
APPROVED BY BSC COMMITTEE (CHAIRPERSON)		
ADVERT APPROVED BY:		



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

## PART D: SPECIAL CONDITIONS OF CONTRACT

### 1. GUIDELINES AND DEFINITIONS

In this Special Conditions of Contract, the following terms shall be interpreted as indicated:

- 1.1 **“Abuse”** the status assigned to a device FAILURE when a service representative finds damage attributable to incorrect use (e.g., during operation, cleaning, or transport).
- 1.2 **“Acceptable bid”** means any bid, which, in all respects, complies with the specifications and conditions of the bid as set out in the bid document.
- 1.3 **“Acceptance inspection”** a detailed INSPECTION performed before a device is put into use either after initial receipt (i.e., the incoming inspection of new equipment) or following other service activities (e.g., a major REPAIR, MODIFICATION, or OVERHAUL) as appropriate.
- 1.4 **“Acquisition cost”** the total cost, including the purchase price, delivery charges, and training and installation costs, to acquire a single piece of equipment.
- 1.5 **“Annualized failure rate”** The number of FAILURES for a device or a group of devices (e.g., a particular model) divided by the product of the number of years being considered and the number of devices in use at a health facility. The following are sample annualized failure rate calculations: (A) A facility with 700 infusion pumps of the same model received 84 REPAIR work orders for that model during one year.  $84 \text{ failures} / (700 \text{ pumps} \times 1 \text{ year}) = 0.12 \text{ failures/pump-year}$ ; (B) For five (5) ultrasound scanners of the same model, there were only two repair requests in three years.  $2 \text{ failures} / (5 \text{ scanners} \times 3 \text{ year}) = 0.13 \text{ failures/scanner-year}$ ; (C) A single magnetic resonance imaging (MRI) unit required nine repairs over three years.  $9 \text{ failures} / (1 \text{ unit} \times 3 \text{ year}) = 3 \text{ failures/MRI unit-year}$ .
- 1.6 **“Bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of State for the provision of goods, works or services.
- 1.7 **“Black enterprise”** means an enterprise that is 50.1% owned by black persons and where there is substantial management control. Ownership refers to economic interest while management refers to the membership of any board or similar governing body of the enterprise.
- 1.8 **“Black empowered enterprise”** means an enterprise that is at least 25.1% owned by black persons and where there is substantial management control. Ownership refers to economic interests. Management refers to executive directors. This is whether the black enterprise has control or not.
- 1.9 **“Black people”** includes all African, Coloured or Indian persons who are South African citizens by birth or by descent or who were naturalised prior to the commencement of the constitution in 1993. In addition, the term also includes black people who became South African citizens after the constitution’s commencement but who would have been able to be naturalised prior to this, were it not for the Apartheid laws which prohibited naturalisation of certain persons. This means that an African, Coloured or Indian person who was not a South African citizen before the commencement of the constitution in 1993 but who would have been entitled to apply to be naturalised prior to 1993, will also be considered a black person and therefore a beneficiary of BEE.
- 1.10 **“Black woman-owned enterprise”** means an enterprise with at least 25.1% representation of black women within the black equity and management portion.
- 1.11 **“Calibration”** a procedure used to determine a device’s accuracy using test equipment whose own accuracy is appropriate and has been verified and, as needed, adjusting that medical device to meet the manufacturer’s specifications.
- 1.12 **“Clinical engineer”** a professional who supports and advances patient care by applying engineering and managerial skills to health-care technology (American College of Clinical Engineering). While a clinical engineer is a specialized biomedical engineer, the terms are often used interchangeably.
- 1.13 **“Clinical engineering technician (CET)”** a professional who supports and advances patient care by applying engineering and technical skills to medical equipment. CETs install, inspect, maintain, repair, calibrate and modify medical equipment and support systems to adhere to standard guidelines. CETs educate and advise clinical staff on theory of operation, physiological principles, and safe clinical application of medical equipment maintaining quality patient care.

- 1.14 **"Closing time"** means the date and hour specified in the bidding documents for the receipt of bids.
- 1.15 **"CMMS" (Computerised Maintenance Management System)** is a computer-based asset management system to list all equipment used in patient-care activities, regardless of ownership and to document maintenance services and status.
- 1.16 **"Commissioning"** means a systematic process of ensuring that the health facility as a whole and all technological systems, both movable and immovable, perform interactively according to the design intent, and satisfies the Purchaser's clinical service and operational needs. This shall be achieved by beginning in the design phase, documenting the design intent and continuing through construction, acceptance and the warranty-period with actual verification of performance.
- 1.17 **"Commissioning Agent"** means the firm or consultant nominated and or appointed in writing by the Purchaser to oversee execution and performance of this contract by the contractor. The Purchaser shall have authority over the commissioning agent or clinical engineers appointed under the commissioning agent. The Purchaser shall have authority to replace the Commissioning Agent in writing to the Contractor.
- 1.18 **"Community or broad-based enterprise"** means an enterprise that has an empowerment shareholder who represents a broad base of members such as a local community or where the benefits support a target group, for example black women, people living with disabilities, the youth and workers. Shares are held via direct equity, non-profit organisations and trusts. Benefits from the shareholding should in a measurable sense be directed towards the uplifting of the community through job creation, welfare, skills development, entrepreneurship and human rights. At the same time, directors and management of groups should significantly comprise black persons. These arrangements are appropriate in situations where the activities or operations of an enterprise or industry directly impact on a community or are located in a community, or may benefit a community. Notable examples are large industrial projects, mining and tourism. Other instances, which do assist in broadening the shareholder base, are employee share ownership schemes; these are a viable empowerment shareholder option. In this and other circumstances, these arrangements should not detract from the ability of the shareholder to exercise significant influence or control over the operations of the business.
- 1.19 **"Comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration.
- 1.20 **"Consortium or joint venture"** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.
- 1.21 **"Contract"** means the agreement entered into between the Purchaser and the Supplier/Maintenance Contractor, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein;
- 1.22 **"Contractor"** means the Service Provider individual or firms providing Maintenance and Services under this Contract;
- 1.23 **"Contract Fees"** means the fee payable to the Supplier/Maintenance Contractor under the Contract for the full and proper performance of his contractual obligations;
- 1.24 **"Contracted service"** SERVICE provided under contract by a contractor or sub-contractor.
- 1.25 **"Control"** means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.
- 1.26 **"Corrective maintenance"** A process used to restore the physical integrity, safety and/or performance of a device after a failure. Corrective maintenance and unscheduled maintenance are regarded as equivalent to the term repair. This contract uses these terms interchangeably.
- 1.27 **"Corrupt practice"** means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.28 **"Country of origin"** means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.29 **"Day"** means calendar day;
- 1.30 **"Delivery"** means delivery in compliance with the conditions of the contract or order;
- 1.31 **"Delivery ex stock"** means immediate delivery directly from stock actually on hand;

- 1.32 **"Delivery into consignees store or to his site"** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.33 **"Disability"** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- 1.34 **"Downtime"** the time that a device is not available for clinical use because of the need to perform activities such as INSPECTIONS, PREVENTIVE MAINTENANCE, and REPAIRS. Downtime is specified in hours or as a percentage. Note that it is typically calculated only over a specified "use period." A use period is based on when a device is scheduled to be available for clinical use or when a contract's terms specify that a device will be available. For instance, in this contract, the use period is 24 hours a day for 365 days a year, or for 52 weeks a year.
- 1.35 **"Dumping"** occurs when a private enterprise abroad markets its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.36 **"ECRI"** formerly known as Emergency Care Research Institute.
- 1.37 **"Effective Date"** means the date of execution of this Agreement based on the Notification of Award by the Purchaser, furnishing of the Performance Security by the Contractor, the signing of Contract and Payment against the Purchase Order and Performance Security;
- 1.38 **"Equity Ownership"** means the percentage ownership and control, exercised by individuals within an enterprise.
- 1.39 **"Failure"** The condition of not meeting intended performance or safety requirements, and/or a breach of physical integrity. A failure is corrected by repair and/or calibration.
- 1.40 **"Force majeure"** means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.41 **"Fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.42 **"GCC"** means the General Conditions of Contract;
- 1.43 **"Goods"** means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.44 **"Health technology (HT)"** HT is the application of organized knowledge and skills in the form of devices, medicines, vaccines, procedures and systems developed to solve a health problem and improve quality of life. It is used interchangeably with health-care technology.
- 1.45 **"Historically Disadvantaged Individual (HDI)"** means a South African citizen -  
a) who, due to the Apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act 200 of 1993) ("the interim Constitution); and/or  
b) who is a female; and/or  
c) 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 a HDI;
- 1.46 **"HT Directorate"** means the unit which will have the responsibility to manage performance of the Supplier/Contractor;
- 1.47 **"Imported content"** means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty



at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured;

- 1.48 **"In-house service"** the SERVICING of medical equipment performed by the Purchaser's own staff.
- 1.49 **"Inspection"** refers to scheduled activities or interactions with medical equipment designed to detect unsuspected equipment problems, or to ensure medical equipment functions correctly. It includes both performance inspections and safety inspections. These occur in conjunction with performed preventive maintenance, corrective maintenance, or calibration but can also be completed as a stand-alone activity scheduled at specific intervals.
- 1.50 **"Inspection and preventive maintenance (IPM)"** IPM refers to all the scheduled activity necessary to ensure a piece of medical equipment is functioning correctly and is well maintained. IPM therefore includes inspection and preventive maintenance (PM).
- 1.51 **"Local content"** means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place;
- 1.52 **"Maintenance"** is interaction with medical equipment designed to identify and correct suspected equipment problems, or to perform activities designed to prevent the future occurrence of problems (inspection and preventive maintenance). Maintenance is a collective term comprising of acceptance inspection, calibration, inspection, modification, overhauls, preventive maintenance, and repair.
- 1.53 **"Manufacture"** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities;
- 1.54 **"Medical device"** an article, instrument, apparatus or machine that is used in the prevention, diagnosis or treatment of illness or disease, or for detecting, measuring, restoring, correcting or modifying the structure or function of the body for some health purpose. Typically, the purpose of a medical device not achieved by pharmacological, immunological or metabolic means.
- 1.55 **"Medical equipment"** are medical devices requiring calibration, maintenance, repair, user-training, and decommissioning. Medical equipment is used for specific purposes of diagnosis, monitoring, treatment or rehabilitation following disease or injury. Medical equipment includes devices such as monitoring equipment, life supporting equipment, imaging equipment, laboratory equipment, mechanical equipment, as well as other equipment supporting the care of the patient, whether or not it is in the immediate vicinity of a patient. In addition, these categories include other devices, such as fridges, that support the care of a patient, but are generally not specifically manufactured for use in health care services.
- 1.56 **"Modification"** the alteration of a device from its original state to improve performance, reliability, or safety or to add new functionality. (This is distinct from restoring a device from a deteriorated state.) Examples of modifications include installing software with new functionality and adding components to a device.
- 1.57 **"OEM"** refers to Original Equipment Manufacturer. If parts and service kits furnished are not OEM then the Contractor must be able to furnish certification by manufacturer that they meet or exceed OEM specifications and manufactured under current ISO/SABS standards.
- 1.58 **"Order"** means an official written order issued for the supply of goods or works or the rendering of a service;
- 1.59 **"Overhaul"** an extensive (i.e., far exceeding routine PREVENTIVE MAINTENANCE) replacement or rebuilding of worn parts on a device to significantly extend its life.
- 1.60 **"Owned"** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements;
- 1.61 **"Performance inspections"** these activities are designed to test the operating status of a medical device. Tests compare the performance of the device to technical specifications established by the manufacturer in their maintenance or service manual. These inspections are not meant to extend the life of equipment, but merely to assess its current condition. Performance inspections are sometimes referred to as 'quality assurance inspections'.
- 1.62 **"Predictive maintenance"** This activity involves a forecasting technique to determine the rate of failure of certain types of replaceable components (e.g. batteries, valves, pumps, seals). The maintenance interval is then set so components are replaced before they fail, ensuring the equipment continues to operate reliably.
- 1.63 **"Preliminary taking over"** this is commissioning milestone where the Purchaser issues provisional acceptance of the goods and services which represents the start of the warranty period commencing



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on the date of issuing of preliminary acceptance certificate by the Purchaser or the duly appointed agent.

- 1.64 **“Preventive maintenance (PM)”** PM involves maintenance performed to extend the life of the device and prevent failure. PM is usually scheduled at specific intervals and includes specific maintenance activities such as lubrication, cleaning (e.g. filters) or replacing parts that are expected to wear (e.g. bearings) or which have a finite life (e.g. tubing). The procedures and intervals are usually established by the manufacturer. In special cases the user may change the frequency to accommodate local environmental conditions. Preventive maintenance is sometimes referred to as ‘planned maintenance’ or ‘scheduled maintenance’. This contract document uses these terms interchangeably.
- 1.65 **“Project site”** where applicable, means the place indicated in bidding documents;
- 1.66 **“Purchaser”** means the Eastern Cape Department of Health (ECDOH) purchasing the Goods and Services;
- 1.67 **“Rand value”** means the total estimated value of a contract in Rand denomination that is calculated at the time of the bid invitations, and includes all applicable taxes and excise duties;
- 1.68 **“Repair”** a process used to restore the physical integrity, safety, and/or performance of a device after a failure. Used interchangeably with corrective maintenance.
- 1.69 **“Repair time”** the hands-on time needed to repair and have medical equipment ready for return to use, which is the time entered on the associated work order or job card.
- 1.70 **“Response time”** the time from the initiation of a request for SERVICE until a service representative solves the problem (e.g., by telephone) or arrives to REPAIR a device or to remove it for repair.
- 1.71 **“Revisable item”** an item is declared revisable only if it has minor defects or is partially compliant.
- 1.72 **“Safety inspections”** these are activities performed to ensure the device is electrically and mechanically safe. These inspections may also include checks for radiation safety or dangerous gas or chemical pollutants. When these inspections are done, the results are compared to local standards as well as to manufacturer’s specifications. The frequency of safety inspections may be different than planned maintenance and performance inspections, and are usually based on regulatory requirements.
- 1.73 **“SCC”** means the Special Conditions of Contract.
- 1.74 **“Service”** a collective term comprising activities and sub-activities within COMMISSIONING and MAINTENANCE.
- 1.75 **“Services”** means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, acceptance testing, provision of technical assistance, training, catering, warranties and security, maintenance and other such obligations of the supplier covered under the contract. “Services” means Services including incidental services to be provided under the Contract and defined in **Part E**;
- 1.76 **“Small, Medium and Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (Act 102 of 1996).
- 1.77 **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulations, 2001. In addition to above-mentioned goals, the Regulations [12. (1)] also make provision for organs of State to give particular consideration to procuring locally manufactured products.
- 1.78 **“Sub-Contractor”** are sub-service providers of the contractor and or independent service organization providing specialised application support and maintenance services whose cost are covered under the Contractor’s contract sum.
- 1.79 **“Sub-contracting”** means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such a primary contractor in the execution of part of a project in terms of the contract.
- 1.80 **“Time-and-materials service”** SERVICE performed by a Contractor or Sub-contracting organization and paid for on the basis of the costs of labour, parts and supplies, and travel time. It may be scheduled or unscheduled.
- 1.81 **“Total cost of service”** the total SERVICE costs for a single unit or the average per-unit cost for all units of the same model; it includes IN-HOUSE SERVICE, CONTRACTED SERVICE, and TIME-AND-MATERIALS SERVICE.

- 1.82 **“Unable to duplicate”** the status assigned to a device FAILURE when a service representative finds no problem (e.g., when equipment passes INSPECTION) following a report of failure.
- 1.83 **“User error”** the status assigned to a device FAILURE when a service representative finds no problem (e.g., when equipment passes INSPECTION) following a report of failure and the representative determines that the device or an accessory was used incorrectly.
- 1.84 **“Written” or “in writing”** means handwritten in ink or any form of electronic or mechanical writing.

## **2 APPLICATION**

- 2.1 These Special Conditions of Contract (SCC) are Supplementary to that of the General Conditions of Contract (GCC). However, where the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract shall prevail as recorded by Clause 2 in the General Conditions of Contract.
- 2.2 The bid and all contracts emanating there from will be governed within boundaries of South African laws.

## **3 STANDARDS**

- 3.1 The goods supplied shall conform to the standards mentioned in the bidding documents and technical specifications. In the absence of which, other relevant publications such as International Standards Organisation (ISO), European Standards, SANS, SABS, World Health Organisation (WHO) guidelines for Medical Equipment Management, ECRI standards or other relevant publications may be referred to.
- 3.2 The goods supplied shall conform to Radiation Control standards, guidelines and procedures.

## **4 USE OF CONTRACT DOCUMENTS AND INFORMATION; INSPECTION**

- 4.1 The Contractor shall not, without the Purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Contractor in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 4.2 The Contractor shall not, without the Purchaser's prior written consent, make use of any document or information mentioned in Clause 4.1 except for purposes of performing the Contract.
- 4.3 Any document, other than the Contract itself mentioned in Clause 4.1 shall remain the property of the Purchaser and shall be returned (all copies) to the purchaser on completion of the Contractor's performance under the contract if so required by the Purchaser.
- 4.4 The Contractor shall maintain all necessary books, accounts and records and shall establish a reporting system for the Service and shall permit the Purchaser to inspect the Contractor's accounts and records relating to the performance of the Contractor and have them audited by auditors appointed by the Purchaser.
- 4.5 The Contractor shall permit the Purchaser or any Person designated to visit and inspect the contractor's records relating to the performance of the contractor without charge at times as may reasonably be requested, and all books, records, and documents relating to the said Service shall at such times be open to have them audited by auditors appointed by the Purchaser, if so required by the Purchaser.

## **5 METHOD OF PROVIDING SERVICES**

- 5.1 The Contractor shall supply the Goods and perform the said Services and its other obligations hereunder in accordance with the law of the Republic of South Africa and this Contract.
- 5.2 If the Contractor is aware of a conflict, it shall inform the Purchaser accordingly and the parties shall discuss in good faith and agree the manner in which the Contractor should perform the services.
- 5.3 The Contractor shall determine the cost associated with the provision of the goods and services necessary under the Contract and provides sufficient funding to meet these anticipated costs.
- 5.4 The Contractor shall ensure that appropriate equipment, tools and competent personnel are readily available to perform the activities as described in this agreement.



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## **6 PATENT RIGHTS**

- 6.1 The Contractor shall indemnify the Purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

## **7 PERFORMANCE SECURITY**

- 7.1 Within thirty (30) days of receipt of the notification of contract award or issuance of a purchase order for the equipment and services, the successful Contractor shall furnish to the purchaser as performance security amount (100%) for the maintenance service fees agreed and specified in the award notice or purchase order provided by the Purchaser.
- 7.2 The proceeds of the performance security shall be payable to the Purchaser as compensation for any loss resulting from the Contractor's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the Purchaser or in a freely convertible currency acceptable to the Purchaser and shall be in the form of a bank guarantee or an irrevocable letter of credit issued by a reputable commercial bank located in the Republic of South Africa, acceptable to the Purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser.
- 7.4 The performance security will be discharged by the purchaser and returned to the contractor not later than thirty (30) days following the date of completion of the contractor's performance obligations under the contract, including any warranty obligations. Discharge of the performance security to the contractor shall be done only for completed contractor service obligations. Release of payments will be authorised by the purchaser when goods or service obligations are received and completed during the contract period.
- 7.5 Where the contractor fails to complete his obligations under the contract terms and conditions, the remaining proceeds of the performance security shall be payable back to the purchaser including unused funds and or savings made from the service performance security.

## **8 DEMONSTRATIONS, INSPECTIONS, TESTS AND ANALYSES**

- 8.1 All bidding, pre-award and post-award testing and demonstration of Goods and Services will be for the account of the Bidder and or Contractor.
- 8.2 Goods and Services to be rendered shall at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of Purchaser or an organization acting on behalf of Purchaser.
- 8.3 Routine quality assurance inspections to goods and services during the contract period shall be carried out by the Purchaser or by any duly authorised Commissioning Agent at will, and the Purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the Goods and Services to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the Purchaser.
- 8.5 Where the Goods or Services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such Goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the Contractor.
- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

- 8.7 Any contract Goods or Services may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected Goods shall be held at the cost and risk of the Contractor who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with Goods and or Services which do comply with the requirements of the contract. Failing such removal, the rejected Goods shall be returned at the Contractor's cost and risk. Should the Contractor fail to provide the substitute Goods and Services forthwith, the Purchaser may, without giving the Contractor further opportunity to substitute the rejected Goods and Services, purchase such Goods and Services as may be necessary at the expense of the Contractor.

## **9 PACKING**

- 9.1 The Contractor shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as provided for in the contract, including additional requirements specified in Part E, and in any subsequent instructions ordered by the Purchaser.

## **10 DELIVERY AND DOCUMENTS**

- 10.1 Delivery of the goods shall be made by the Contractor in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the Contractor are specified in Part E of this contract.
- 10.2 Documents to be submitted by the supplier are specified in Part E of this contract.

## **11 INSURANCE**

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, delivery, installation, testing and commissioning.
- 11.2 The Contractor shall obtain a workman's compensation insurance, public liability insurance and insurance covering liability for damage to properties and injuries to persons arising from negligence or default of the Contractor and any other relevant policies commonly taken for the provision of said Goods and Services. The insurance policies shall cover adequate compensation as per the prevailing laws of the Republic of South Africa.
- 11.3 The Contractor must also provide all risk property insurance to cover all equipment belonging to the Purchaser on the Contractor's site or in transit using company vehicles.
- 11.4 All policies of insurance shall be taken out in the name and account of the Contractor.

## **12 TRANSPORTATION**

- 12.1 Pricing for the offered Goods and Services by the Contractor shall be all-inclusive of delivery transportation.
- 12.2 Deliveries shall be made directly to the Purchaser's final beneficiary throughout the Eastern Cape region in accordance with commissioning obligations specified in Part E.

### **13 INCIDENTAL SERVICES**

- 13.1** The supplier shall be required to provide any or all of the following services, including additional services, specified in Part E of this contract:
- a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
  - e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2** Prices charged by the supplier for incidental services shall be included in the contract price and shall cover the full warranty period for the said goods. Outside of the warranty period, the contract price for the incidental services shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the contractor for similar services and shall conform to rates for professional services in the public service.

### **14 SPARE PARTS**

- 14.1** The Contractor may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Contractor:
- a) such spare parts as the Purchaser may elect to purchase from the Contractor, provided that this election shall not relieve the Contractor of any warranty obligations under the contract; and
  - b) in the event of termination of production of the spare parts:
    - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
    - (ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

### **15 WARRANTY**

- 15.1** The Contractor warrants that the goods supplied under the contract are new, unused, of the most recent or current models and that they incorporate all recent improvements in design, materials and software unless provided otherwise in the contract. The Contractor further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the Purchaser's specifications) or from any act or omission of the Contractor, that may develop under normal use of the supplied goods in the conditions prevailing in the country and region of final destination.
- 15.2** The warranty for all equipment repairs and services shall remain valid for three (3) months after the services were conducted.
- 15.3** The Purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4** Upon receipt of such notice, the supplier shall, within the period specified in this contract and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5** If the supplier, having been notified, fails to remedy the defect(s) within the period specified in this contract, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's

risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

## **16 PAYMENT**

### **16.1 Payments for maintenance services:**

- a) The Purchaser's HT Project Manager or any duly appointed firm's Clinical Engineer shall have authority to certify payment for maintenance services provided under the Contract. Without prejudice, the Purchaser or duly appointed Clinical Engineer, shall certify maintenance services completed by the Contractor, upon the Contractor having satisfied contract terms and conditions, and service obligations specified in Part F.
- b) Together with the invoice the Contractor shall furnish documentation related to conducted maintenance services, service certification, record of completed training activities and indicators linked to actual response time, equipment downtime and other indicators agreed upon in this contract.

### **16.2 Payments for spare parts:**

- a) Fees for spare parts shall be included in manufacturer warranty, extended warranties and comprehensive maintenance service options.
- b) Specific spare parts such as vacuumed packed articles (e.g. examination and operating light bulbs x-ray tubes) LED lamps and ultrasound probes shall be included in warranty fees.
- c) Fees for preventive maintenance shall include service spare-parts and kits in full.
- d) Not included under spare parts are consumables.

**16.3** The Contractor's request(s) for payment shall be made to the Purchaser in writing, accompanied by an invoice describing, as appropriate, the Services performed and the fulfilment of other obligations stipulated in the contract;

**16.4** Payments shall be made by the Purchaser within thirty (30) days of submission of a complete and valid invoice.

## **17 PRICES AND FEES**

**17.1** Fees charged by the Contractor for Goods delivered and Services performed under the Contract shall not vary from the prices quoted by the Contractor in this bid, with the exception of any price adjustments authorised by the Purchaser or in the Purchaser's request for bid validity extension, as the case may be. Goods and services listed on to the contract will be billed according to the fees established in the pricing schedule for equipment indicated in Part H, Schedule E and F.

**17.2** After extended maintenance plan period has expired, similarly fees for maintenance services shall be billed according to prices established in this bid, with the exception of any price adjustment authorised by the Purchaser.

## **18 CONTRACT AMMENDMENTS**

**18.1** No variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties concerned.

## **19 CESSION OR ASSIGNMENT**

**19.1** The Contractor shall not assign, in whole or in part, its obligations to perform under the contract, except with the Purchaser's prior written consent.



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## **20 SUBCONTRACTS**

- 20.1** The Contractor shall notify the purchaser in writing of all sub-contracts to be awarded under this contract if not already specified in the bid.
- 20.2** Such notification, in the original bid or later, shall not relieve the Contractor from any liability or obligation under the Contract.
- 20.3** Sub-contractors must comply with the provisions of the Contract.

## **21 DELAYS IN CONTRACTOR'S PERFORMANCE**

- 21.1** Delivery of the goods and performance of services shall be made by the contractor in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2** If at any time during performance of the contract, the contractor or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the contractor's notice, the purchaser shall evaluate the situation and may at his discretion extend the contractor's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3** No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4** The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the contractor's point of supply is not situated at or near the place where the supplies are required, or the contractor's services are not readily available.
- 21.5** Except as provided under Clause 25, a delay by the contractor in the performance of its delivery obligations shall render the contractor liable to the imposition of penalties, pursuant to Clause 22, unless an extension of time is agreed upon pursuant to Clause 21.2 without the application of penalties.
- 21.6** Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the contractor's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the contractor.

## **22 PENALTIES**

- 22.1** Subject to Clause 25, if the Contractor fails to deliver any or all of the equipment or to perform the services within the period(s) specified in the contract, the Purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum of 2% calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The Purchaser may also consider termination of the contract pursuant to Clause 23.
- 22.2** If the Contractor fails to perform maintenances services within timelines indicated in PART H, SCHEDULE B and in the event that the equipment supplied has been on downtime for more than five percent (5%) of one single year of the warranty period, i.e. more than 18 natural days in one single year, the Contractor shall extend the warranty period for a duration of six (6) times of the time duration when the equipment was on downtime. The Purchaser may also consider termination of the contract pursuant to Clause 23.



## **23 TERMINATION FOR DEFAULT**

- 23.1** The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Contractor, may terminate this Contract in whole or in part:
- a) if the Contractor fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to Clause 21.2;
  - b) if the Contractor fails to perform any other service obligation(s) under the contract; or
  - c) if the Contractor, in the judgment of the Purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2** In the event the purchaser terminates the contract in whole or in part, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the Contractor shall be liable to the Purchaser for any excess costs for such similar goods, works or services. However, the Contractor shall continue performance of the contract to the extent not terminated.

## **24 ANTI-DUMPING AND COUNTERVAILING DUTIES AND RIGHTS**

- 24.1** When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

## **25 FORCE MAJEURE**

- 25.1** Notwithstanding the provisions of Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2** If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

## **26 TERMINATION FOR INSOLVENCY**

- 26.1** The Purchaser may at any time terminate the contract by giving written notice to the Contractor if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the Contractor, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Purchaser.

## **27 SETTLEMENT OF DISPUTES**

- 27.1** If any dispute or difference of any kind whatsoever arises between the Purchaser and the Contractor in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2** If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Purchaser or the Contractor may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

- 27.3** Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4** Mediation proceedings shall be conducted in accordance with the rules of procedure specified as follows:
- a) The parties shall agree on and appoint a mediator within ten (10) working days of the date of which the dispute was declared. Whether or not the mediation resolves the dispute, the parties shall bear their own costs concerning the mediation and share costs of the mediator and related costs equally.
  - b) The mediator shall agree the procedures, representation and dates for the mediation process with the parties. The mediator may meet the parties together or individually to help reach a settlement.
  - c) Where the parties reach settlement of the dispute or any part thereof, the mediator shall record such agreement and on signing thereof by the parties the agreement shall be final and binding.
- 27.5** Notwithstanding any reference to mediation and/or court proceedings herein,
- a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
  - b) the Purchaser shall pay the Contractor any monies due the Contractor.

## **28 INDEMNITY OF LIABILITY**

- 28.1** The Contractor shall indemnify in full and hold the Purchaser harmless from and against any actions, suits, claims, demands, proceedings, losses, damage, compensation, charges and expenses whatsoever to which the Purchaser shall or may be or become liable in respect of and arising from:
- a) Any breach by the Contractor of its obligations hereunder;
  - b) Any neglect act, error or omission on the part of the Contractor, its directors, officers, employees, Sub-Contractors in the performance of the said Services;
  - c) The misconduct of the Contractor or its directors, officers, employees, Sub-Contractors;
  - d) Any loss or damage to any property or injury to any Person of whatsoever nature or kind and howsoever or whosoever sustained or caused or contributed arising out of the use or occupation of the Purchaser's properties by the Contractor and not caused by the negligence or wilful act, default or omission of the Purchaser personnel.

## **29 LIMITATION OF LIABILITY**

- 29.1** Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- a) the Contractor shall not be liable to the Purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the Purchaser; and
  - b) the aggregate liability of the Contractor to the Purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **30 CONTRACT PERIOD**

- 30.1** The contract period for equipment and services supply shall commence on the Effective Date subject to contractor performance under the terms and conditions of this Contract, the Contract shall continue for a period of (36) months.

- 30.2** The contract period for maintenance services shall commence on the date of signing of the contract, subject to contractor performance under the terms and conditions of this Contract, the Contract period shall continue for a period of (36) months.

### **31 EXTENSION OF CONTRACT PERIOD**

- 31.1** The Purchaser shall notify the Contractor in writing within a reasonable notice period prior to the date of expiry of Contract and pursuant to Clause 22, if the Purchaser intends to extend the Contract for a further period. The Parties shall as soon as reasonably practicable after the receipt of such notification negotiate the terms and condition for such extension, to the intent that such terms and conditions are to be agreed by the parties prior to the date on which the contract period would have otherwise expired.
- 31.2** Scope of maintenance services will remain the same. However, subject to authorization by the Purchaser, variations in scope of goods and services shall not exceed 15% of the original contract value.

### **32 EXPIRY OF THE CONTRACT PERIOD**

- 32.1** Upon the expiry of the Contract:
- a) The Contractor shall withdraw all its personnel and sub-contractors and all rights of the Contractor shall revert.
  - b) All liabilities, obligations, claims, suits or proceedings whatsoever existing prior to and as at the expiry whether arising out of or in connection with:
    - (i) Any agreement entered into by the Contractor.
    - (ii) Any act, default omission or negligence of the Contractor its employee or Sub-service providers.
  - c) The Contractor shall hand over all equipment and any part of to the respective Health Facilities and obtain a written confirmation that the contracted equipment has been handed over in working conditions.
- 32.2** The Contractor shall make available or furnish all information records and documents related to services as will enable the Purchaser to continue equipment management, operation and maintenance.
- 32.3** The Purchaser shall as soon as practicable pay to the Contractor (if a balance is due to the Contractor), in accordance with payment terms and conditions of the contract.
- 32.4** The expiry of the Contract shall not affect any claim or obligation of payments that the Parties may have against the other prior to the expiry of the Contract.

### **33 ISSUING OF ORDER**

- 33.1** The anticipated delivery period as specified in the PART E of this SCC shall commence of the date on which the order is issued by the Purchaser.

### **34 GOVERNING LANGUAGE**

- 34.1** The contract shall be written in English, as specified by the Purchaser in the Instructions to Bidders. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

### **35 APPLICABLE LAW**

- 35.1** The contract shall be interpreted in accordance with Republic of South Africa laws.

### **36 NOTICES**

- 36.1** Any notice given by one party to the other pursuant to the Contract shall be sent in writing or by fax and confirmed in writing to the address specified for that purpose in the Special Conditions of the Contract's Authorization Declaration form.



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

- 36.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later. The time mentioned in the contract documents for performing any activity after such aforesaid notice has been given, shall be determined from the date of delivery of such notice.

### **37 TAXES AND DUTIES**

- 37.1 A foreign supplier shall be entirely responsible inter alia for all taxes, stamp duties, license fees, and other such levies imposed outside the Purchaser's country incurred until delivery of contracted goods to the Purchaser.
- 37.2 A local supplier shall be entirely responsible inter alia for all taxes, stamp duties, license fees, and other such levies incurred until delivery of the contracted goods to the Purchaser.
- 37.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid, the Purchaser must be in possession of a valid tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services (SARS).

### **38 OWNERSHIP AND COPYRIGHT**

- 38.1 Ownership of all products produced in terms of this agreement, of whatever nature, vest in ECDOH. The copyright of products, of whatever nature, commissioned and produced in terms of this agreement, and that have been paid for by the Purchaser are owned exclusively by ECDOH.

### **39 MAINTENANCE SERVICE OBLIGATIONS OF THE CONTRACTOR**

#### **39.1 Preventive Maintenance (PM) Services:**

- a) The Contractor shall perform in full all OEM specified preventive maintenance services for the full Manufacturer Warranty period established in this contract.
- b) After warranty Preventive Maintenance services, optional to the Purchaser, shall begin from the date of Preliminary Taking Over (after testing and commissioning). The Contractor shall price the optional (5) five-year Preventive Maintenance and Call-Out Service fees in the specified pricing schedule indicated in Part H – Schedule E for the equipment.
- c) The Contractor shall perform appropriate PM services on the equipment offered as per requirements of the original equipment manufacturer (OEM). The contractor shall prepare and submit PM schedules for the equipment scope for approval by the Purchaser or any other duly appointed representative. In the absence of which and with approval by the Purchaser, other relevant publications such as ECRI or other relevant publications may be referred to.
- d) The Contractor shall submit its proposed PM plan/schedule annually effective from warranty start-date for the equipment scope offered, to Health Technology (HT) or any other duly appointed Clinical Engineer for approval. Inspective and preventive maintenance services shall be performed by the contractor during the agreed warranty period without fail.
- e) The Contractor shall request in writing from the Purchaser's Health Technology Manager or any duly appointed Clinical Engineer permission to execute PM services at least 15 days prior to the proposed work start date. If the Purchaser fails to respond to this request during this period, approval shall be considered granted by the Purchaser.

- f) Prior to performing PM services at the equipment location, the contractor shall report to the Purchaser's beneficiary or any other duly appointed Clinical Engineer at the health facility to announce themselves and request access to the equipment needing PM services. The contractor shall not proceed to execute PM services without obtaining approval from the beneficiary or the authorised representative.
- g) The Purchaser or any other duly appointed representative reserves the right to witness execution and test quality of any or all PM services performed by the Contractor.
- h) All inspective and preventive maintenance work shall be completed within 30 days after the due-date determined by the frequency specified by the OEM, and following the last equipment service date.
- i) For the duration of this agreement and as per service requirements, the contractor shall provide suitably qualified and competent clinical engineering personnel to perform inspective and preventive maintenance work as established in this contract. Replacement clinical engineering personnel shall be equivalent or better and the Contractor shall request approval to the Purchaser.
- j) As part of PM services, the Contractor shall carry out equipment performance tests, quality assurance tests, calibration and electrical safety checks on a required basis. It is the duty of the Contractor to provide all necessary consumable supplies needed for these performance tests and calibrations.
- k) All test and calibration results shall be recorded in appropriate service certificates specified by the Original Equipment Manufacturer. Contractor job-cards and time sheets shall not be recognised as service certificates in term of this contract.
- l) All equipment service certificates shall record the serial number of the test and calibration equipment used to perform PM services. All equipment service certificates produced during PM shall be submitted together with copies of test equipment calibration certificates by the Contractor. The Purchaser shall accept two (2) copies for each service certificate produced by the Contractor, one set issued to the Purchaser's final Beneficiary or health facility, and another set issued to Health Technology or any other duly appointed Clinical Engineer.
- m) The Contractor's clinical engineer shall clearly record their full name, signature and service completion date on all service certificates produced during PM.
- n) The contractor shall perform predictive maintenance during PM and submit service report to the Purchaser or any approved duly authorised representative for risk management.
- o) In the event that serviced equipment malfunctions within three (3) months following preventive maintenance, the contractor shall be liable for all costs associated with bringing the equipment into a functional and safe condition.
- p) The Contractor shall perform on-site user training (hands-on) during PM. The contractor shall collaborate with Health Technology for identified training gaps and prepare annual training programmes for equipment users and technicians.
- q)

#### **39.2 Call-Out Services:**

- a) The Contractor shall respond to Corrective Maintenance call-outs initiated by the Purchaser's final Beneficiary or any duly appointed Clinical Engineer within the response times indicated in Part H – Schedule B. The Contractor shall perform inspections and tests on the equipment and shall furnish inspection and tests certificates together with a priced quotation of required spare parts for approval, if any.
- b) Call-out maintenance quotations for both contracted and non-contracted services shall be authorised by the Purchaser's final Beneficiary or the duly appointed Clinical Engineer by the Purchaser.

### **39.3 Extended Warranty (Comprehensive) Maintenance Services**

- a) The Contractor extended warranty integrates the Manufacturer warranty for scope coverage.
- b) The Contractor warranty certificate shall be in the name of the Purchaser's final Beneficiary.
- c) Additional Extended Warranty (Comprehensive) maintenance services, optional to the Purchaser, shall begin from the date of Final Taking Over (after initial Manufacturer warranty has elapsed). The Contractor shall price the optional (5) five-year extended warranty or comprehensive maintenance services in the specified pricing schedule indicated in Part H – Schedule E for each the equipment offered under the contract.
- d) The warranty shall cover the entire machine including any and all component parts, spare parts, software modules and upgrades, accessories and maintenance thereof. The warranty coverage shall be applied fully and without any cost to Beneficiary and to the users whatsoever, including but not limited to the cost of routine visits, call-outs, training, labour, spare parts, and shall be valid for unlimited consultations within the warranty period save in cases of proven misuse, intentional damage, or force majeure.
- e) The Extended Warranty shall be at Contractor premises, being any cost of equipment transport or technician travelling at Contractor charge and included in the offered price.
- f) Training for users and maintenance personnel shall be equivalent to OEM training or better. All personnel training shall meet commissioning service obligations specified in this special conditions of contract.
- g) At least 95% of one single year of full functioning, i.e. 347 days out of 365/366 days, shall be guaranteed by the Contractor within the warranty period. In the event that the equipment supplied has been on downtime for more than five percent (5%) of one single year of the warranty period, i.e. more than 18 natural days in one single year, the Contractor shall extend the warranty period for a duration of six (6) times of the time duration when the equipment was on downtime.
- h) The time elapsed between the communication about the malfunctioning equipment and the intervention on site, within the warranty period, shall be as specified in the response times tabulated in Part H - Schedule B.
- i) If the Contractor, having been notified, fails to remedy the defect(s) within the period specified in Part H – Schedule B, the Purchaser may proceed to take such remedial action as may be necessary, at the Contractor's risk and expense and without prejudice to any other rights which the Purchaser may have against the Contractor under the contract.
- j) During the warranty validity period, on-site preventive maintenance and calibration visits shall be performed according to frequency intervals as specified by the manufacturer. The Preventive/Scheduled Maintenance Plan of the visits shall be presented by the Contractor before the issuance of preliminary taking-over certification by the Purchaser. During the site-visits a concise additional training shall be provided to the users and to the maintenance personnel.
- k) During on-site maintenance and calibration visits a short user-training update shall be carried out by the Contractor.

### **39.4 Corrective Maintenance (CM) Services:**

- a) The Contractor shall provide prompt onsite response to corrective maintenance requests and minimize downtime of faulty or malfunctioning equipment. The Contractor response times shall comply with requirements of Part H - Schedule B.
- b) Personnel responding to service repair or emergency requests shall be sufficiently competent to resolve the problem or at least identify or isolate the problem. The Contractor shall be liable for costs incurred during repetitive site visits due to failure to isolate the problem and or rework of any form by the responding personnel.

- c) Replacement maintenance personnel shall be equivalent or better and their competency and experience shall be in accordance with the terms and conditions of this contract.
- d) In case of “emergency repair calls for critical equipment” the Contractor shall provide onsite response within agreed time frames in Part H – Schedule B. Repair work shall be completed with the stipulated timeframes in the schedule of response times.
- e) Prior to performing corrective maintenance services at the equipment location, the contractor shall report to the Purchaser’s beneficiary or any other duly authorised representative at the health facility to announce themselves and request access to the equipment needing repairs. The contractor shall not proceed to execute corrective maintenance services without obtaining approval from the beneficiary or the authorised representative.
- f) During corrective maintenance, the Contractor shall complete performance inspections on the repaired equipment in accordance with OEM specifications. A signed report by the clinical engineer detailing full results of the performance inspection shall be submitted to the Purchaser or any duly authorised representative certifying the equipment safe for use. Contractor job-cards shall not represent performance inspection certificates.
- g) The Purchaser or any other duly appointed representative reserves the right to witness execution of any or all corrective maintenance services performed by the Contractor.
- h) The Contractor shall provide the Purchaser’s final beneficiary with detailed written information that:
  - (i) Describe procedures for obtaining technical assistance and repair services in the event of equipment failure or malfunction. A 24-hour contact telephone number shall be provided and displayed onsite, and the said number shall be contactable at all times. Names of contact persons and their job titles authorised within terms and conditions of this contract shall be displayed at the exact equipment locations.
  - (ii) Describe the general activities that Purchaser’s employees should perform when responding to equipment failure, including guidelines to be used when responding and interpreting alarm codes.
  - (iii) Describe the procedures used to set-up and test the equipment before use, including settings for set-up and testing.
  - (iv) Describe for equipment users how to identify and obtain equipment accessories or consumables, including manufacturer part numbers.

#### **39.5 Spare parts:**

- a) Spare parts used must be OEM or meet or exceed OEM specifications.
- b) The maintenance services and equipment spare parts shall be available directly in the Republic of South Africa at Eastern Cape regional level for maintenance and spare parts access. The Contractor shall maintain availability of spare parts and effectively complete corrective maintenance services with completion times specified in Part H, Schedule B.
- c) The Purchaser reserves the right to request the original OEM pricing for the spare parts offered by the Contractor, indicating discounts offered by the OEM if any. The Contractor shall at all times provide such true information as in when required by the Purchaser or any duly appointed Clinical Engineer.
- d) The Contractor shall not service-exchange faulty equipment spare-parts with used or reconditioned spare parts without written approval by the Purchaser. Where service exchange is an option, the Contractor shall value and price used service exchanged spare parts against the equivalent new for comparison. Where service exchange parts are selected by the Purchaser, the Contractor shall provide one-year warranty cover or equivalent to the longest equipment service interval as per OEM specifications.

**39.6 Calibration and testing equipment:**

- a) Upon taking over the contract services, the Contractor shall have all required test and calibration instruments. The contractor shall only use test equipment calibrated by an independent SANAS approved firm or the OEM for the test equipment. The contractor shall maintain records of certification for the expected life-span of the equipment.
- b) At all times the Contractor shall use calibrated and safe test equipment to perform commissioning and maintenance services required by the terms and conditions of this contract. The contractor shall furnish up-to-date annual calibration certificates for test equipment for each equipment service. The Purchaser or any approved duly appointed representative has the right to request and audit test equipment calibration certificates during maintenance services
- c) The Contractor shall ensure that relevant medical equipment is calibrated as part of the Service Contract and is labelled accordingly. The equipment shall be calibrated by competent personnel and the Contractor shall develop and implement a system to ensure quality control.
- d) The Contractor shall develop and implement a procedure for assigning inspection intervals for equipment included in this contract. The procedure should document the goals of the equipment inspection and demonstrate how the intervals selected are consistent with those goals. The results of inspection shall be documented.

**39.7 Sub-contractors:**

- a) For the commissioning maintenance services, the Contractor may sub-contract services via long term or single services contract to Sub-contractors. The costs of such contracts must be borne by the Contractor.
- b) The Contractor is required to prepare and submit a list of equipment that would be sub-contracted for maintenance to Health Technology for approval. Such services may include preventive maintenances, repairs and spare parts.

**39.8 Write-off rights:**

- a) In case the cost of maintenance and repair exceeds the value of the equipment/part, the Contractor shall obtain approval from the Purchaser to either still to carry out the repair or write-off the equipment/part. The Contractor does not have the right to write-off the equipment/part without previous written consent and approval from the Purchaser.
- b) The Contractor may not remove equipment or any part from the Purchaser's site without obtaining written approval from the Purchaser or any other duly authorised representative.

**40 ORGANIZATION OF CONTRACT EXECUTION**

- 40.1** The Eastern Cape Department of Health will be the executing Government Department for the maintenance programme. The HT directorate shall be responsible for carrying out monitoring and oversight to the overall programme.
- 40.2** The Purchaser's HT project manager or any duly authorised representative shall actively participate in the development and implementation of the overall maintenance services and contractor obligations.
- 40.3** The Purchaser or any duly appointed representative shall evaluate the performance of the Contractor and according to contractual arrangement and verify value for money on payments made to the Contractor.
- 40.4** Sufficient highly skilled engineers and technicians in the field of clinical or biomedical engineering must be availed by the Contractor to perform maintenance service obligations and provide user training for all equipment in the inventory of the Purchaser's data system.



- 40.5** Sufficient and suitable workshop space must be made available by the Contractor to perform all work assigned and stipulated in this contract. Infection control protocols and compliance to requirements of the Occupational Health and Safety Act must be maintained by the Contractor.
- 40.6** The Purchaser's HT directorate shall receive monthly and quarterly reports of indicators that allow the organization to determine compliance with the medical equipment maintenance management programme. The Contractor shall follow the developed indicators that reflect the performance on scheduled PM and corrective maintenance services carried out.

#### **41 OFFICE OPERATION OF THE CONTRACTOR**

- 41.1** The maintenance services provided by the contractor in this contract shall be accessible and the Contractor shall put systems in place for the said services to be located within a 50 km radius of major cities or towns in the Purchaser's region which are Gqeberha, East London and Mthatha. The Purchaser shall not reimburse the Contractor for subsistence and travelling costs incurred for services performed for Health Facilities within the specified 50 km radius. Where the Contractor has failed to make the said contract services accessible within the specified 50km radius, the Purchaser may refuse liability for costs incurred for subsistence and traveling by the Contractor and the contractor shall carry the relevant costs. Costing with regard to the mileage will only be accepted from the closest major city.
- 41.2** The Contractor shall provide general maintenance services during normal working hours, during which the maintenance services with respect to the equipment shall be rendered on regular working days (Monday to Friday) between 08.00 and 17.00 hours, with weekends and public holidays excluded.
- 41.3** The Service Provider shall provide 24 hours on-call services a day for emergency repair at health facilities (on Critical Equipment only) and will follow the response times as indicated in Part H – Schedule B.

### **PART G: RETURNABLE CONTRACT FORMS**

#### **SUMMARY LIST OF RETURNABLE CONTRACT FORMS:**

- Form No.1: Authorisation to Sign
- Form No.2: Authorisation Declaration (SBD1)
- Form No.3: Declaration of Interest (SBD 4)
- Form No.6: Personnel Strength Assessment Form
- Form No.7: Joint Venture Disclosure Form
- Form No.8: Preference Points Claim Form (SBD 6.1)
- Form No.10: Contractual Agreement



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities  
for a period of thirty-six (36) months.

### FORM No.1: AUTHORISATION TO SIGN

I ....., certify that I am..... (Secretary or any  
other duly authorised official) of the ..... (company/firm name),  
formed and operating under the laws of..... (country/state) and  
that..... (name of authorised signatory) who signed the bid  
is authorized to bind the company/firm by authority of its governing body.

\_\_\_\_\_  
(Secretary/Authorised Official)

Certificate as to corporate principal bind

### FORM No.2: AUTHORISATION DECLARATION

THE FOLLOWING PARTICULARS MUST BE FURNISHED  
(FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BID)

SBD 1

From:

Name of Bidder .....

Postal Address .....

Physical Address .....

Telephone Number (Code)..... (Number).....

Cell phone Number.....

Fax Number (Code)..... (Number).....

VAT/Tax Registration Number.....

Has a Valid Tax Clearance Certificate Been Submitted? YES / NO

ARE YOU THE AUTHORISED REPRESENTATIVE IN THE RSA

FOR THE GOODS AND SERVICES OFFERED BY YOU? YES / NO (IF YES ENCLOSE PROOF)

To: The Eastern Cape Department of Health (“the Purchaser”)

Subject: Bid in Response to Bid Notice Number: -.....

We hereby offer the Goods/equipment and services as listed in the contract documents of this bid.

Our quotations are shown in the attached contract forms. We will provide the services at the firm prices quoted and in full compliance with the terms and conditions of the attached bid documents.

Our bid offer remains valid until (Date).....

Authorised Signatory: -..... Date.....

Capacity of Authority.....



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

## FORM No.8: JOINT VENTURE DISCLOSURE FORM

PURCHASER/EMPLOYER : EASTERN CAPE DEPARTMENT OF HEALTH

CONTRACT DESCRIPTION : REQUEST FOR INFORMATION ON REPAIR, MAINTENANCE AND CALIBRATION OF MEDICAL EQUIPMENT FOR HEALTH FACILITIES IN THE DEPARTMENT OF HEALTH FOR A PERIOD OF 36 MONTHS

CONTRACT NUMBER : SCMU3-23/24-0721-HO

All JV partners are obliged to commit to a developmental programme in executing commissioning and maintenance service obligations specified in the contract. JV representation in the Eastern Cape shall be afforded the opportunity and full exposure to developmental activities required to perform in full all activities necessary to fulfil the commissioning and maintenance service obligations herein.

Note:

- 1) All the information requested must be filled in the spaces provided. If additional space is required, additional sheets may be attached.
- 2) A copy of the Joint Venture agreement or Pre-Bid Joint Venture agreement must be attached to this form. In order to demonstrate the enterprise partner's share in the ownership, control, performance and management responsibilities, risks and profits of the joint venture.

### A. JOINT VENTURE PARTICULARS

Name : \_\_\_\_\_

Postal address : \_\_\_\_\_

Physical address : \_\_\_\_\_

Telephone : \_\_\_\_\_ Fax : \_\_\_\_\_

Email address : \_\_\_\_\_

## B. IDENTITY OF EACH ENTERPRISE PARTNER

### No. 1

Name (*lead partner*) : \_\_\_\_\_

Postal address : \_\_\_\_\_

Physical address : \_\_\_\_\_

Telephone : \_\_\_\_\_ Fax : \_\_\_\_\_

Contact Person : \_\_\_\_\_

TAX/VAT. No : \_\_\_\_\_

### No. 2

Name (*non-lead*) : \_\_\_\_\_

Postal address : \_\_\_\_\_

Physical address : \_\_\_\_\_

Telephone : \_\_\_\_\_ Fax : \_\_\_\_\_

Contact Person : \_\_\_\_\_

TAX/VAT No. : \_\_\_\_\_

### No. 3

Name : \_\_\_\_\_

Postal address : \_\_\_\_\_

Physical address : \_\_\_\_\_

Telephone : \_\_\_\_\_ Fax : \_\_\_\_\_

Contact Person : \_\_\_\_\_

TAX/VAT No. : \_\_\_\_\_



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

### C. OWNERSHIP OF THE JOINT VENTURE

	<u>No.1</u>	<u>No.2</u>	<u>No.3</u>
a) Percentage Work Split	.....%	.....%	.....%
b) Percentage Ownership in : respect of JV	.....%	.....%	.....%
c) Profit and Loss Sharing :	.....%	.....%	.....%
d) Initial Capital : Contribution (+/-)	R .....	R .....	R .....
e) Estimated on-going : Capital Contribution	R .....	R .....	R .....
f) Key Personnel and Test or Calibration Equipment Contribution	.....	.....	.....

### D. CONTROL AND STRUCTURE OF THE JOINT VENTURE

Briefly describe the manner in which the Joint Venture is structured and controlled.

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### E. BID SUBMISSION REQUIREMENTS OF THE JOINT VENTURE

The JV is required to compile and submit the following which all the members of the JV are in agreement with;

- Letter of Intent to enter into Joint Venture and/or signed Joint Venture or Pre-Bid Joint venture agreement.
- Valid original Tax Clearance Certificates for each of the partners in the JV.
- Consolidated BEE Certificates for the JV partners.

### F. PRE CONTRACT AWARD REQUIREMENTS OF THE JOINT VENTURE

The JV is required to conclude and submit the following prior to being issued with the letter of awarded;  
Detailed breakdown on the commissioning and maintenance services scope of works for each of the JV members with the responsibility of each within the JV.

Copies of all written agreements between partners concerning the contract must be attached to this form including those which relate to ownership options and to restrictions/limits regarding ownership and control. The final JV agreement entered into by all members in which details of the contribution of capital and equipment is listed; The commitment of management, tools, supervisory and key personnel employed by each enterprise partner to be dedicated to the performance of this Contract.

#### **G. DECLARATION**

The undersigned warrants that he/she is duly authorised to sign this Joint Venture Disclosure Form and affirms that the foregoing statements are correct and include all material information necessary to identify and explain the terms and operations of the Joint Venture and the intended participation of each partner in the undertaking.

The undersigned further covenants and agrees to provide the Purchaser with complete and accurate information regarding actual Joint Venture work and the payment therefore, and any proposed changes in any provisions of the Joint Venture agreement, and to permit the audit and examination of the books, records and files of the Joint Venture, or those of each partner relevant to the Joint Venture, by the Purchaser or any duly authorised representatives.

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Duly authorised to sign on behalf of : \_\_\_\_\_

Address : \_\_\_\_\_

Telephone : \_\_\_\_\_

Fax : \_\_\_\_\_

Date : \_\_\_\_\_



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

**RETURNABLE SCHEDULE 5: DECLARATION OF INTEREST**

SBD4

## **BIDDER'S DISCLOSURE**

### **1. PURPOSE OF THE FORM**

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### **2. Bidder's declaration**

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise,

employed by the state?

**YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

<b>Full Name</b>	<b>Identity Number</b>	<b>Name of State institution</b>

<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.




2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....  
 .....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....  
 .....

### 3 DECLARATION

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.

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<sup>2</sup> Joint venture or Consortium 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.



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

## FORM No.10: CONTRACTUAL AGREEMENT

1. This agreement is the entire contract between the parties regarding the matters addressed herein. No representations, terms, conditions or warranties, obligations not contained in this agreement shall be binding on the parties. No agreement or addendum, varying adding to, deleting or terminating this agreement including this clause shall be effective unless reduced in writing and signed by both parties.

### 2. Contracting Parties:

#### (i) EASTERN CAPE DEPARTMENT OF HEALTH (the "Purchaser")

Physical Address: - \_\_\_\_\_

Tel: - \_\_\_\_\_ Fax: - \_\_\_\_\_

#### (ii) Contractor: - \_\_\_\_\_

Physical Address: - \_\_\_\_\_

Tel: - \_\_\_\_\_ Fax: - \_\_\_\_\_

Tax / VAT No: - \_\_\_\_\_

### 3. Signature of the contracting parties:

Thus done and signed at \_\_\_\_\_ on \_\_\_\_\_

\_\_\_\_\_  
(Name of signatory) for and on behalf of the **Purchaser** who by signature  
hereof warrants authorization hereto

\_\_\_\_\_  
Capacity of signatory) \_\_\_\_\_  
as Witness (1) for the purchaser

Thus done and signed at \_\_\_\_\_ on \_\_\_\_\_

\_\_\_\_\_  
(Name of signatory) for and on behalf of the **Contractor** who by signature  
hereof warrants authorization hereto

\_\_\_\_\_  
Capacity of signatory) \_\_\_\_\_  
as Witness (2) for the contractor

Witness (1) Name: \_\_\_\_\_ Witness (2) Name: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

## **PART H: SCHEDULES**

### **SUMMARY LIST OF SCHEDULES:**

- Schedule A: Functionality Evaluation Criteria
- Schedule B: Response Times for Reactive Maintenance
- Schedule C: Proposed Personnel Fees (Labour Rates)
- Schedule D: Labour Rates Pricing Schedule
- Schedule E: Equipment risk and complexity
- Schedule F: Summary Rates Table
- Schedule G: Accreditation Schedule

## A. FUNCTIONALITY EVALUATION CRITERIA

- 1) The functionality evaluation will be conducted in terms of the evaluate criteria to verify the compulsory documents requested. Bidders, who fail to comply with the required information, will be regarded as non-responsive.

☐ **Summary Labour Rates Table**

The bidder is required to submit a completed **Schedule F** of the equipment they are accredited for by the manufacturer to repair, service and supply spares and accessories in the Eastern Cape.

☐ **Accreditation Schedule**

The bidder is required to submit a completed **Schedule G** of the equipment they are accredited for by the manufacturer to repair, service and supply spares and accessories in the Eastern Cape.

☐ **Maintainability and Serviceability (Ms)**

The bidder must propose a Clinical Engineer and or Clinical Engineering technicians for the equipment technology offered available to perform maintenance services. Qualification and manufacturer certificate/s must be attached and submitted with the bid as proof. Personnel experience records or resumes and on the job proof of certification must be submitted together with minimum (3) contactable references.

- 2) The criteria and scores in respect to each evaluative dimension for functionality are set-out as follows:

Criteria	Scoring Matrix and Points	Evidence or Proof	Comply/ Not Comply
Accreditation Schedule	Completed Schedule G	Supported Equipment with a valid Accreditation Letters from the manufacturers	
Maintainability and Serviceability	Qualifications for the proposed clinical engineers or clinical engineering technicians in a clinical/electrical/mechanical engineering field: Degree or Diploma and Relevant Trade Test.	Attach and submit copies of Qualification Certificates for the Clinical Engineers, clinical engineering technicians and Artisans' Trade Test.	

## B. RESPONSE TIMES FOR REACTIVE MAINTENANCE

The response time is the time it takes for contractor to be onsite after receiving a request for maintenance and repairs. The Contractor shall provide 24 hours on call services a day for emergency repair at Critical equipment and will follow the response time as indicated in the TABLE below. In addition, Tactical equipment must be repaired within 7 days of the original work order request date. Equipment designated as Critical must be repaired within 3 days. If the equipment is not repaired within this time frame the Employer has the right to impose penalties and seek other repair options elsewhere.

Equipment Type	PERFORMANCE INDICATORS
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Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

	Priority (Critical = C /Tactical = T/ Other = O)	Response Time (hrs)	Coverage Hours (hrs)	Completion Time (Days)
Anaesthesia Delivery Units	Critical	8 hrs	All hrs	3 days
Analyser, Blood Gas	Tactical	24 hrs	Working hrs	7 days
Analyser, Oxygen	Critical	24 hrs	All hrs	3 days
Bilirubin meter	Critical	24 hrs	Working hrs	7 days
Blender, Oxygen	Critical	8 hrs	All hrs	3 days
BIPAP Unit	Critical	8 hrs	All hrs	3 days
C-Arm General	Tactical	24 hrs	Working hrs	7 days
Cardiotocography (CTGs)	Critical	8 hrs	All hrs	3 days
Cast Cutter, General	Tactical	24 hrs	Working hrs	7 days
Chest Bucky Unit, X-Ray	Critical	8 hrs	All hrs	3 days
Colposcopy, General	Tactical	24 hrs	Working hrs	7 days
CPAP Unit	Critical	8 hrs	All hrs	3 days
CT Scanner, General	Critical	8 hrs	All hrs	3 days
Defibrillator, AED	Critical	8 hrs	All hrs	3 days
Defibrillators, Monitor	Critical	8 hrs	All hrs	3 days
Defibrillator, Monitor/Pacer	Critical	8 hrs	All hrs	3 days
Dental Unit	Tactical	24 hrs	Working hrs	7 days
Dental Scaler	Tactical	24 hrs	Working hrs	7 days
Dermatome	Tactical	24 hrs	Working hrs	7 days
Dialysis Unit	Critical	8 hrs	All hrs	3 days
Diathermy Unit, General	Critical	8 hrs	All hrs	3 days
Doppler Unit, Obstetric	Critical	8 hrs	All hrs	3 days
Electrocardiograph (ECGs)	Tactical	24 hrs	Working hrs	7 days
Electrosurgical Unit	Critical	8 hrs	All hrs	3 days
Fluoroscopy Unit, General	Tactical	24 hrs	Working hrs	7 days
Humidifier	Tactical	24 hrs	Working hrs	7 days
Hyfrecator	Critical	8 hrs	All hrs	3 days
Incubator, Infant	Critical	8 hrs	All hrs	3 days
Incubator, Infant Transport	Critical	8 hrs	All hrs	3 days
Lamp, Examination	Tactical	24 hrs	Working hrs	7 days
Lamp, Surgical	Critical	8 hrs	All hrs	3 days
Mammography Unit	Tactical	24 hrs	Working hrs	7 days
Module, Anaesthetic Gas	Critical	8 hrs	All hrs	3 days
Module, Cardiac Output	Critical	8 hrs	All hrs	3 days
Module, CO2	Tactical	24 hrs	Working hrs	7 days
Module, ECG	Tactical	24 hrs	Working hrs	7 days
Module, NIBP	Tactical	24 hrs	Working hrs	7 days
Module, IBP	Critical	8 hrs	All hrs	3 days
Module, Respiration	Tactical	24 hrs	Working hrs	7 days
Module, SPO2	Critical	24 hrs	Working hrs	7 days
Module, Temperature	Tactical	24 hrs	Working hrs	7 days
Monitor, Apnoea	Critical	24 hrs	Working hrs	7 days
Monitor, Heart Rate	Critical	24 hrs	Working hrs	7 days
Monitor, Patient	Tactical	24 hrs	Working hrs	7 days
Monitor, Vital Signs	Tactical	24 hrs	Working hrs	7 days
Monitor, Ventilation	Critical	8 hrs	All hrs	3 days
Nebulizer, Ultrasonic	Tactical	24 hrs	Working hrs	7 days
Nebulizer, Heater	Tactical	24 hrs	Working hrs	7 days

Oximeter, Pulse	Tactical	8 hrs	Working hrs	7 days
Pacemaker, Cardiac External	Critical	8 hrs	All hrs	3 days
Pacemaker, General	Critical	8 hrs	All hrs	3 days
Phototherapy Unit	Critical	24 hrs	Working hrs	3 days
Processor, X-Ray Digital	Critical	8 hrs	All hrs	3 days
Processor, X-Ray Film	Critical	8 hrs	All hrs	3 days
Pump, Blood	Critical	24 hrs	Working hrs	3 days
Pump, Breast	Tactical	24 hrs	Working hrs	7 days
Pump, Feeding	Tactical	24 hrs	Working hrs	7 days
Pump, Infusion	Critical	8 hrs	All hrs	3 days
Pump, Portable Suction	Critical	8 hrs	All hrs	3 days
Pump, Syringe	Critical	8 hrs	All hrs	3 days
Resuscitator, Infant	Critical	8 hrs	All hrs	3 days
Scale, Adult	Tactical	24 hrs	Working hrs	7 days
Scale, Infant	Tactical	24 hrs	Working hrs	7 days
Sphygmomanometer	Tactical	24 hrs	Working hrs	7 days
Spirometer	Tactical	24 hrs	Working hrs	7 days
Sterilizer, Flash	Tactical	24 hrs	Working hrs	7 days
Sterilizing Unit, Steam	Tactical	24 hrs	Working hrs	7 days
Sterilizing Unit, Steam, Table-top	Tactical	24 hrs	Working hrs	7 days
Table, Examination	Tactical	24 hrs	Working hrs	7 days
Table, Obstetrical	Critical	8 hrs	Working hrs	3 days
Table, Orthopaedic	Critical	24 hrs	Working hrs	3 days
Table, Surgical	Critical	8 hrs	Working hrs	3 days
Tourniquet	Tactical	24 hrs	Working hrs	7 days
Ultrasound, Diagnostic	Critical	8 hrs	All hrs	3 days
Ultrasound, Probe	Critical	8 hrs	All hrs	3 days
Vaporiser, Anaesthesia	Critical	8 hrs	All hrs	3 days
Ventilator, Anaesthesia	Critical	8 hrs	All hrs	3 days
Ventilator, Adult	Critical	8 hrs	All hrs	3 days
Ventilator, Neonatal/Paediatric	Critical	8 hrs	All hrs	3 days
Ventilator, Oscillator	Critical	8 hrs	All hrs	3 days
Ventilator, Portable/Transport	Critical	8 hrs	All hrs	3 days
Warmer, Blanket	Tactical	24 hrs	Working hrs	7 days
Warmer, Blood/Solution	Critical	8 hrs	All hrs	3 days
Warmer, Infant, Radiant	Critical	8 hrs	All hrs	3 days
X-Ray Unit, Dental	Tactical	24 hrs	Working hrs	7 days
X-Ray Unit, General, Fixed	Critical	8 hrs	All hrs	3 days
X-Ray Unit, Mobile	Tactical	24 hrs	Working hrs	7 days
X-Ray Unit, Panoramic	Tactical	24 hrs	Working hrs	7 days

### C. PROPOSED PERSONNEL FEES (Labour rates)

1. The Bidder shall propose rates which may be used for Preventative and Corrective maintenance for the equipment offered as per the ACSV list model under Schedule 8 not covered under the contract.

Type of Designation	Responsibility	Proposed Hourly Labour Rate (ZAR)
1. Clinical Engineer	Supports and advances patient care by applying engineering and managerial skills to health-care technology and maintain high risk medical equipment	
2. Clinical Engineering Technician	Maintenance and repairs to medium risk equipment for continued operation such that downtime is prevented.	
3. Artisan	Maintenance and repairs to low risk equipment for continued operation such that downtime is prevented.	

The labour rates pricing schedule guide has been designed to assist the Contractor to complete the Part H: Schedule C for Proposed Personnel Fees. The bidders are required to complete in full and sign Schedule C as per the requirements stated in the table below;

### D. LABOUR RATES PRICING SCHEDULE GUIDE

Risk and complexity	Scoring Matrix and Points	Labour Rate range	Evidence or Proof
High	<p>Compliance to equipment maintained by the following personnel.</p> <ul style="list-style-type: none"> <li>✓ Qualified Professional Engineer with manufacturer training.</li> </ul> <p><b>Required qualification is the relevant BSC or B-Tech Or Diploma in Electrical Engineering</b></p>	<p>BSC/B-TECH Not exceed R 1500</p> <p><b>Diploma Not exceed R 1200</b></p>	Attach and submit copies of Qualification Certificates, Training Certificates issued by the Manufacturer.
Medium	<p>Compliance to equipment maintained by the following personnel.</p> <ul style="list-style-type: none"> <li>✓ Qualified Engineer Technician with manufacturer training.</li> </ul> <p><b>Required qualification is the relevant BSC or B-Tech or Diploma in Electrical Engineering</b></p>	<p>BSC/B-TECH Not exceed R 1000</p> <p><b>Diploma Not exceed R 800</b></p>	Attach and submit copies of Qualification Certificates, Training Certificates issued by the Manufacturer
Low	<p>Compliance to equipment maintained by the following personnel.</p> <ul style="list-style-type: none"> <li>✓ Qualified Artisan with relevant certificate with manufacturer training.</li> </ul>	<b>Diploma Not exceed R 600</b>	Attach and submit copies of Qualification Certificates, Training Certificates issued by the Manufacturer



	Diploma Clinical/Electrical Engineering or Electrical Trade test certificate	Trade test not exceed R400	
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## E. EQUIPMENT RISK AND COMPLEXITY

The table below shows the risk and complexity of the equipment which will be utilised to determine the labour rates for the models offered based on the complexity and risk of the equipment associated with the equipment. The categorisation of the equipment is off the Department of Health's discretion.

Equipment Type	Risk Level
Anaesthesia Delivery Units	High
Analyser, Blood Gas	Medium
Analyser, Oxygen	Medium
Bilirubin meter	Low
Blender, Oxygen	Medium
BIPAP Unit	Medium
C-Arm General	High
Cardiotocography (CTGs)	Medium
Cast Cutter, General	Medium
Chest Bucky Unit, X-Ray	High
Colposcopy, General	Medium
CPAP Unit	High
CT Scanner, General	High
Defibrillator, AED	High
Defibrillators, Monitor	High
Defibrillator, Monitor/Pacer	High
Dental Unit	Medium
Dental Scaler	Medium
Dermatome	Medium
Dialysis Unit	Medium
Diathermy Unit, General	Medium
Doppler Unit, Obstetric	Low
Electrocardiograph (ECGs)	Medium
Electrosurgical Unit	High
Fluoroscopy Unit, General	High
Humidifier	Medium
Hyfrecator	Medium
Incubator, Infant	High
Haemoglobin meter	Low
Incubator, Infant Transport	High
Lamp, Examination	Low
Lamp, Surgical	High
Mammography Unit	High
Module, Anaesthetic Gas	Medium
Module, Cardiac Output	Medium
Module, CO2	Medium
Module, ECG	Medium
Module, NIBP	Medium
Module, IBP	Medium
Module, Respiration	Medium
Module, SPO2	Medium
Module, Temperature	Medium
Monitor, Apnoea	Medium
Monitor, Heart Rate	Medium



Invitation to bid for repairs, maintenance and calibration of medical equipment for the Eastern Cape department of Health Facilities for a period of thirty-six (36) months.

Monitor, Patient	Medium
Monitor, Vital Signs	Low
Monitor, Ventilation	Medium
Nebulizer, Ultrasonic	Medium
Nebulizer, Heater	Low
Oximeter, Pulse	Low
Pacemaker, Cardiac External	Medium
Pacemaker, General	Medium
Phototherapy Unit	Low
Processor, X-Ray Digital	High
Processor, X-Ray Film	High
Pump, Blood	Low
Pump, Breast	Low
Pump, Feeding	Low
Pump, Infusion	Medium
Pump, Portable Suction	Low
Pump, Syringe	Medium
Resuscitator, Infant	Low
Scale, Adult	Low
Scale, Infant	Low
Sphygmomanometer	Low
Spirometer	Low
Sterilizer, Flash	Medium
Sterilizing Unit, Steam	Medium
Sterilizing Unit, Steam, Table-top	Medium
Table, Examination	Medium
Table, Obstetrical	Medium
Table, Orthopaedic	Medium
Table, Surgical	Medium
Tourniquet	Medium
Ultrasound, Diagnostic	High
Ultrasound, Probe	Low
Vaporiser, Anaesthesia	High
Ventilator, Anaesthesia	High
Ventilator, Adult	High
Ventilator, Neonatal/Paediatric	High
Ventilator, Oscillator	High
Ventilator, Portable/Transport	High
Warmer, Blanket	Medium
Warmer, Blood/Solution	Medium
Warmer, Infant, Radiant	Medium
X-Ray Unit, Dental	High
X-Ray Unit, General, Fixed	High
X-Ray Unit, Mobile	High
X-Ray Unit, Panoramic	High

## F. SUMMARY RATES BASED TABLE

1. Bidders must complete in full the pricing schedule. The bidder must complete the pricing schedule for each and every equipment item offered in this bid.
2. During any stage of procurement and execution of the contract, the Purchaser reserves the right to select priority items from the priced list excluding unwanted items, as in when required by the health service.
3. A soft copy of the pricing schedule Part H: Schedule F will be made available to the bidders.
4. Bidder must submit the pricing schedule as a hardcopy with the document together a soft copy via a memory stick.
5. The following documents must be completed in full under the pricing schedule;
  - ✓ **Rates Table**

	SIGNATURE	DATE
REVIEWED BY:		
APPROVED BY BSC COMMITTEE (CHAIRPERSON)		
ADVERT APPROVED BY:		



## **national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

### **ANNEXURE A:**

#### **MAXIMUM ALLOWABLE RATES FOR THE DOMESTIC ACCOMMODATION AND MEALS**

##### **1. GRADING AS A REQUIREMENT IN GOVERNMENT TO ONLY STAY IN GRAGED ACCOMMODATION ESTABLISHMENTS**

- 1.1 South African Tourism, through its Tourism Grading Council component, is mandated to provide quality assurance of tourism products and facilities through amongst others the grading of establishments such as hotels, bed & breakfasts, guest houses and conference venues in South Africa.
- 1.2 In order to promote the grading establishments throughout the country, Cabinet approved that government institutions should, with effect from January 2005, procure accommodation only from graded establishments and that, in instances where graded accommodation is not available, the use of establishments which are not graded by the Grading Council may be permitted.

##### **2. MAXIMUM ALLOWABLE RATES FOR DOMESTIC ACCOMMODATION**

- 2.1 Table 1 indicates the maximum allowable rates per accommodation type and per star grading of the establishment that may be booked for Travellers on Official Business.
  - 2.1.1 **BAND 1:** This band is for a Room only and the price is inclusive of VAT and the Tourism Levy. The Band to be booked where a traveller only requires lodging and will be taking his/her meals elsewhere. Expenses for meals can be claimed within the maximum daily amount as indicated below.
  - 2.1.2 **BAND 2:** This band is for a room and includes breakfast as part of the rate. The price is inclusive for VAT and the Tourism Levy. The Band to be booked where a traveller requires lodging and will be taking his/her breakfast at the establishment. Only expenses for lunch and dinner can be claimed up to the maximum as indicated below.
  - 2.1.3 **BAND 3:** This band is for a room and includes breakfast and dinner as part of the rate. The price is inclusive for VAT, the Tourism Levy and two (2) soft drinks. The Band to be booked where a traveller requires lodging and will be taking his/her breakfast and dinner at the establishment. Only expenses for lunch can be claimed.

TABLE 1:

Vouchers Includes	Band 1	Band 2	Band 3
	Room Only Tourism Levy VAT	Room & Breakfast Tourism Levy VAT	Room, Breakfast & Dinner Tourism Levy VAT 2x non-alcoholic beverages at Dinner
<b>Graded Hotel or Boutique Hotel</b>			
1 Star	R630	R780	R1 000
2 Star	R980	R1 120	R1 350
3 Star	R1 190	R1 310	R1 530
4 Star	R1 360	R1 470	R1 700
5 Star	R2 280	R2 401	R2 740
<b>Graded Bed &amp; Breakfast, Country House or Guest House</b>			
1 Star	R350	R530	R740
2 Star	R540	R710	R920
3 Star	R980	R1 150	R1 350
4 Star	R1 090	R1 260	R1 460
5 Star	R1 300	R1 480	R1 680
<b>Graded Self-Catering</b>			
	Band 1	Band 2	Band 3
1 Star	R630		
2 Star	R980		
3 Star	R1 190		
4 Star	R1 360		
5 Star	R1 570		
<b>Maximum for Meals</b>			
Breakfast		R 120	
Lunch		R 170	
Dinner		R 190	
Maximum		R 480	

Note: Expenses for parking is NOT included in Bands 1, 2 and 3 and may be claimed separately by travelers.

### 3. MAXIMUM ALLOWABLE RATES FOR MEAL EXPENSES

- 3.1 Institutions to only reimburse officials for meal expenses within the limits as set out in Table 2. Receipts of actual expenditure to be provided with the claim in all cases.
- 3.2 National Treasury will set these maximum allowable amounts and review it periodically.

TABLE 2:

Claims for Meal Expenditure			
Description	What does it imply if the expense type is selected?	Maximum Amount	
Breakfast and Lunch provided	- May claim for actual expenditure for <b>Dinner</b> expenses within the limits of the maximum amount.	R 190.00	= R480
Breakfast and Dinner provided	- May claim for actual expenditure for <b>Lunch</b> expenses within the limits of the maximum amount.	R 170.00	
Lunch and Dinner provided	- May claim for actual expenditure for <b>Breakfast</b> expenses within the limits of the maximum amount.	R 120.00	
Breakfast provided	- May claim for actual expenditure for <b>lunch and dinner</b> within the limits of the maximum amount.	R 360.00	=R170 + R190
Lunch provided	- May claim for actual expenditure for <b>breakfast and dinner</b> within the limits of the maximum amount.	R 310.00	=R120 + R190
Dinner provided	- May claim for actual expenditure for <b>breakfast and lunch</b> within the limits of the maximum amount.	R 290.00	=R120 + R170

### 3.3 Domestic Trips Longer than 24 Hours

- a) Expenditure on Meals and non-alcoholic liquid refreshments can be claimed in the following circumstances:

#### *Breakfast*

- If it is not included in the Accommodation arrangements; and, or,
- If the Traveller leaves his or her residence or Place of Work before 06h00.
- Up to the maximum as set out in Table 2.

#### *Lunch*

- Lunch may only be claimed if it is not provided by the host.
- Up to the maximum as set out in Table 2.

#### *Dinner*

- If it is not included in the Accommodation arrangements; and, or,
  - If the Traveller returns to his or her residence or Place of Work after 20h00.
  - Up to the maximum as set out in Table 2.
- b) Officials cannot claim expenses for meals if the rate of the Accommodation establishment already includes dinner and, or, breakfast or if the host provides lunch, or if the conference fee includes lunch and, or, dinner.
- c) When a Traveller stays in an accommodation establishment that does not provide for meals, or does not cater for special dietary requirements such as Halaal or Kosher, he or she may claim reasonable actual expenditure for meal expenses within the maximum daily amount set out in Table 2 . Supporting evidence is required as proof of actual expenditure.

### **2.1 Domestic Trips Less than 24 Hours**

- a) When an Official Business trip is less than 24 hours, the official may claim expenses for meals and non-alcoholic liquid refreshments where meals are not provided by the host. Supporting evidence is required as proof of actual expenditure. Meal expenses may be claimed under the following conditions:
- i. Three (3) meals where the Official leaves his or her Place of Work or residence before 06h00 and only returns to his or her Place of Work or residence after 20h00, provided that the total cost of all three meals does not exceed the maximum daily amount as set out in Table 2 above;
  - ii. Any two (2) meals if the total duration of the trip is more than 8 hours but less than 14 hours, provided that the total cost of the two meals does not exceed the maximum amount as set out in Table 2 above.
  - iii. Any one meal if the total duration of the trip is more than 4 hours but less than 8 hours, provided that the total cost of the meal does not exceed the maximum daily amount as set out in Table 2 above.

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## THE DEPARTMENT OF TRANSPORT

Enquiries: Andries Schoeman, Tel: 012 309 3117 – Thobelo Mhlope, Tel: 012 309 3697

Email: [schoemaA@dot.gov.za](mailto:schoemaA@dot.gov.za), [mhlopeT@dot.gov.za](mailto:mhlopeT@dot.gov.za)

Rates also available on: <https://www.transport.gov.za/fuel-rates-archive>

Reference: T118

30 October 2023

TO: **All heads of departments  
Accounting officers**

### TARIFFS FOR THE USE OF MOTOR TRANSPORT

1. Amendment No 11 of 2023 of the Annexure to Transport Circular No 6 of 1977 (Transport Handbook on Tariffs for the use of Motor Transport as amended, and Private)
2. Amendment of Annexure B of the instructions with regard to the new Subsidized Motor Scheme (Subsidized Scheme A and C).

As a result of the fluctuation of the fuel price on 1 November 2023, the following tariffs are consequently amended from 1 November 2023.

Please note that the vehicle categorization as provided by the vehicle manufacturers are used in the calculation of the rates.

- ❑ **Private rates include fuel, maintenance, capital, insurance and depreciation.**  
These rates are to be used by all individuals making use of their own motor vehicle transport, including individuals whom structured for car allowances and all officials partaking in Scheme B of the Subsidized Motor Transport scheme.
- ❑ **Subsidized Scheme A rates are only inclusive of fuel.**  
These rates are to be used by all officials taking part in Scheme A of the Subsidized Motor Transport scheme where government contributes towards the capital, insurance and maintenance of the vehicle.
- ❑ **Subsidized Scheme C rates are only inclusive of maintenance.**  
These rates are to be used by all officials taking part in Scheme C of the Subsidized Motor Transport scheme. This rate needs to be added to the rate in Scheme A to determine the rate of reimbursement in cents per kilometre.

*Andries Schoeman*

For DIRECTOR-GENERAL: TRANSPORT



**Category A:**Sedans  
Station Wagons

Nov-23

**PETROL**

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 1250 CC	SE1250P	330,6	121,6	49,2
1251 - 1550	SE1550P	414,8	142,9	57,0
1551-1750	SE1750P	449,2	161,4	54,9
1751-1950	SE1950P	509,2	159,1	69,9
1951-2150	SE2150P	551,5	184,4	86,9
2151-2500	SE2500P	624,3	206,2	89,6
2501-3500	SE3500P	770,4	208,3	119,8
Greater than 3500	SE3501P	910,0	278,7	140,6

**DIESEL**

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 1250	SE1250D	329,7	123,5	46,4
1251-1550	SE1550D	396,4	131,7	49,7
1551-1750	SE1750D	433,6	147,2	53,5
1751-1950	SE1950D	447,7	144,7	70,1
1951-2150	SE2150D	525,9	157,4	88,3
2151-2500	SE2500D	601,4	172,2	100,5
Greater than 2500	SE2501D	755,9	193,7	119,9

**Category B:**Light Delivery Vehicles  
Single Cab 4x2  
Extended Cab 4x2

Nov-23

**PETROL**

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 1250	LD1250P	288,8	137,8	45,2
1251-1550	LD1550P	378,1	170,5	47,7
1551-1750	LD1750P	426,9	217,9	49,1
1751-1950	LD1950P	486,7	217,0	54,8
1951-2150	LD2150P	498,5	225,4	58,1
2151-2500	LD2500P	535,1	256,1	64,1
2501-3500	LD3500P	570,2	267,8	69,4
Greater than 3500	LD3501P	645,9	280,4	85,3

**DIESEL**

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 1250	LD1250D	355,5	152,8	42,8
1251-1550	LD1550D	479,2	198,1	66,1
1551-1750	LD1750D	492,0	211,7	65,4
1751-1950	LD1950D	519,5	232,5	72,0
1951-2150	LD2150D	524,9	235,4	74,6
2151-2500	LD2500D	547,7	242,6	72,1
2501-3500	LD3500D	577,9	268,1	76,8
Greater than 3500	LD3501D	750,3	335,7	86,0

**Category C:**

All Double Cabs (4x2 and 4x4)

Nov-23

4x4 Light Delivery Vehicles

4x4 Single/ Extended Cabs

**PETROL**

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 2000	LV2000P	454,3	191,8	47,6
2001 to 2500	LV2500P	579,9	290,5	56,4
2501-3500	LV3500P	691,7	351,3	60,2
Greater than 3500	LV3501P	764,8	361,2	75,0

**DIESEL**

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 2000	LV2000D	543,3	256,2	72,2
2001 to 2500	LV2500D	626,6	272,6	73,8
2501-3500	LV3500D	688,1	278,8	80,6
Greater than 3500	LV3501D	852,3	391,6	132,1

**Category D:**

Multi Purpose Vehicles

Nov-23

Sports Utility Vehicles

Crossover vehicles

**PETROL**

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 1550	MP1550P	429,4	148,8	65,7
1550-1950	MP1950P	461,4	163,9	64,5
1951-2150	MP2150P	536,4	182,1	74,1
2151-2500	MP2500P	609,8	203,6	77,6
2501-3500	MP3500P	781,5	244,1	95,2
Greater than 3500	MP3501P	902,1	306,8	104,6

**DIESEL**

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 2150	MP2150D	584,8	165,1	91,1
2151-2500	MP2500D	728,8	212,3	88,9
2501-3500	MP3500D	768,6	222,0	104,3
Greater than 3500	MP3501D	904,8	288,4	125,7

**Category F:**Motor Cycle  
Scooter

Nov-23

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 250	MC0250P	217,9	N/a	N/a
Over 250	MC0251P	256,1	N/a	N/a

# **ANNEXURE A**



**national treasury**

**Department  
National Treasury  
REPUBLIC OF SOUTH AFRICA**

**NATIONAL TREASURY**

**REPUBLIC OF SOUTH AFRICA**

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**NATIONAL TRAVEL POLICY FRAMEWORK**

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## **1. ACKNOWLEDGEMENT**

National Treasury gratefully acknowledges the important contributions provided by the organs of state and would like to extend sincere gratitude to:

- Department of Agriculture and Forestry
- Department of Basic Education
- Department of Correctional Services
- Department of Defence
- Department of Economic Development
- Department of Environment
- Department of Higher Education and Training
- Department of Home Affairs
- Department of International Relations and Cooperation
- Department of Justice and Constitutional Development
- Department of Labour
- Department of Public Enterprises
- Department of Public Service and Administration
- Department of Public Works
- Department of Rural Development and Land Affairs
- Department of Statistics South Africa
- Department of Telecommunications and Postal Services
- Department of Tourism
- Department of Trade and Industry
- Department of Water and Sanitation
- Provincial Treasury Eastern Cape
- Provincial Treasury Free State
- Provincial Treasury Gauteng
- Provincial Treasury KwaZulu-Natal
- Provincial Treasury Limpopo
- Provincial Treasury Mpumalanga
- Provincial Treasury Northern Cape
- Provincial Treasury North West
- Provincial Treasury Western Cape
- South African Police Service
- South African Revenue Service

## **2. PREAMBLE**

Section 45(b) and (c) and section 57(b) and (c) of the Public Finance Management Act No 1 of 1999 (PFMA), places the onus on each employee within organs of state to take responsibility for the effective, efficient, economical and transparent use of financial and other resources within that employee's area of responsibility. In particular, the employee must take effective and appropriate steps to prevent, within that employee's area of responsibility, any unauthorised, irregular, fruitless and wasteful expenditure.

### **3. PURPOSE OF THE POLICY**

The purpose of this National Travel Policy Framework is to create minimum norms and standards for employees travelling on government business both domestically and internationally. Employees shall make every effort to ensure that their travel arrangements are in accordance with the guidelines outlined herein and utilise these as the benchmark to ensure efficient, cost effective, transparent and responsible travel related arrangements.

Institutions are to adopt the Policy as a minimum standard to develop similar or more stringent Institutional Policies, Instructions and standard operating procedures where applicable.

### **4. POLICY OBJECTIVES**

The key objectives of this policy framework are:

- 4.1 To provide a policy framework for consistent decision making for institutions with the view to facilitate travel and accommodation and related expenditure, by officials and other defined individuals or groups;
- 4.2 To set parameters within which officials and defined individuals and groups may claim reimbursement for costs incurred prior to, during and after the trip has been undertaken.

### **5. SCOPE OF APPLICATION**

- 5.1 This Policy applies to all permanent, temporary and contracted employees, interview candidates and other government employees where an employer-employee relationship exists as defined in the Labour Relations Act and other applicable legislation, as amended.
- 5.2 When independent contractors or consultants are required to travel for official government business the Travel Policy will apply. Any deviations must be approved by the Accounting Officer/Delegated Authority. In addition, care should be taken to include clear guidelines on which party (either Institution or the person or his/her employer) is responsible for the respective financial and non-financial risks associated with travel. Aspects that should be considered are:
  - a) Appropriate travel insurance cover and the payment thereof;
  - b) The Travel Policy most suitable for the arrangement between the parties;
  - c) The responsibility for the funding of the visit; and
  - d) The principle that expenses and/or allowances cannot be paid twice or more than twice.
- 5.3 The Policy covers both international and domestic travel and accommodation as most of the Policy issues are principally the same. Where distinction is required, it will be clearly indicated.
- 5.4 The Policy contains policy principles relevant to certain circumstances; it does not include procedures or processes.

5.5 Travellers may include, but are not limited to the following:

**Table 1: Scope of the Application of the Policy**

<b>Traveller</b>	<b>Main business</b>	<b>Extent to which this policy applies</b>
All Institutions	Delivering on the mandate of the Institutions(s).	Institutional Travel Policy applies.
Individuals employed by Departments on Contract in terms of the Public Service Act (Contract Travellers & Secondments) and other relevant legislation	Delivering on the mandate of the Institution(s).	Institutional Travel Policy applies.
Independent Individual Contractor (IIC)/Consultants	Delivering on the mandate of the Institution(s).	These Travellers are compensated in accordance with the contractual agreements in place with the individual or their employer, which may include addendums with standard rates for each type of travel. The Institutional Travel Policy applies.
Interview candidates	Individuals attending interviews.	The Institutional Travel Policy applies.
Companion/Spouse	Spouses/companions accompanying officials on invitation of the Institution.	The Institutional Travel Policy applies with the exception of the fixed and incidental allowances.
Family or Dependants of Officials on sessional duties	The reunion of an official on sessional duties with his/her family every four months can be considered. In exceptional cases the spouse and/or dependants can travel to join the official.	The Institutional Travel Policy applies with the exception of fixed and incidental allowances.
Local and International guests travelling on invitation	Any person travelling on invitation of the Institution, for example as speaker at a conference, attending an event, etc.	The Institutional Travel Policy applies with the exception of allowances. Special approval to be obtained to utilise most appropriate travel allowance.
Care attendants to a Traveller with a disability	Approved care attendants (that are not employed by the Institution) may travel with the official with a disability.	The Institutional Travel Policy applies, including allowances for meals. Special approval required to utilise daily allowance.

## **6. SOURCES OF AUTHORITY**

The following laws, regulations and guidelines apply to this Policy:

- 6.1 The Public Finance Management Act (PFMA), Act 1 of 1999 as amended;
- 6.2 The Treasury Regulations issued in terms of the PFMA;
- 6.3 Transport Tariffs as determined by the Department of Transport;
- 6.4 Public Service Act, 1994 as amended;
- 6.5 Public Service Regulations;
- 6.6 Income Tax Act and guidelines issued by the South African Revenue Services;
- 6.7 Financial Manual as published by the Department of Public Service and Administration (DPSA) from time to time;
- 6.8 Cost Containment Instructions issued by National Treasury from time to time;
- 6.9 Any approved directives by the Minister and/or Director General;
- 6.10 South African Civil Aviation Act 13 of 2009 and Civil Aviation Regulations;
- 6.11 State of the Nation Address (SONA) Directive with regard to Foreign Travel dated 3 March 2016;
- 6.12 Ministerial Handbook.

## **7. DEFINITIONS**

**Accommodation** means the rental of lodging facilities while away from one's place of abode, but on authorised official duty.

**After-hours reservation** refers to the travel request that is actioned after normal working hours.

**Air travel** means travel by airline on authorised official business.

**Authorising Official** means the employee who has been appointed to authorise travel in respect of travel requests and expenses.

**Car Rental** means the rental of a vehicle for a short period of time by a Traveller for official purposes.

**Domestic travel** means travel within the borders of the Republic of South Africa.

**Emergency reservation** means the booking of travel when unforeseen circumstances necessitate an unplanned trip or a diversion from original planned trip.

**Governance Committee** means members belonging to a body that provides oversight and assurance functions over the daily operations of an institution. Such governance committees may include:

- a) Board Committees;
- b) Audit Committees;
- c) Risk Committees and/or
- d) Anti-corruption Committees.

**Government Official** means a person employed by the government of the Republic of South Africa.



**International travel** refers to travel outside the borders of the Republic of South Africa.

**Institution** refers to all departments, constitutional institutions; public entities listed in schedule 1, 2 and 3 to the PFMA, trading entities, and government components unless specified otherwise in this policy.

**Non-Executive Member** means an external member of the relevant committee who does not form part of the executive team.

**Place of work** means the place where principal duties of the official are performed.

**Shuttle Service** means the service offered to transfer a Traveller from one point to another, for example from place of work to the airport.

**Traveller** refers to a government official, consultant or contractor travelling on official business on behalf of Government.

**Travel Advance** refers to the funds paid to an official prior to going on an official trip.

**Travel Authorisation** is the official form utilised by the Institution reflecting the detail and order number of the trip that is approved by the relevant authorising official.

**Travel Booker** is the person coordinating travel reservations with the Travel Management Company (TMC) consultant on behalf of the Traveller.

**Travel Expenses** refer to expenses incurred by the government official on an official business trip.

**Travel Management Company** refers to the Company contracted to provide travel management services (Travel Agents).

**Travel Voucher** means a document issued by the Travel Management Company to confirm the reservation and/or payment of specific travel arrangements.

## **8. GENERAL PRINCIPLES**

- 8.1 The Travel Management Company are only permitted to make booking arrangements on behalf of the Institution in line with the provision so the Travel Policy.
- 8.2 The Travel Management Company will book the negotiated government corporate rates and fares where applicable.
- 8.3 Each Traveller should exercise good and ethical judgement when incurring travel expenses.
- 8.4 Each Traveller should obtain prior approval from a duly authorised official for any travel.
- 8.5 Each Traveller will further conduct business with integrity and comply with all applicable policies and in a manner that excludes considerations of personal advantage.

- 8.6 On approving travel requests every manager should consider:
- a) The necessity to travel;
  - b) The benefit to the Institution;
  - c) The most cost-effective option.
- 8.7 All requests for international travel should include the following:
- a) A motivation for the visit, especially its benefit for the Government and the country;
  - b) The financial implications of the visit;
  - c) The list of the support delegation, including the roles of each official.
- 8.8 Compliance with this policy is the responsibility of the Traveller(s). Institution(s) will reimburse all necessary business-related expenditure incurred by a government official in accordance with Section 18 of this Policy (Administration of Travel Expenses).
- 8.9 Each Traveller will safeguard Government information and assets while travelling and avoid compromising that security.
- 8.10 It is incumbent upon each travelling official to maintain the validity of necessary personal travel documents such as passport, visa, international driver's licence, etc. Any justifiable costs of doing so may be claimed from Government.
- 8.11 Where discrepancy exists between the amount authorised and the final invoice, Travellers should confirm the accuracy and completeness of such invoices within five (5) working days and provide other supporting documents before the payment is made.
- 8.12 Travellers should plan official travel well in advance and obtain approval and make a booking/reservation at least seven (7) working days prior to departure. It should be noted that the most cost effective options are available when bookings/reservations are made more than fourteen (14) days prior to departure.
- 8.13 International travel should be limited to absolute critical trips and the number of the delegation should be limited and should only include Travellers that are directly involved in the subject matter of the meeting or event.
- 8.14 Before the Traveller departs to a destination, he/she is responsible for obtaining as much information as possible. The following should be considered:
- a) What is the most appropriate method of payment for accommodation and services, i.e. lodge card, cash (to be taken with or withdrawn from ATM) or foreign debit cards?
  - b) What is the most practical currency to use? (If possible, obtain small change before departure to pay for public transport, tips, and refreshments.)
  - c) Consult a Travel Clinic well in advance;
  - d) Take cognisance of the political and security situation in the country, and
  - e) Confirm the business etiquette that is applicable.
- 8.15 Travellers are not allowed to approve their own requests and expenditure for travel and accommodation.

## **9. CLASS OF TRAVEL**

The following class of travel will be applicable to the different levels of Travellers:

## 9.1 Air Travel

<b>Employee Level/Designation</b>	<b>Class of Travel</b>
<b>International air travel exceeding 5 hours</b>	
Minister / Premier / MEC / Speaker	Business Class
Deputy Minister / Deputy Speaker	Business Class
Director General / HOD	Business Class
Deputy Director General <sup>1</sup>	Business Class
Chief Director	Business Class
Persons appointed on grounds of policy considerations in terms of Section 12A of the Public Service Act 1994 (i.e. Advisors to executive authorities)	Business Class
Other Employees	Economy Class. Business Class subject to the recommendation of the Accounting Officer and approval by the Minister
Non-Employees if his/her status is similar to that of the Director General or more senior official	Business Class
Non-Executive members serving on any governance committee of Public Entities listed in Schedule 2 and 3 of PFMA and Constitutional Institutions	Business Class
<b>International Air Travel less than 5 hours</b>	
Minister / Premier / MEC / Speaker	Business Class
Deputy Minister / Deputy Speaker	Business Class
Director General / HOD	Business Class
All other employees	Economy Class
<b>Domestic Air Travel</b>	
Minister / Premier / MEC / Speaker	Business Class
Deputy Minister / Deputy Speaker	Business Class
Director General / HOD	Business Class
All other employees	Economy Class

**Note:** Departments, Constitutional Institutions and Public Entities must align the above table to reflect equal and appropriate positions/ designations in their Institutional Policy to determine the Class of Air Travel.

9.1.1 If there is a specific business need to upgrade the class of travel by any member of a group to travel with a more senior official, it is subject to approval by the Accounting Officer/Delegated Authority.

9.1.2 Business Class travel can be approved in the following scenarios:

- Travellers with disabilities;
- Travellers with special needs based on medical grounds (e.g. Deep Vein Thrombosis, varicose veins, recent surgery, pregnancy). In this instance, a medical certificate noting the medical need and the applicable period of time must be provided. If this is a long-term condition, an updated Doctor's Certificate should be presented on an annual basis to confirm that the

<sup>1</sup> This is not applicable to persons holding other ranks/positions but who are remunerated at salary level 15

- condition still exists.
- c) In the event where economy class tickets are not available, in which case a complete and accurate trail of such cases must be kept by the Accounting Officer or Delegated Authority for verification by the department/constitutional institution/public entity's CFO or delegated official and the Auditor-General.
- 9.1.3 Travellers are not allowed to accept an up-graded ticket unless it can be confirmed that the permitted airline class was full.
- 9.1.4 Core staff supporting Ministers, Premiers, Deputy Ministers and Members of the Executive Council (MECs) also fall in the category "All other employees." Examples are:
- a) Chief of Staff of the Ministry;
  - b) Administrative secretary;
  - c) Media Liaison Officer/Parliamentary Officer;
  - d) Private Secretary;
  - e) Appointments Secretary;
  - f) Secretary/Receptionist;
  - g) Registry Clerk;
  - h) Aide or Driver/Messenger; and
  - i) VIP protection unit.
- 9.1.5 **Air Travel for Public Entities listed in Schedule 2 and 3 to the PFMA**
- 9.1.5.1 Accounting authorities of public entities must only purchase economy class tickets for its employees where the flying time for their flights is for five (5) hours or less.
  - 9.1.5.2 The exception to paragraph 9.1.5.1 is that business class tickets may be purchased for flights less than five (5) hours, but only for:
    - (a) Members of the accounting authority;
    - (b) Non-executive members serving on any of the Public Entity's governance committees; and
    - (c) The chief executive officer or another person in charge of the Public Entity.
  - 9.1.5.3 For flights exceeding five (5) hours, business class tickets may only be purchased for:
    - (a) Members of the accounting authority;
    - (b) Non-executive members serving on any of the Public Entity's governance committees;
    - (c) The chief executive officer or another person in charge of the Public Entity; and
    - (d) Employees at the level of senior management that report directly to the chief executive officer or to the other person in charge of the Public Entity.
  - 9.1.5.4 Paragraphs 9.1.1, 9.1.2 and 9.1.3 also apply.

## 9.2 Accommodation

<b>Employee Level/Designation</b>	<b>Domestic Hotel Star Grading or similar</b>	<b>International Hotel Star Grading or similar</b>
Minister / Premier / MEC / Speaker	5 Star	5 star
Deputy Minister / Deputy Speaker	5 Star	5 Star
Director General / HOD	5 Star	5 star
Deputy Director General	4 Star	4 star
Chief Director	3 Star	4 star
Director	3 Star	4 star
Deputy Director	3 Star	4 star
Assistant Director and other employees	1, 2 or 3 Star	4 star

**Note:** Departments, Constitutional Institutions and Public Entities must align the above table to reflect equal and appropriate positions/ designations in their Institutional Policy to determine the Class of Accommodation.

9.2.1 The Domestic Accommodation Rate Grid (Annexure A) will determine the maximum allowable rate per star grading within which the Traveller is allowed to stay in accordance with the Employee Levels.

9.2.3 If a negotiated rate for a specific star grading is equivalent to or lower than the rate for the lower star grading that the Traveller is allowed to stay in, the Traveller can stay in the accommodation with the higher star grading.

## 9.3 Car Rental and Shuttle Services

<b>Employee Level/Designation</b>	<b>Vehicle Category</b>	<b>Shuttle &amp; Transfer Services</b>
Minister/ Premier/ MEC/ Speaker, Deputy Minister, Deputy Speaker	Luxury, 4-5 Door Automatic or Manual Vehicle with air-conditioning (LDMR/LDAR)	Luxury Sedan
Director General, HOD and Deputy Director General	Intermediate/Premium, 4-5 Door Manual Vehicle with air-conditioning (IDMR/PDMR)	Luxury Sedan
Chief Director and all other employees	Economy/Compact 4-5 door, Manual vehicle with air-conditioning (EDMR/CDMR)	Economy Sedan

**Note:** Departments, Constitutional Institutions and Public Entities must align the above table to reflect equal and appropriate positions/ designations in their Institutional Policy to determine the Car Rental Vehicle Category.

- 9.3.1 When a Car Rental service provider is appointed by the Institution, identify the most appropriate car group within the fleet that meets the specific description and requirements and is the most cost effective option for each Employee Level/Designation as per 9.3 above. The specific Car Groups will be reflected in the Institutional Policy.
- 9.3.2 The minimum safety requirements for any rental vehicle will include power steering, airbags and Anti-Lock Braking System (ABS). Vehicles must also feature air-conditioning.
- 9.3.3 The rental of an automatic vehicle is treated as an exception. If the request for an automatic vehicle is based on a permanent requirement, a standing approval should be obtained and attached to each Travel Authorisation when booking a vehicle.
- 9.3.4 A different class of vehicle (Intermediate or Compact Sports Utility Vehicle (IFMR/CFMR)) can be rented if required for a particular terrain or to cater for the special needs of any employee. Mountainous and gravel roads are considered difficult terrain and vehicles with higher ground clearance may be required.
- 9.3.5 A Standard or Full Size Vehicle (SDMR/FDMR) can be rented in instances where:
- Three or more Travellers are travelling together;
  - Extra luggage must be accommodated;
  - The return journey to be travelled exceeds four hundred (400) kilometres;
  - To cater for the special needs of a Traveller.
- 9.3.6 A Traveller is permitted to accept a higher category of rental vehicle if such an upgrade is free of charge or at a reduced cost.
- 9.3.7 The Accounting Officer/Delegated Authority of the Institution must provide prior written approval for a higher group of vehicle to be hired.

## 10. AUTHORISATION MATRIX

<b>Business Activity</b>		<b>Approval Authority</b>	<b>Recommendations required/Reporting</b>
10.1	<b>Governance of the Travel Policy</b>		
10.1.1	National Travel Framework Policy Formulation and amendments to Travel Policy	Chief Procurement Officer, National Treasury	
10.1.2	Institutional Travel Policy Formulation and amendments to Travel Policy	Accounting Officer/ Delegated Authority	
10.2	<b>Corporate agreements with TMCs and Providers of Travel Related Services</b>		
10.2.1	<b>Travel Management Companies</b>		
10.2.1.1	<ul style="list-style-type: none"> <li>Appointment of Panel of TMCs from which Institutions will invite bids</li> <li>Scope of minimum requirements</li> </ul>	Office of the Chief Procurement Officer, National Treasury	Bid Committee Adjudication

<b>Business Activity</b>		<b>Approval Authority</b>	<b>Recommendations required/Reporting</b>
10.2.1.2	<ul style="list-style-type: none"> <li>Appointment of a TMC by the Institution from the approved Panel identified by the National Treasury</li> <li>Terms of Agreement</li> </ul>	Accounting Officer/ Delegated Authority	Bid Adjudication Committee
10.2.2	<b>Providers of Travel Related Services</b>		
10.2.2.1	<ul style="list-style-type: none"> <li>Appointment of the Panel of Travel Related Service Providers (i.e. airlines and hotels)</li> <li>Scope of minimum requirements</li> <li>Negotiation and approval of the terms of the agreement</li> </ul>	Office of the Chief Procurement Officer, National Treasury	National Treasury Strategic Procurement
	<ul style="list-style-type: none"> <li>Appointment of the Panel of Travel Related Service Providers (i.e. car rental, shuttle services and hotels)</li> <li>Scope of minimum requirements</li> <li>Negotiation and approval of the terms of the agreement</li> </ul>	Office of the Chief Procurement Officer, National Treasury	Bid Adjudication Committee
10.2.2.2	<ul style="list-style-type: none"> <li>Appointment of Travel Service Providers by the Institution from an approved Panel of Service Providers (car rental, shuttle services)</li> <li>Terms of agreement</li> </ul>	Accounting Officer/ Delegated Authority	Bid Adjudication Committee
10.3	<b>Authorisation of Travel Arrangements</b>		
10.3.1	<b>Domestic Trip</b>		
10.3.1.1	Domestic Trip (air ticket, accommodation, car rental, shuttle services)	Accounting Officer/ Delegated Authority	
10.3.2	<b>International Trip</b>		
10.3.2.1	Trip to be undertaken by the Director General and other Travellers	Principal approval by the Minister and expenditure by the Accounting Officer	<p>Approval request should be routed via the Accounting Officer/Delegated Authority and the Deputy Minister to the Minister.</p> <p>All requests should include:</p> <ul style="list-style-type: none"> <li>- Motivation for the visit, especially it benefits for Government and the country;</li> <li>- The financial implications of the visits;</li> </ul>

<b>Business Activity</b>		<b>Approval Authority</b>	<b>Recommendations required/Reporting</b>
			-The list of the support delegation, including the role of each official.
10.3.2.2	Trips undertaken by the Minister and the Deputy Minister	The office of the President or the Deputy President as per the Ministerial Handbook	All requests should include: - Motivation for the visit, especially it benefits for Government and the country; -The financial implications of the visits; -The list of the support delegation including the role of each official.
10.3.2.3	Travel in business class by a guest/non-Employee if his/her status is similar to that of a Director General or more senior official	Accounting Officer/ Delegated Authority	
10.3.3	<b>Chartering of aircraft</b>		
10.3.3.1	Chartering of aircraft for the Minister, Deputy Minister or the Director-General	The office of the President or Deputy President if for the Minister or Deputy Minister. The Minister to approve for the Director-General	
10.3.4	<b>Upgrade of Class of Travel (Car Rental and Air)</b>		
10.3.4.1	Rental of an automatic vehicle	Accounting Officer/ Delegated Authority	Standing Approval to be attached to each Travel Authorisation
10.3.4.2	Upgrade of vehicle due to the fact that three or more people are travelling together	Accounting Officer/ Delegated Authority	
10.3.4.3	Upgrade to a higher category vehicle when the return journey to be travelled exceeds 400 kilometres	Accounting Officer/ Delegated Authority	
10.3.4.4	Upgrade to a higher category vehicle to cater for particular terrain	Accounting Officer/ Delegated Authority	
10.3.4.5	Upgrade to a higher class to be on the same class as the senior person in the Group	Accounting Officer/ Delegated Authority	
10.3.4.6	Upgrade to a higher class of travel to accommodate medical or special needs	Accounting Officer/ Delegated Authority	
10.3.4.7	Upgrade due to the unavailability of an economy class flight	Accounting Officer/ Delegated Authority	Accurate trail to be recorded by Accounting Officer
10.3.4.8	After hour deviation with regard to class of travel, including air and car rental group and exceeding accommodation limits	Accounting Officer/ Delegated Authority	Contraventions reported to the Chief Financial Officer
10.3.4.9	Deviation exceeds the limit amount per night during peak periods and increased demand	Accounting Officer/ Delegated Authority	Contraventions reported to the Chief Financial Officer



<b>Business Activity</b>		<b>Approval Authority</b>	<b>Recommendations required/Reporting</b>
10.3.5	<b>Non-employee Travel</b>		
10.3.5.1	Companion/spouse travelling on invitation	Accounting Officer/ Delegated Authority	
10.3.5.2	Travelling of family and/or dependants of Travellers on sessional duties	Accounting Officer/ Delegated Authority	
10.3.5.3	Other guests on invitation (local and international)	Accounting Officer/ Delegated Authority	
10.3.5.4	Care attendants to persons with a disability	Accounting Officer/ Delegated Authority	
10.3.5.5	Independent Individual Contractor (IIC)/Consultants whose travel will be covered by the Institution directly	Budget Manager	
10.3.6	<b>Changes to existing reservations</b>		
10.3.6.1	Change to a domestic reservation after approval	Accounting Officer/ Delegated Authority	
10.3.6.2	Changes to approved international reservations that have financial implications	Minister/Accounting Officer/ Delegated Authority	New submission explaining reason for amendments and cost implications by Traveller
10.3.7	<b>After-hours/Emergency travel arrangements</b>		
10.3.7.1	The TMC will accept verbal approval or approval via SMS or email with the intention that a Travel Authorisation or Purchase Order be submitted the next working day	Accounting Officer/ Delegated Authority	
10.4	<b>External Meeting Venues</b>		
10.4.1	Hiring of venues for attendance by internal staff members	Accounting Officer/ Delegated Authority	
10.4.2	Hiring of a venue where the cheapest option is not selected	Accounting Officer/ Delegated Authority	
10.4.3	Approval of quotation for external venue hire	Accounting Officer/ Delegated Authority	
10.5	<b>Reimbursement of travel expenses</b>		
10.5.1	Travel advance	Accounting Officer/ Delegated Authority	
10.5.2	Payment of Subsistence allowance to Employees and Consultants, Facilitators or Guests travelling on invitation by Government	Accounting Officer/ Delegated Authority	
10.5.3	Expense claims	Accounting Officer/ Delegated Authority	
10.6	<b>Use of Private vehicle for official purposes</b>		
10.6.1	Once off request	Accounting Officer/ Delegated Authority	

**Note:** Departments, Constitutional Institutions and Public Entities must align the above table to reflect the appropriate "Approval Authority" and "Recommendations required/Reporting" in their Institutional Policy

## **11. RESTRICTION OF JOINT TRAVEL**

### **11.1 Risk Management**

- 11.1.1 In order to minimise the risk and protect the interests of the State, there are certain restrictions on joint travel by certain categories of Travellers. This will be applicable to air and ground transportation.
- 11.1.2 The following Travellers are not allowed to travel together in the same aircraft or vehicle:
  - a) The Minister and the Deputy Minister.
  - b) The Deputy Minister and the Director General.
  - c) The Director General and more than half of the number of the Deputy Director Generals.
  - d) Not more than a third of the senior management team of the Institution.
- 11.1.3 Based on the guidelines provided, similar restrictions should be formulated by and adhered to on an Institutional level.
- 11.1.4 Ministers and Deputy Ministers are only allowed to be accompanied abroad by their protectors subject to the President's permission and on the advice of the State Security Agency as outlined in Clause 2.1 of Annexure A of the Ministerial Handbook.

### **11.2 Cost Containment**

- 11.2.1 The number of employees travelling on official duty for the same matter is limited to three (3) employees, unless otherwise approved in advance by the relevant Accounting Officer or accounting authority.
- 11.2.2 This does not apply to:
  - a) Accounting Officers of Departments and constitutional institutions;
  - b) Deputy Directors General or persons holding equivalent ranks (in Departments);
  - c) persons appointed on grounds of policy considerations in terms of 12A of the Public Service Act, 1994;
  - d) employees at the level of management that report directly to the chief executive officer of a constitutional institution;
  - e) members of the accounting authority of a Public Entity;
  - f) non-executive members serving on any governance committee in a Public Entity listed in Schedule 3A and 3C of the PFMA;
  - g) the chief executive officer or another person in charge of the Public Entity;
  - h) employees at the level of management that report directly to the chief executive officer or to the other person in charge of the Public Entity; and
  - i) employees performing Parliamentary duties.

## **12. TRAVEL MANAGEMENT SERVICES**

### **12.1 Travel Management Company (Travel Agents)**

- 12.1.1 Travellers and Travel Bookers shall only make use of the Travel Management Company (TMC) officially appointed by the respective organ of state. The use of any other Travel Management Company shall be by approval of the Accounting Officer/Delegated Authority and shall be in cases where the contracted agency cannot provide the service required.
- 12.1.2 In the absence of the contracted services of a TMC, Institutions would have the option to administrate the procurement of travel related services via the Supply Chain Management (SCM) unit (in consultation with the Traveller) or through a system where Travellers are reimbursed for expenses on personal/business credit cards.

### **12.2 Travel Authorisation and Reservations**

- 12.2.1 The Traveller or the Travel Booker should obtain authorisation for the Trip from the Accounting Officer/Delegated Authority.
- 12.2.2 Travellers should plan official travel well in advance and obtain approval at least seven (7) working days prior to departure.
- 12.2.3 When a booking is made in less than seven (7) working days from the date of departure, a detailed motivation should be prepared by the Traveller and presented to the Accounting Officer/Delegated Authority for approval.
- 12.2.4 The TMC shall only issue vouchers (accommodation and ground transportation) and air tickets after the receipt of the Travel Authorisation or Purchase Order.
- 12.2.5 In the event of an after-hours reservation, the TMC will execute the request based on verbal approval or approval via Short Message Service (SMS) or email. The Travel Authorisation or Purchase Order must be presented to the TMC on the next working day.

### **12.3 Notification to the Relevant Embassy for International Travel**

The Traveller should provide a copy of the travel arrangements to the Department of International Relations and Cooperation that can provide guidance and direct the Traveller to the relevant embassy.

### **12.4 Changes and Cancellations to Travel Reservations**

- 12.4.1 In the event that the Traveller makes any changes to an authorised Trip prior to the commencement thereof, the TMC must be informed of the changes and a new Travel Authorisation or Purchase Order should be presented.

These changes include and are not limited to:

- a) Change in period of stay. For foreign travel a new Ministerial approval will be required).
- b) Additional accommodation required.

- c) Inclusion of hired or chauffeur drive vehicles.
- d) Change in dates of air tickets (if it is not on the same day).
- e) Change in amount.

**12.4.2** If the Traveller requests any changes after the commencement of an official trip, the following will apply:

- a) If it happens during office hours, the Travel Booker must be contacted to submit an amended Travel Authorisation or Purchase Order to the TMC;
- b) In the event of changes required after hours, the TMC should be contacted. Based on their obtaining verbal approval or approval via SMS or email, they will effect the changes. The updated approved Travel Authorisation or Purchase Order will be submitted on the next working day.

**12.4.3** If changes to an international trip have financial implications, a new submission explaining the reason for the amendments and cost implications thereof must be prepared by the Traveller for approval by the Minister within two (2) working days. The payment of additional allowances is subject to the Minister's approval.

**12.4.4** As soon as the Traveller becomes aware of the cancellation of the trip or any specific component of the trip, the TMC should be informed immediately to ensure the cancellation of the reservation/s to avoid cancellation and no-show penalties.

## **12.5 After Hour Arrangements**

**12.5.1** After-hour requests must be limited to emergencies and are subject to additional service charges.

**12.5.2** If the Travel Authorisation or Purchase Order is not available at the time of the after-hour reservation, it must be forwarded to the TMC on the next working day.

## **13. GROUND TRANSPORTATION**

### **13.1 General Principles**

**13.1.1** The most cost-effective mode of transportation should be employed at all times.

**13.1.2** Travellers should make use of public transport (i.e. Uber, Gautrain, etc.) or shuttle services when travelling to/from the airport if it is more cost effective than the cost of car rental or the cost of parking and kilometres claimed.

**13.1.3** When the Traveller is travelling by air on a one-day visit to another Institution, where possible, make arrangements with the relevant Institution to be picked up from and dropped off at the airport.

**13.1.4** In cases where both air and road travel are convenient, Travellers must attach proof that the selected mode is the cheapest, taking into account the cost of the trip, time consumed and productivity.

**13.1.5** Where a number of Travellers/officials are attending the same official function/meeting, they shall at all times attempt to reduce the cost to the Institution

by using one vehicle where circumstances permit.

- 13.1.6 Only employees (permanent, temporary and contracted) will be allowed to drive rental vehicles and Institutional fleet vehicles.
- 13.1.7 Where Institutional vehicles are used, no claims shall be paid, except for unforeseen circumstances, such as breakdowns, refuelling, and parking.
- 13.1.8 The Institution and the TMC will not be held responsible for any injuries and/or damages caused by a Traveller who is not a licensed driver, when driving a rental vehicle or any other vehicle while on official business.
- 13.1.9 Any fines, penalties and administration fees payable as a result of the contravention of any traffic rules and regulations will be for the Traveller's personal account.
- 13.1.10 The Traveller must take every precaution to safeguard a rental or fleet vehicle against damage, theft or irregular use while driving it and when it is parked.
- 13.1.11 The use of a cell phone while driving is prohibited. The Institution will not be held liable for any injuries and/or damages caused by a Traveller while using a cell phone while driving a rental or any other vehicle while on official business.
- 13.1.12 The Institution will not be held liable in the case of an accident or any other loss or damage if non-employees are transported in privately owned, hired or Institutional fleet vehicles during official trips.
- 13.1.13 Travellers are encouraged to make use of public transport when traveling internationally, instead of renting vehicles or using expensive transfer and chauffeur services.
- 13.1.14 A Professional Driving Permit (PDP) is required to drive a minibus or a bus with seating for more than twelve (12) passengers including the driver.

## **13.2 Institutional Vehicles**

Travellers should use Institutional fleet vehicles, if they are available, when travelling in close proximity to the place of work instead of renting vehicles for official trips.

## **13.3 Public Transportation**

- 13.3.1 The Traveller will be reimbursed when making use of public transport for official business.
- 13.3.2 The Traveller must submit a receipt as proof of payment.
- 13.3.3 In the absence of the proof of payment, the Traveller must submit an Affidavit, signed by the Legal Department or Head of Security, detailing the cost incurred and the reason/s for the absence of the receipt or proof of payment.



## **13.4 Car Rental**

### **13.4.1 General Principles**

- a) The Traveller should only book a rental vehicle for the period that it is actually required for official business, because the car rental companies charge a full daily rate for a 24-hour cycle or part thereof. If the vehicle is returned after 26 hours, the cost will be calculated based on a two-day rental.
- b) The Traveller must ensure that the vehicle is returned within the specified rental period as it can be regarded as stolen if the vehicle is not returned in time without any notification to the car rental company. The Traveller will be held responsible for the additional charges for the late return of the vehicle.
- c) When a vehicle is rented, cost consideration must be given to the vehicle group, the number of rental days, the kilometres driven, and the time and place for the collection and return of the vehicle.
- d) If the Traveller needs to extend the rental period for official business purposes, the Traveller must obtain approval and the TMC will issue a voucher for the extended period.
- e) Only the designated driver is allowed to drive the rental vehicle at any time.
- f) Any fines, penalties and administration fees payable as a result of the contravention of any traffic rules and regulations while driving a rental vehicle will be for the Traveller's personal account. The Traveller should settle the amount within thirty (30) days of receipt of the fine and should then provide proof of payment to the TMC.
- g) Any extra charges for special requests such as special models, colour, personal indemnity insurance, etc. (excluding those mentioned in 17.3.3) are the sole responsibility of the Traveller. The Institution will not be liable for any charges.
- h) Under no circumstances may a rental vehicle be used for private purposes.
- i) If exceptional circumstances necessitate the use of a petrol card provided by the Car Rental Company, the Accounting Officer/Delegated Authority must authorise the issuing of the card.
- j) If the Traveller extends his/her stay for personal reasons, the charges will be for the Traveller's personal account. The TMC and car rental company must be informed of the arrangement. The Traveller must enter into a separate rental agreement for the period that personal travel will be conducted.
- k) Reasonable extra charges relating to accommodating the needs of persons with disabilities, including the rental of higher vehicle categories, may be allowed.

### **13.4.2 Car Rental Inspections**

The Traveller should verify and complete the Quality Check Card prior to leaving the car rental premises, both on collection and return of the rental vehicle. He/she should ensure that all scratches, chips, dents, windscreen cracks and chips are marked on the card and signed off by the car rental attendant. Failure to complete the Quality Check Card could result in the Traveller (Renter) being held personally responsible for any damages.

### **13.5 Shuttle and Transfer Services**

- 13.5.1 A Traveller should make use of shuttle services if the cost of such a service is lower than the cost of renting a vehicle. The analysis should take into account the petrol cost and distance.
- 13.5.2 Also consider the use of shuttle services if the costs of the claimable kilometres and parking are higher than the cost of a shuttle service.

### **13.6 Private Vehicles used by Traveller**

- 13.6.1 The Terms and Conditions for using private vehicles to carry out official duties by Senior Management Service members (regardless if they structured for a vehicle allowance or not) and Middle Management Service members who opted for a monthly vehicle allowance ("SMS/MMS employee) are set out in the Public Service Handbook for SMS and Circular 4 of 2006 for Middle Management.
- 13.6.2 Any journey between a Traveller's home and normal work place constitutes a private journey except when required to attend to official matters at the normal place of work on a weekend or public holiday and such day is not a normal day of work such trip will be considered an official trip. If required to return to the normal place of work after hours such trip will also be considered an official trip.
- 13.6.3 In cases where the Traveller departs from home directly to a meeting, conference etc. or returns from such a venue directly to home that will be considered as an official trip. In such cases, the normal distance between an employee's home and work place must be subtracted from the total distance travelled when claims are submitted
- 13.6.4 When a Traveller is required to make use of his private vehicle for official purposes, the Traveller must obtain Travel Authorisation prior to commencing with the journey provided that it will save time and reduce costs.
- 13.6.5 In cases where an employee travels to an official event in their private vehicle without prior approval, the Institution may not reimburse the Traveller except for SMS members who do not require travel plans when traveling for official purposes.
- 13.6.6 If a Traveller makes use of a private vehicle that is not roadworthy for official purposes, the Institution shall not be held liable for any injuries and/or damage caused as a result thereof.
- 13.6.7 Under no circumstances shall fuel advances be paid for privately owned vehicles.
- 13.6.8 When private vehicles are used by SMS/MMS employees for business purposes, the following must be noted:
  - 13.6.8.1 Requirements regarding the vehicle and its use:
    - a) The Traveller is obliged to maintain a reliable vehicle to be used for official journeys;



- b) The Traveller must at all times have his/her vehicle (or a substitute vehicle) available for official journeys;
- c) As far as possible, the Traveller is obliged to provide free transport to employees travelling to the same destination on an official journey;
- d) If the Traveller uses his/her private vehicle to carry out official duties, the Institution will, on receiving an approved claim, compensate the employee for official kilometres travelled per month, according to the tariffs payable for privately-owned vehicles as prescribed by the Department of Transport.

**13.6.8.2** If the Traveller should undertake an official trip, and his/her vehicle is undergoing repairs or services, the Traveller may obtain and utilise another private vehicle. Compensation may be provided as if he/she used his/her vehicle.

**13.6.8.3** The Traveller must use his/her vehicle for all official business, except in cases where:

- a) the Traveller has to travel by road after a flight to another city or country.
- b) other means of transport would be more reasonable and/or practical. For instance, rather use a shuttle service or the Gautrain to the airport and back instead of leaving the vehicle at the airport at very expensive parking rates.
- c) flights leave very early or very late, personal safety may be compromised if employees have to travel alone in the dark and/or on dangerous roads.
- d) the roads are too rough for a normal passenger vehicle.

## **13.7 Parking and Toll Fees**

**13.7.1** The Traveller should consider the most cost effective and safe parking option when parking at the airport. (For example at OR Tambo International Airport the offsite longer-term parking should be considered).

**13.7.2** The Traveller will be reimbursed for parking fees while on an official trip.

**13.7.3** When travelling on official business, toll fees will be reimbursed.

## **14. AIR TRAVEL**

### **14.1 General Principles**

**14.1.1** Air Travel bookings should be approved at least seven (7) working days before departure.

**14.1.2** Any bookings not meeting this requirement must be motivated and authorised by the Institution's Accounting Officer/Delegated Authority.

- 14.1.3 If exceptional circumstances necessitate a change to a booking and it has a cost impact, it must be authorised by the Accounting Officer/Delegated Authority. These changes should be kept to a minimum as they result in fruitless and wasteful expenditure.
- 14.1.4 Make every attempt to reduce travel costs by comparing the cost advantage of using alternative transport modes.

#### **14.2 Changes to Air Tickets**

- 14.2.1 The Traveller should limit the number of changes to air tickets.
- 14.2.2 The cost associated with changes will be subject to the rules of the particular ticket and can include penalty fees.
- 14.2.3 The cost incurred as a result of changes requested by a Traveller for his/her convenience or lack of discipline will be for the Traveller's personal account. The Institution will cover the initial cost and recover the amount from the Traveller.
- 14.2.4 The cost for changes as a result of changed business requirements or any circumstances outside the Traveller's control will be carried by the Institution.

#### **14.3 Cancellations and Refunds**

- 14.3.1 The Traveller must inform the TMC and the Travel Booker immediately if he/she realises that he/she will not take a specific flight.
- 14.3.2 If there is a very small chance that the specific individual will fly to the same destination within the next six months (in the case of a domestic destination) or a year (in the case of an international destination), cancel the ticket immediately and get a refund.
- 14.3.3 If the Traveller will be travelling to the same domestic destination within the next six months, or to the same international destination within the next year, immediately amend the ticket to the new date.
- 14.3.4 The Traveller and/or Travel Booker should inform the TMC that the Traveller has a valid air ticket prior to booking a new ticket. If the ticket is not used within the six-month or year period, ask the TMC to cancel the ticket before the expiry date.

#### **14.4 Baggage Allowance**

- 14.4.1 The Traveller must know the Baggage Policy of the airline that he/she will be travelling on. The Baggage Policy will provide information on the prescribed baggage allowance and the cost for baggage in instances where the airline charges separately for baggage.
- 14.4.2 Based on the class of travel, the airline will prescribe the specific number of pieces of luggage that will be allowed as well as the weight and size per piece.
- 14.4.3 The Traveller will be charged a fee if his/her baggage exceeds the weight, specified dimensions or the number of items allowed.

- 14.4.4 The reimbursement of excess baggage is subject to the Traveller obtaining approval for exceeding the baggage allowance due to a valid business reason, prior to the trip.

#### **14.5 Airport Lounge Facilities**

Business Class Travellers and Travellers with selected loyalty card status have access to the lounge facilities of the respective airlines. Lounge facilities are available at a cost to economy class Travellers at certain airports. These costs will be for the Traveller's personal account.

#### **14.6 Denied Boarding Compensation**

- 14.6.1 Travellers are discouraged from volunteering to be bumped off flights for compensation. If a Traveller volunteers to be bumped off a flight, the Traveller is extending the travel time for personal reasons and is then personally responsible for all expenses that result from the extended trip. Any vouchers for a free ticket should be declared and applied for business purposes.
- 14.6.2 Any vouchers for a future free ticket to a Traveller as compensation for delayed flights, when passengers are downgraded or when boarding is denied in spite of confirmed reservations, enforced by the airline, should be declared and applied for business purposes.

#### **14.7 Chartering of Aircraft**

- 14.7.1 The Minister, Deputy Minister or the Director General may make use of aircraft charter services for official purposes in the following circumstances:
- a) If there are time constraints in reaching the destination by vehicle or a scheduled commercial flight due to other official duties; or
  - b) If the services of the commercial airlines are not readily available in the specific instance.
- 14.7.2 The restriction of joint travel rules will also apply to chartered aircraft and will limit the specific category of Travellers and the number of Travellers on the same aircraft.
- 14.7.3 Charter aircraft bookings can be done through the TMC, the South African National Defence Force or through the procurement process via Supply Chain Management.
- 14.7.4 The following classifications of aircraft are considered as the minimum acceptable for passenger charters for the Institution:
- a) Twin turbine engine aircraft;
  - b) Twin turbine engine helicopter;
  - c) Twin jet engine aircraft;
  - d) Twin piston engine aircraft.
- 14.7.5 The operation of the charter service must be in accordance with the South African Civil Aviation Act and Regulations.

## **15. ACCOMMODATION**

### **15.1 General Principles**

- 15.1.1 The Institution will carry the cost of accommodation for all Travellers on official business.
- 15.1.2 The Traveller must ensure that his/her domestic accommodation costs do not exceed the rates referred to in the Domestic Accommodation Rate Grid set out in Annexure A. National Treasury may periodically review these amounts.
- 15.1.3 Should the occasion warrant or require more than the prescribed standard of accommodation (as per Annexure A), the Traveller must present a motivation to the Accounting Officer/Delegated Authority for approval.
- 15.1.4 Overnight accommodation is limited to instances where the distance travelled by road by the Traveller exceeds five hundred (500) kilometres to and from the destination (return journey), unless approved otherwise by the Accounting Officer/Delegated Authority.
- 15.1.5 The Traveller must check out at time of departure to sign the final invoice and settle any other expenses.
- 15.1.6 Only the services as approved and described on the voucher that correspond with the Travel Authorisation can be signed off at time of check-out. These are the only costs that are allowed to reflect on the hotel invoice. All other charges must be settled directly by the Traveller.
- 15.1.7 The Traveller may not redeem a Travel Accommodation Voucher or part thereof for cash.

### **15.2 No-Shows and Cancellations**

- 15.2.1 The Traveller is responsible to notify the TMC and the Travel Booker of any cancellations of reserved accommodation as soon as he/she becomes aware of the fact. Each establishment has different rulings in terms of cancellations. This means that last-minute cancellations can still result in the payment of a cancellation fee. The Traveller must familiarise himself/herself of the cancellation policy of the specific establishment.
- 15.2.2 The Traveller should inform the TMC or the establishment if he/she expects to be arriving later than the expected arrival time to ensure that the reservation is not cancelled or a cancellation fee is charged.
- 15.2.3 If the Traveller does not check in at all without any prior notification to the TMC or the establishment, a no-show fee of at least one night's accommodation will be charged and is regarded as fruitless and wasteful expenditure.
- 15.2.4 The Traveller will be responsible for any fruitless expenditure incurred due to a no-show or late cancellation where it was in his/her ability to cancel the booking in time. The Institution will cover the initial costs for the no-show or late cancellation and recover the amount from the Traveller.

### **15.3 Additional Expenses**

- 15.3.1 All additional expenses such as private phone calls, newspapers, alcoholic drinks, toiletries, movies, tips for porters etc. shall be for the Traveller's own account. The Traveller shall settle these expenses at the time of departure.
- 15.3.2 If the Traveller fails to settle the additional charges at time of check-out, the Institution must take disciplinary action.
- 15.3.3 Expenses for dry cleaning and laundry while on a domestic trip shall only be considered under special circumstances by the Accounting Officer/Delegated Authority. The Traveller must pay the account for these expenses on departure.
- 15.3.4 A Traveller is allowed to incur reasonable expenses related to dry cleaning and laundry while on an official international trip. The Traveller will be reimbursed upon the submission of proof of payment.

### **15.4 Private Accommodation**

- 15.4.1 Travellers can choose to make use of private accommodation (staying with family or friends) when he/she is required to spend at least one night away from home for business purposes.
- 15.4.2 Travellers will be compensated at the Fixed Daily Allowance amount for each night reflected in 1.1.2 in Table 1 of the Subsistence Allowances (Annexure B).

## **16. TRAVELLER HEALTH AND SAFETY**

- 16.1 It is the duty of the Traveller to ensure that he/she is aware of and/or comply with any health requirements and recommended precautions relevant to his/her travel.
- 16.2 The Traveller should consult his/her doctor or Travel Clinic prior to commencing travel to ensure that the necessary vaccinations are administered.
- 16.3 A Traveller will only be allowed to enter certain countries if he/she shows proof of the required vaccinations.
- 16.4 The Traveller must carry the necessary vaccination document with him/her at all times.
- 16.5 It is not advisable for pregnant women to undertake flights during their first and third trimesters. Pregnant women are advised to consult their doctors before a flight.

## **17. TRAVEL INSURANCE**

The Traveller must familiarise him/herself with the relevant terms of the Institution's Insurance Policy before embarking on his/her journey and must always adhere to it.

The following arrangements are applicable to Employees and non-Employees:

## **17.1 Medical Insurance**

- 17.1.1 In the case of sickness or injury during a domestic trip, the Traveller will be responsible for his/her own medical expenses.
- 17.1.2 For international trips, the Institution will arrange insurance cover that includes medical and other related travel expenses.

## **17.2 Baggage Insurance**

- 17.2.1 No insurance is offered for domestic trips as each Institution carries its own risk. Each case of loss or damage will be considered on its own merit.
- 17.2.2 In the case of damage to or loss of a Traveller's property (excluding vehicles), the Traveller can claim compensation in terms of the Institutional Policy and Procedure on Losses and Claims, if the damage or loss is not covered in terms of an Insurance Policy.

## **17.3 Car Insurance**

- 17.3.1 The State shall bear its own damage and accident risks.
- 17.3.2 The Institution self-insures vehicles rented for official purposes in South Africa. The Traveller must decline all waivers offered by the car rental company.
- 17.3.3 Whenever a vehicle is rented in any country outside the Republic of South Africa, the Comprehensive Motor Vehicle Insurance (Collision and Damage Waiver, Theft Waiver and Personal Liability) offered by car rental companies should be accepted.
- 17.3.4 In the event of an accident, the Traveller must notify the car rental company immediately and report it within twenty-four (24) hours at the nearest Police Station to obtain a case number. The Traveller should also notify the Institution and the TMC. The incident report required by the car rental company should be completed within the period specified, failing which the Traveller could be held responsible for all damage charges.
- 17.3.5 Private vehicles utilised for official trips should be insured by the owner of the vehicle. Wear and tear on the vehicle including the replacement of tyres due to mileage is included in the rate per kilometre as determined by the Department of Transport.

## **18. ADMINISTRATION OF TRAVEL EXPENSES**

### **18.1 General Principles**

- 18.1.1 The Institution should budget and account for all travel and subsistence expenditure.
- 18.1.2 The Traveller cannot claim actual expenses for expenses that are covered in terms of the allowance. Meals included in accommodation rates will be excluded from the

allowance e.g. breakfast cannot be claimed if the accommodation rate includes breakfast.

- 18.1.3 Where possible, Travellers and authorising officials should try to find the most benefit to the Institution at the best possible cost.
- 18.1.4 The Institution must settle all expenses as per the regulated thirty (30) day payment cycle.
- 18.1.5 The following table provides guidelines related to expenses usually associated with travel.

<b>Type of Expense</b>	<b>Comment/Condition</b>
Laundry	Special circumstances will determine the reimbursement of the expense
Toll fees	Paid on presentation of supporting documentation
Use of business centres and communication	Most cost effective mode of communication to be selected i.e. fax, email, roaming in accordance with the Cellphone Policy
Entertainment expenses	Actual expenses can be claimed if it is not covered by any Entertainment or similar allowance
Gratuities/Tips	The Institution regards this as included in incidental expenses
Travel clinic	The Institution covers all expenses
Passports and visas	The Institution covers all expenses
Excess baggage	The Institution will pay for excess baggage when motivated and properly approved prior to incurring the cost
Forex costs/Commissions	The Institution covers all expenses
Cancellation/No-show	The Traveller will be held responsible if the TMC is not timeously informed of the cancellation
Airport parking/Shuttle service	The most cost effective and safe method should be used, depending on the airport and country
Refuelling of hired vehicle	Costs will be reimbursed on submission of proof of expenditure

## 18.2 Travel Lodge Cards

- 18.2.1 Institutions may use travel lodge cards as a mechanism to improve the regulated thirty (30) day payment cycle for travel expenses.
- 18.2.2 The lodge card can be used to pay for costs incurred for air travel, ground transportation and accommodation.

- 18.2.3 The management fee payable to the TMC must not be reimbursed through the lodge card and will be settled directly by the Institution.

### 18.3 Subsistence Allowance

#### 18.3.1 General Principles

- a) A subsistence allowance is money paid to a Traveller travelling on the Institution's business to cover cost of travel, meals, and other associated expenses.
- b) Subsistence allowances may be claimed by any employee or interviewee of the Institution.
- c) A fixed daily allowance is payable when the Traveller is not claiming the actual expenses.
- d) A special daily allowance is paid to compensate for incidental expenses when actual expenses are claimed.

#### 18.3.2 Domestic Trips Longer than 24 Hours

- a) Allowances for official domestic official trips apply when Travellers are away from the place of work for twenty four (24) hours or longer. It is recorded hourly thereafter.
- b) The calculation of the allowance shall take effect from the hour that the Traveller departs from the office or residence (whichever one is the latest) and shall end on the hour when the Traveller arrives back at the office or residence (whichever is the earliest).
- c) When a Traveller stays in a guest house or hotel, he/she qualifies for the Special Daily Allowance and a Meal Allowance, subject to 18.3.2.f.i).
- d) If the Traveller makes use of private accommodation while on an official trip, he/she will only receive the Fixed Daily Allowance.
- e) The subsistence allowance tariffs for domestic travel are prescribed in terms of Part XII and XIII of PSCBC Resolution 3 of 1999 (Table 1 of Annexure B). Provision is made for two kinds of allowances namely:

- i) *Special daily allowance*

The Special Daily Allowance is to compensate for incidental expenses when the Traveller is claiming the actual expenses for meals. This will include private phone calls, newspapers, liquid refreshments between meals, etc. The Traveller does not need to submit invoices for incidental expenses.

- ii) *Fixed daily subsistence allowances*

The fixed daily subsistence allowance is payable in circumstances where actual expenses are not claimed. The Traveller does not need to present invoices to substantiate any expenses.

- f) Allowances for meals

- i) Meal allowances can be claimed in the following circumstances:



*Breakfast*

- If it is not included in the hotel arrangements and/or
- If the Traveller leaves his/her residence or office before 06h00

*Lunch*

- Lunch may only be claimed if it is not provided by the host

*Dinner*

- If it is not included in the hotel arrangements and/or
- If the Traveller returns to his/her residence or office after 20h00.

- ii) Refer to Table 2.1 of the Subsistence Allowance (Annexure B) for the specific amounts of allowances.
- iii) Tips on meals are for the Traveller's own account.
- iv) Receipts for meals should be kept and attached to the claim form.
- v) In cases where receipts are lost, the Traveller should submit an affidavit. The claim can only be processed once approval has been obtained from the Accounting Officer/Delegated Authority.
- vi) Travellers will not be reimbursed for any consumable items taken from mini bars in a hotel.

**18.3.3 Domestic Trips Less than 24 Hours**

- a) When an official trip is less than twenty four (24) hours, the Traveller will qualify for a meal allowance in cases where meals are not provided by the host, under the following conditions:
  - i) Leaving office/residence before 06h00 and only returning to office/residence after 20h00;
  - ii) The total duration of the trip is 8 hours or more;
  - iii) The total duration of the trip is more than 4 hours but fewer than 8 hours.
- b) Refer to Table 2.2 of the Subsistence Allowances (Annexure B) for the specific amounts for the allowances.
- c) Proof of the expenditure must be submitted and the claim must be approved by the Accounting Officer/Delegated Authority.

**18.3.4 International Trips**

- a) For international travel, the different allowance rates for different destination countries are prescribed in terms of the Financial Manual and Circulars issued by the Department of Public Service and Administration (DPSA) (International Subsistence Allowances, Annexure B).

- b) Allowances for international travel are to be calculated where the Traveller is away from his/her place of work for twenty four (24) hours or longer, and hourly thereafter. The calculation of the allowance shall take effect three (3) hours before flight departure and shall end three (3) hours after the return flight has landed.
- c) When expenditure on accommodation is covered by public funds, the Traveller is compensated on the following basis
  - i) In the event of official visits to the countries listed:
    - The reasonable actual expenses in respect of accommodation, dry cleaning and laundering; and
    - A special daily allowance to compensate for the Traveller's three meals and incidental expenses (e.g. reading matter, private telephone calls and soft drinks which do not form part of meals).
  - ii) In the case of official visits to the countries that are not listed in the table published on an annual basis, the Traveller can claim the following:
    - The reasonable actual expenses in respect of accommodation, dry cleaning and laundering;
    - The reasonable actual cost of three meals; and
    - A special daily allowance, equal to the special daily allowance for local official visits when actual expenses are claimed, to defray incidental expenses (reading material, private phone calls, soft drinks which do not form part of meals, etc.).
- d) The amounts referred to in Section 2 of Subsistence Allowances (Annexure B) are maximum amounts. Allowances should be reduced by the following percentages for meals and expenses that are included in hotel arrangements as per the Financial Manual:
  - i) Breakfast: 20%
  - ii) Lunch: 20%
  - iii) Dinner: 45%
  - iv) Incidental expenses: 15%. This covers tips, newspapers, room service, private telephone calls and soft drinks that are not part of meals.

#### **18.4 Advances for Travel**

To avoid undue hardship to Travellers, the Institution may grant Subsistence and Travel (S&T) advances to qualifying Travellers to defray travel and subsistence costs under the following conditions:

- 18.4.1 Advances will be calculated for meals, private transportation and special daily allowances.
- 18.4.2 Where possible, the Advance should be approved seven (7) working days prior to the trip.
- 18.4.3 For international travel, the Institution will facilitate the procurement of foreign currency upon receipt of the Minister's approval.
- 18.4.4 Advances may not be paid out more than ten (10) days prior to departure.
- 18.4.5 The Accounting Officer/Delegated Authority should approve the need for S&T advances that are included in the financial implication of all submissions.

- 18.4.6 Advances will not be granted to Travellers with any outstanding advances.
- 18.4.7 If an official trip is cancelled and the Traveller does not pay the full advance amount to the Institution within fourteen (14) days after the cancellation date, the amount will be deducted from the Traveller's salary.

#### **18.5 Kilometre Travel Claims**

- 18.5.1 The Traveller must attach the kilometre calculation to the expenditure claim to verify that the kilometres claimed are reasonable. The Traveller should attach proof of a reputable map (e.g. Google maps) confirming the distances between the two locations.
- 18.5.2 If a Traveller (other than a SMS or MMS member who is receiving a car allowance) uses his/her private vehicle to carry out official duties, the Traveller will be compensated for the official kilometres travelled according to the tariffs payable for privately-owned vehicles.
- 18.5.3 Vehicle travel claims must be restricted to the actual distance travelled in excess of the normal distance from the Traveller's residence to his/her place of work.
- 18.5.4 The minimum kilometres that can be claimed must be set at fifty (50) kilometres cumulative in a month.
- 18.5.5 The Traveller will be compensated in accordance with the Tariffs for the Use of Motor Transport issued by the Department of Transport.

#### **18.6 Parking & Tollgate Costs**

- 18.6.1 Parking and tollgate costs incurred while on official business are reimbursable. The Traveller has to supply the proof of expenses or original receipts to the Accounting Officer/Delegated Authority when submitting a claim.
- 18.6.2 Claims not accompanied by the relevant proof of payment or original receipts will be regarded as non-compliant and will not be paid.

#### **18.7 Submission of Claims**

- 18.7.1 All claims for travel and subsistence should be completed within seven (7) days from the date of the Traveller's return.
- 18.7.2 Claims that are older than one (1) month must be accompanied by a written motivation for late submission recommended by the Accounting Officer/Delegated Authority.
- 18.7.3 Claims related to a specific financial year must be submitted before the end of that financial year. Only claims related to March will be considered for payment in the following financial year.
- 18.7.4 If the advance is more than the claim, the difference shall be deducted from the Traveller's salary in one amount or the amount can be paid in cash by the Traveller.

- 18.7.5 If the Traveller has received an advance, he/she must submit a claim within twenty one (21) working days from his/her date of return from the trip. If the Traveller fails to do that, the full amount will be deducted from his/her salary.

## **18.8 Donor Funded Foreign Official Trips**

- 18.8.1 The Accounting Officer/Delegated Authority must submit the detail of all expenses claimed against a donor fund to the Minister.
- 18.8.2 The information must be included in the annual financial statements in terms of the prescripts regulating approval for the acceptance of gifts/donations and sponsorship (Treasury Regulations 21.2.1).
- 18.8.3 If donors provide a daily allowance to the Traveller equal to or higher than the prescribed allowance, the Traveller shall not receive any allowance from the Institution.
- 18.8.4 If the allowance paid by the donor is lower than the prescribed allowance as per the Subsistence Allowance (Annexure B), the Traveller will receive the difference, unless the Accounting Officer/Delegated Authority or Minister decides otherwise.
- 18.8.5 In cases where the allowance paid by the donor is only for certain meals, the prescribed allowance per meal and/or a flat rate of fifteen percent (15%) for incidental expenses can be paid by the Institution on approval by the Accounting Officer/Delegated Authority.
- 18.8.6 If the accommodation costs are funded by donors,, the Institution will not be responsible for the expenses.
- 18.8.7 If a donor requests that the Institution pays, or that the expenses are only claimed from the donor after the trip, it is the responsibility of the Traveller to:
- a) Obtain proof of this arrangement and contact details in writing from the donor prior to the trip, and to
  - b) Provide proof of expenses (i.e. invoices, receipts, copies of tickets, etc.) to be submitted to the Accounting Officer/Delegated Authority for reconciliation and claiming purposes.

## **19. EXTERNAL MEETING VENUES**

- 19.1 As far as possible, meetings and planning sessions must be held in-house or at the facilities of other government institutions.
- 19.2 External meeting venues may be booked through the TMC or the Institution's SCM unit.
- 19.3 A minimum of three quotations must be obtained.
- 19.4 The required authorisation documentation must be completed and approved.

- 19.5 If the Venue requires the signing of a contract containing the Terms and Conditions, the Institution should sign the Contract. The Traveller/Institution should acknowledge and adhere to the terms and conditions.

## **20. GENERAL MATTERS**

### **20.1 Loyalty Programmes**

- 20.1.1 All Travellers may join the loyalty programmes on offer from airlines, hotels and car rental companies with which the National Treasury/the Institution has corporate agreements in place. Travellers can use the accrued benefits of such programmes for their own benefit.
- 20.1.2 The fact that the Institution and/or any Traveller is a member of a Loyalty Programme should not override the SCM principle to procure at the best possible price, unless otherwise determined by the corporate agreement with the travel service provider. If this principle is violated, the traveller will be liable and disciplinary steps may be taken by the Institution
- 20.1.3 Certain loyalty programmes require a once-off or an annual subscription fee. These membership fees will be for the Traveller's personal account and the Institution will not reimburse a Traveller any membership fees.
- 20.1.4 Although the TMC will record the loyalty programme number of the Traveller when making a reservation at the relevant supplier, the Traveller is responsible for the management, tracking and redemption of his/her loyalty miles.

### **20.2 Donor Funded Trips**

Although trips funded by other organisations are considered official, it will not be the responsibility of the Institution to make the necessary travel arrangements. As a result, the Institution will not incur any expenses to that effect, with the exception of S&T allowances.

### **20.3 Private Travel**

- 20.3.1 Any private reservation requests to the appointed TMC must be indicated as such and must be settled directly with the TMC in the Traveller's private capacity. The processing of payment through the official process is not allowed.
- 20.3.2 Personal travel may be combined with an official authorised trip if it does not conflict with the conduct of the Institution's business and does not lead to additional expenses for the Institution. Additional expenses incurred in connection with personal travel will not be reimbursed. It must be paid by the Traveller in his/her private capacity. If the cost of the air ticket is more expensive as a result of the flight on a different day than required by the business, the difference in cost must be paid by the Traveller.
- 20.3.3 When a Traveller extends his/her business trip to incorporate leisure days and the leisure period, excluding weekends, is equal to or exceeds the period of business travel, fringe benefit tax will be deducted. The tax will be calculated based on the

cost of the airfare as apportioned between the period of business travel and the leisure period.

- 20.3.4 It is the duty of the Traveller, at all times, to disclose information regarding the leisure portion to the Accounting Officer/Delegated Authority.

## **21. REPORTING**

- 21.1 The Traveller should, at all times, share the knowledge gained when travelling for the benefit of the Institution.
- 21.2 The Traveller must prepare and distribute a comprehensive written report after his/her return to office from an international trip.

## **22. TRAVEL POLICY REVIEW AND GOVERNANCE**

- 22.1 The Chief Directorate Strategic Procurement in the Office of the Chief Procurement Officer must review the appropriateness of this Policy on an annual basis and, if necessary, propose amendments to the Accounting Officer/Delegated Authority.
- 22.2 The Annexures to the Policy will be updated from time to time as per instructions issued by the National Treasury.
- 22.3 Adherence to this Policy will be monitored closely and contraventions will be reported to the Office of the Chief Procurement Officer of National Treasury and the Accounting Officer/Delegated Authority of the Institution. This may lead to consequence management against the offender in accordance with the Disciplinary Code and Procedure.

## **23. EFFECTIVE DATE OF POLICY**


This Policy is effective from 1 July 2016. Each Institution is required to amend the Institutional Travel Policy in accordance with the National Travel Policy Framework by no later than 30 June 2016.

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## ANNEXURE A DOMESTIC ACCOMMODATION RATE GRID

1. The Accounting Officer/Delegated Authority should ensure that domestic accommodation costs do not exceed the rates referred to in the table below.
2. The National Treasury may periodically review these amounts.

**Table 1: Maximum Rate Levels set for Domestic Accommodation**

Accommodation Grid National Treasury						
Voucher includes	BAND 1		BAND 2		BAND 3	
	Room only		Bed & Breakfast		Dinner, Bed and Breakfast	
	Tourism levy		Tourism levy		Tourism levy	
	VAT		VAT		VAT	
					2 x soft drink at dinner	
ACCOMMODATION GRID FOR GRADED HOTELS						
	BAND 1		BAND 2		BAND 3	
1 Star property	R	580,00	R	710,00	R	855,00
2 Star property	R	900,00	R	1 030,00	R	1 230,00
3 Star property	R	1 100,00	R	1 200,00	R	1 400,00
4 Star property	R	1 250,00	R	1 350,00	R	1 550,00
5 Star property	R	2 100,00	R	2 200,00	R	2 500,00
ACCOMMODATION GRID FOR BED & BREAKFAST AND GUESTHOUSE ESTABLISHMENTS						
	BAND 1		BAND 2		BAND 3	
1 Star property	R	-	R	180,00	R	270,00
2 Star property	R	-	R	250,00	R	350,00
3 Star property	R	-	R	400,00	R	520,00
4 Star property	R	-	R	600,00	R	750,00
5 Star property	R	-	R	800,00	R	975,00
SUBSISTENCE AND TRAVEL ALLOWANCE (S&T)						
S&T Allowances	BAND 1		BAND 2		BAND 3	
Breakfast	R	120,00	R	-	R	-
Lunch	R	150,00	R	150,00	R	-
Dinner	R	150,00	R	150,00	R	-
Total as per TP	R	420,00	R	300,00	R	-
S&T Claims may be accepted based on Travel Policy detail include						
Parking						
Laundry						
Wi Fi						
Toll Fees						
IMPORTANT NOTE: ALL OTHER COSTS INCURRED ARE FOR THE INDIVIDUALS ACCOUNT						

**ANNEXURE B SUBSISTENCE ALLOWANCES IN TERMS OF THE FINANCIAL MANUAL  
PUBLISHED BY THE DEPARTMENT OF PUBLIC SERVICE AND  
ADMINISTRATION**

**1. DOMESTIC SUBSISTENCE ALLOWANCES**

The Domestic Subsistence Allowances are reviewed on an annual basis and new amounts will be effective from 1 April each year.

**1.1 Special and Fixed Daily Allowance**

The Minister for Public Service and Administration has determined that, with effect from 1 April 2016, the maximum subsistence and camping allowances payable in terms of parts XII and XIII of PSCBC Resolution 3 of 1999 are:

**Table 1**

	<b>Type of Allowance</b>	<b>Allowance Amount</b>
1.1.1	Special daily allowance to compensate for incidental expenses where actual expenses are claimed	R115.00
1.1.2	Fixed Daily subsistence payable in circumstances where actual expenses are not claimed	R372.00
1.1.3	Daily allowance payable to camping personnel	R139.50

**1.2 Meal Allowance**

The Meal Allowances are not published in the Financial Manual. National Treasury will review these amounts in conjunction with the Department of Public Service and Administration on an annual basis.

The Institution must determine the amounts within the maximum amounts set in the tables below.

**1.2.1 Meal Allowance for trips exceeding 24 hours**

The following Table reflects the maximum amount per meal type that can be claimed:

**Table 2.1**

<b>Meal Type</b>	<b>Maximum Amount</b>
Breakfast	R120.00
Lunch	R150.00
Dinner	R150.00



### 1.2.2 Meal Allowance for trips less than 24 hours

**Table 2.2**

<b>Scenario</b>	<b>Maximum Amount</b>
Leaving office/home before 06h00 and return after 20h00	R300.00
Total duration of trip more than 8 hours	R150.00
Total duration of trip more than 4 hours but less than 8 hours	R80.00

## 2. INTERNATIONAL SUBSISTENCE ALLOWANCES

- 2.1 The Minister for the Public Service and Administration determines, in terms of section 3(5)(a) and 5(6)(b) of the Public Service Act, 1994, read with Part V/E 2(a) of the Public Service Regulations 2001, the daily allowances in respect of certain countries for official visits abroad that will be effective 1 March of each year.
- 2.2 The Institution must refer to the Financial Manual published by the Department of Public Service and Administration (DPSA) and the Circulars on the DPSA website for the latest adjustments prior to implementing the allowances in the Table.