SPECIAL CONDITIONS OF THE CONTRACT

RT70-1-2026

SUPPLY AND DELIVERY OF AUTOMOTIVE DIESEL FUEL, AVIATION FUEL (JET A-1 AND AVGAS), HEAVY FURNACE OIL (HFO), ILLUMINATING PARAFFIN (IP), MARINE GAS OIL (MGO) AND UNLEADED PETROL FOR A PERIOD OF SIXTY (60) MONTHS TO THE STATE

NON-COMPULSORY BRIEFING SESSION TO BE HELD VIRTUALLY ON 01 DECEMBER 2026 VIA MICROSOFT TEAMS PLATFORM

CLOSING DATE AND TIME OF BID

14 DECEMBER 2026 AT 11H00

BID VALIDITY PERIOD: 180 DAYS

National Treasury

Transversal Contracting

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LIST OF ABBREVIATIONS

Abb	Full Name
AvGas	Aviation Gas
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
CIPC	Companies Intellectual Property Commission
CPA	Contract Price Adjustment
CSD	Central Supplier Database
DMRE	Department of Mineral Resources and Energy
GCC	General Conditions of Contract
HFO	Heavy Furnice Oil
IP	Illuminating Paraffin
ISO	International Organisation for Standardisation
MGO	Marine Gas Oil
OCPO	Office of the Chief Procurement Officer
OPM	Original Product Manufacturer
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Frame Act
RoE	Rate of Exchange
RON	Research Octane Number
SACAA	South African Civil Aviation Authority
SANS	South African National Standards
SARS	South African Revenue Services
SBD	Standard Bidding Document
SCC	Special Conditions of Contract
TC	Transversal Contract
TCD	Transversal Contract Document
ULP	Unleaded Petrol
VAT	Value-Added Tax

Initials_____

DEFINITIONS

Term	Definition/Meaning
Bulk	means 200 litres or more, per transaction of prescribed unleaded petroleum products
Contaminated Fuel	means fuel not meeting SANS/ISO standards, adulterated with water, particulates, microbial growth, or mixed with other fuels.
Licence	means a manufacturing, wholesale, site or retail licence
Manufacture	means the manufacture of unleaded petroleum products for commercial purposes and includes the blending and re-refining of unleaded petroleum products, and “manufacturer” shall be interpreted accordingly.
Paraffin	paraffin means a liquid unleaded petroleum product that is a complex mixture of predominantly aliphatic hydrocarbons ranging from C9 to C16, used mainly for lighting, cooking and heating purposes, also known as kerosene
Wholesale	means the purchase and sale in bulk of unleaded petroleum products by a licensed wholesaler to or from another licensed wholesaler, or to or from a licensed manufacturer, or sale to a licensed retailer or to an end-consumer for own consumption and “wholesaler” shall be interpreted accordingly.
Wholesale Licence	means a licence to conduct the business of a wholesaler

Initials_____

Table 1: Bid Document Checklist and Returnable

#	Document Name	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
PHASE 1: MANDATORY REQUIREMENTS EVALUATION				
1.	Pricing Schedule (Annexure A)	Yes	Yes	
2.	Manufacturing/ Wholesale Licence	No	Yes	
PHASE 2: ADMINISTRATIVE REQUIREMENTS EVALUATION				
3.	SBD 1 Invitation to Bid	Yes	Yes	
4.	Proof of authority must be submitted as per SBD 1	No	Yes	
5.	SBD 4 Bidder's Disclosure	Yes	Yes	
6.	SBD 5 National Industrial Participation Program	Yes	Yes	
7.	SBD 6.1 – Preference points claim form.	Yes	Yes	
8.	TCD 13 Authorization Declaration	Yes	Yes	
9.	TCD 13.1 List of goods or services offered	Yes	Yes	
10.	Written confirmation for disclosing tax status by SARS	No	Yes	
11.	Central Supplier Database Report	No	Yes	
12.	CIPC Company Registration Documents	No	Yes	
13.	Copy of Identity Documents of the Owners and Directors	No	Yes	
PHASE 3: TECHNICAL COMPLIANCE EVALUATION				
14.	TCD 13.2 Authorization Letter of Undertaking	Yes	Yes	
15.	Flush Certificate for Tanker(s) transporting jet fuel	No	Yes	
16.	A valid copy of Section 37A of the Customs and Excise Act, No.91 of 1964	No	Yes	
17.	Quality Assurance Certificate	No	Yes	
PHASE 4: PRICE & SPECIFIC GOALS EVALUATION				
18.	Pricing Schedule (Annexure A)	Yes	Yes	
19.	Proof of Business Shareholding/Ownership	No	Yes	

Initials_____

SECTION A: INTRODUCTION AND TERMS OF REFERENCE

1. DESCRIPTION AND FORMAT OF THE BID

1.1 This bid is for the supply and delivery of automotive diesel fuel, aviation fuel (Jet a-1 and AvGas), heavy furnace oil (HFO), illuminating paraffin (IP), marine gas oil (MGO) and unleaded petrol for a period of sixty (60) months.

1.2 This bid document is structured as follows:

1.2.1 Section A: Introduction and Terms of Reference

1.2.2 Section B: Conditions of Bid

1.2.2.1 Part 1: Evaluation Criteria

1.2.2.2 Part 2: Additional Bid Requirements

1.2.2.3 Part 3: Recommendation and Appointment of Bidders

1.2.3 Section C: Conditions of Contract

2. LEGISLATIVE AND REGULATORY FRAMEWORK

2.1 This bid and all contracts emanating therefrom will be subject to General Conditions of Contract issued per Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) as well as the Preferential Procurement Policy Framework Act 2000 (PPPFA) with its latest 2022 regulations.

2.2 The Special Conditions of Contract (SCC) are supplementary to that of the General Conditions of Contract (GCC). However, where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

2.3 This bid is subject to all applicable industry-related legislation, particularly the legislation stated below:

a. Unleaded petroleum Products Act, 1977 (Act No. 120 of 1977)

b. Customs and Excise Act, 1964

c. National Energy Act, 2008

d. National Environmental Management Act, 1998 (Act No. 107 of 1998)

e. Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)

f. Civil Aviation Act, 2009 (Act No. 13 of 2009)

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g. National Road Traffic Act, 1996 (Act No. 93 of 1996)

3. OBJECTIVE OF THE BID

3.1 To arrange the RT70-2026 transversal contract for the supply and delivery of automotive diesel fuel, aviation fuel (jet a-1 and avgas), heavy furnace oil (HFO), illuminating paraffin (IP), marine gas oil (MGO) and unleaded unleaded petrol for a period of sixty (60) months.

3.2 For the promotion of historically disadvantaged individuals as per the specific goals (maximum 10 points) allocated in terms of Preferential Procurement Regulations 2022 issued according to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000).

4. BRIEFING SESSION

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

RT70-1-2026 Briefing session

Date: 1 December 2026

Time: 11:00 To 12:00

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

5. TERMS OF REFERENCE

5.1 INTRODUCTION

5.1.1 The RT70-1-2026 transversal contract for the supply and delivery of automotive diesel fuel, aviation fuel (jet a-1 and avgas), heavy furnace oil (HFO), illuminating paraffin (IP), marine gas oil (MGO) and unleaded unleaded petrol for a period of sixty (60) months.

5.1.2 To facilitate the transportation of petroleum products under the RT70-1-2026 transversal contract which includes automotive diesel fuel, aviation fuel (Jet A-1 and Avgas), heavy furnace oil (HFO), illuminating paraffin (IP), marine gas oil (MGO), and unleaded petrol, various types of vehicles can be utilized depending on the product type, volume, and delivery requirements. These include bowsers, which are mobile fuel tankers ideal for on-site refuelling, rigid tankers, and fuel tankers designed for bulk transport over longer distances.

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5.2 SCOPE OF WORK

5.2.1 Rapid Fuel Testing

5.2.1.1 To quickly verify the quality of fuel delivered (petrol, diesel, jetA-1 etc.) and ensure it complies with SANS specifications and is free from contaminants like water, sediments, paraffin or microbial growth.

5.2.2 Automotive Diesel Fuel

5.2.2.1 Automotive diesel fuel is an unleaded petroleum-based liquid fuel used in compression-ignition (diesel) engines of vehicles like cars, trucks, and buses. It has a high energy content, a high cetane number for efficient ignition, and is regulated by standards to control quality, sulfur content, and emissions. It must comply with SANS 342 specifications.

5.2.2.2 Standard Diesel 500ppm

5.2.2.3 Ultra-low Sulphur diesel 50ppm

5.2.2.4 Ultra-low Sulphur diesel 10ppm

5.2.3 Unleaded Unleaded petrol (ULP)

5.2.3.1 Unleaded petrol is an unleaded petroleum-based fuel used in spark-ignition engines, formulated without lead additives. In South Africa, it is supplied in two main grades:

5.2.3.2 Metal-free unleaded petrol with minimum RON of 93 or 95

5.2.3.3 ULP must comply with SANS 1598 to ensure quality, correct octane rating, and adherence to emission standards. The fuel supplied shall meet SANS/ISO specifications and be free from water, particulates, adulteration, microbial growth, or any other form of contamination.

5.2.4 Lead Replacement Petrol (LRP)

5.2.4.1 Metal-containing unleaded petrol with a minimum RON of 93 or 95

5.2.4.2 LRP must comply with SANS 1598 to ensure quality, octane rating, and compliance with emission standards.

5.2.5 Jet A-1 Fuel

5.2.5.1 Jet A-1 is a type of aviation turbine fuel (ATF) commonly used in gas turbine engines, such as those found in commercial and military jet aircraft, as well as some turboprop aircraft. It is a highly refined kerosene-based fuel that meets strict specifications to ensure optimal performance of aviation engines. Jet A-1 is a standardized and carefully refined fuel designed to meet the specific requirements of gas turbine engines, ensuring safe and efficient air travel. It must comply with SANS 10108 / SANS 10156. also regulated under SANS 1016.

Initials_____

5.2.6 **Aviation Gasoline (AvGas) 100LL (Low Lead)**

5.2.6.1 AvGas, short for Aviation Gasoline, is a specialized type of aviation fuel designed for use in piston-engine aircraft. Unlike jet engines, which use aviation turbine fuels (Jet-A or Jet-A1), piston engines, commonly found in smaller aircraft, require a different type of fuel. AvGas is formulated to meet the specific requirements of these piston engines. AvGas is not interchangeable with aviation turbine fuels (Jet-A or Jet-A1), which are designed for use in jet engines. The distinction between AvGas and aviation turbine fuels is critical and using the wrong type of fuel in an aircraft can lead to engine damage and safety risks. It must comply with SANS 1002.

5.2.7 **Marine Gas Oil (MGO)**

5.2.7.1 Marine Gas Oil (MGO) is a refined distillate fuel used in marine diesel engines, auxiliary engines, and boilers on ships. It is a cleaner-burning fuel compared to heavier marine fuels (like HFO), with lower viscosity and sulfur content. It must comply to ISO 8217 specifications, ensuring compliance with engine performance and international maritime emission regulations.

5.2.8 **Illuminating Paraffin (IP)**

5.2.8.1 Illuminating Paraffin (IP) is a light unleaded petroleum distillate fuel, primarily used for domestic heating, cooking, and lighting in paraffin appliances such as stoves and lamps. It is also used in some industrial processes requiring clean-burning, low-viscosity fuel. It must comply with SANS 1913 specifications for safety, flash point, and quality standards.

5.2.9 **Heavy Furnace Oil (HFO)**

5.2.9.1 Heavy Furnace Oil (HFO) is a residual unleaded petroleum product obtained from the distillation of crude oil. It is a thick, viscous fuel that requires preheating before pumping and combustion. HFO is mainly used in industrial boilers, furnaces, and large-scale heating plants, as well as in some marine engines and power generation units

Table 2: Summary of Technical Specifications Categories

#	CATEGORY #	CATEGORY DESCRIPTION	# ITEMS IN THE CATEGORY
1.	RT70-00	Automotive Diesel Fuel (10/50/500ppm)	864
2.	RT70-01	Aviation Gas 100LL	36
3.	RT70-06	Heavy Furnace Oil (HFO)	18
4.	RT70-03	Illuminating Paraffin (IP)	9

Initials_____

#	CATEGORY #	CATEGORY DESCRIPTION	# ITEMS IN THE CATEGORY
5.	RT70-04	Jet-A1	72
6.	RT70-03	Lead Replacement Petrol (LRP 93/95)	288
7.	RT70-05	Marine Gas Oil (MGO)	6
8.	RT70-06	Unleaded petrol (ULP 93/95)	288
9.	RT70-08	Rapid Fuel Testing Kit	9
TOTAL NUMBER OF ITEMS IN THE BID			**1590**

SECTION B: CONDITIONS OF BID

6. PART 1: EVALUATION CRITERIA

6.1 The details of the evaluation phases are outlined below:

Table 3: Evaluation Criteria

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

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

6.2 PHASE 1: MANDATORY REQUIREMENTS

6.2.1 During this phase, bidders' responses will be evaluated against the mandatory requirements for compliance. Bidders who fail to meet all the mandatory criteria will be disqualified.

6.2.2 **Pricing Schedule**

6.2.2.1 The bidder is required to submit a fully completed pricing schedule at the bid closing date and time.

6.2.2.2 The pricing schedule (Annexure A) provided in this bid forms an integral part of the bid document, and bidder must ensure that it is completed in full without altering its structure.

6.2.2.3 The bidder must complete and submit the mandatory pricing schedule detailing the prices,

Initials_____

brands, and lead times of the items offered as of the bid closing date and time.

6.2.3 **Manufacturing/ Wholesale Licence**

6.2.3.1 The bidder is required to submit a valid copy of their wholesale or manufacturing licence issued by Department of Minerals Resources and Energy at the bid closing date and time.

6.2.4 Failure to comply with all the mandatory requirements shall render the bid non-responsive and will result in disqualification.

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

6.3.1 Bidders must submit the following documents:

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

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

6.3.1.3 **SBD 4 –** Bidders Disclosure

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

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

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

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

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

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

6.5 **Copy of Identity Document (Directors/Owners) –** Bidders are required to submit a copy of

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an identity document of the directors and/or owners.

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

6.5.2 **PHASE 3: TECHNICAL REQUIREMENTS**

6.5.3 During this phase, bidders' responses will be evaluated against the technical requirements for each item offered in the pricing schedule. Non-compliance with the applicable technical requirements for any item listed below will result in the disqualification of the relevant line item being evaluated.

6.5.4 **Third-Party Authorization Letter of Undertaking**

6.5.4.1 Any bidder who is not an original manufacturer of the product must submit a valid Third-Party Undertaking letter (template provided as TCBD 13.2) in full for all relevant goods or services at the closing date and time of the bid. The letter of undertaking from the manufacturer must include but not be limited to the following:

a) In terms of products, the letter must list the Item(s) number, item description, and brand name offered by the third-party manufacturer.

b) In terms of services offered by a third party (sub-contracted partners), the bidder must list the type of service to be offered by the relevant third-party - partner/sub-contractor.

c) The letter must be on the original third-party letterhead, dated and signed.

d) The letter must not be older than the date of the bid advertisement.

e) The letter must have the third-party contact person's name, physical and postal address, telephone, and email details, and the capacity with which a person is signing the letter.

f) All the information on the letter must be in English.

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

6.5.4.3 The State reserves the right to verify any information supplied by the bidder in the Authorisation Declaration and should the information be found to be false or incorrect, the

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bidder will be disqualified for all items and further, the State may exercise additional legal remedies available.

6.5.4.4 The bidder must ensure that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party. No agreement between the bidder and the third party will be binding on the State.

6.5.4.5 Failure to submit a valid letter of undertaking will result in the disqualification of the relevant line item.

6.5.5 **Quality Assurance Requirements**

6.5.5.1 The bidder who is a non-refining wholesaler is required to submit a valid ISO 9001:2015 Quality Management System certificate as part of their bid submission by the bid closing date and time. The ISO 9001:2015 certification serves as confirmation that the bidder has implemented a structured quality management system to ensure the consistent quality, safety, and traceability of products and services throughout the supply chain.

6.5.5.2 Non-refining wholesalers must also submit the ISO 9001:2015 certificate of the product's manufacturer as part of their bid submission.

6.5.5.3 The bidder who is a manufacturer is required to submit a valid ISO 9001:2015 Quality Management System certificate as part of their bid submission by the bid closing date and time. The ISO 9001 certification serves as confirmation that the manufacturer has implemented a structured quality management system to ensure the consistent quality, safety, and traceability of products throughout the production process and supply chain.

6.5.5.4 Failure to submit a valid ISO 9001:2015 will result in the disqualification of the relevant line item.

6.5.6 **Flush Certificate for transporter transporting jet fuel**

6.5.6.1 Where applicable, the bidder is required to submit a valid flush certificate for each jet fuel tanker to be used in the supply and delivery of jet fuel at the closing date and time of the bid. The certificate must confirm that the tanker has been cleaned and flushed in accordance with industry standards to prevent contamination.

6.5.6.2 Failure to submit a valid flush certificate will result in the disqualification of the relevant line item.

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6.5.7 **Copy of Section 37A of the Customs and Excise Act, No.91 of 1964**

6.5.7.1 Where applicable, the bidder is required to submit valid copy of Section 37A of the Customs and Excise Act, No. 91 of 1964, along with their bid response, as evidence of their understanding and commitment to compliance with the legal framework governing marked goods at the closing date and time of the bid.

6.5.7.2 The bidder who is exempted must submit an exemption letter from the SACAA.

6.5.7.3 Failure to submit an exemption letter/ valid copy of Section 37A of the Customs and Excise Act, No. 91 of 1964 will result in the disqualification of the relevant line item.

6.6 PHASE 4: PRICE AND SPECIFIC GOALS

6.6.1 **Pricing Structure Requirements**

6.6.1.1 The prices of unleaded petrol, diesel (fuel), and illuminating paraffin (IP) in South Africa are regulated by the Department of Mineral Resources and Energy (DMRE).

6.6.1.2 The DMRE adjusts the Basic Fuel Price monthly, which form the basis for determining regulated wholesale and retail prices.

6.6.1.3 For Unleaded petrol (ULP), LRP, Diesel and Jet-A1 are required to submit the offer using a basic fuel price for November 2025 and all the relevant cost.

6.6.1.4 For IP, marine gas, heating fuel and AvGas a normal contract price adjustment applies as per paragraph 13 below.

6.6.1.5 Prices quoted must be furnished based on “delivered to State facility” country-wide, and inclusive of VAT.

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

6.6.1.7 Unless prior approval has been obtained from National Treasury who is administering this contract, no adjustment in contract prices will be made.

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

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6.6.2 **Preferential Point System**

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

a) The bid price (Maximum of 90 points)

b) Historically disadvantaged individuals as well as specific goals (maximum 10 points)

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

$$Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where,

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

Pt = Comparative price of a bid under consideration

Pmin = Comparative price of lowest acceptable bid

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

GOALS	POINTS
Preference points for equity ownership by historically disadvantaged Individuals who, due to the apartheid policy that had been in place had no franchise in national elections before the introduction of the Constitution of the RSA, 1983 (Act 110 of 1983) or the Constitution of the RSA,1993 (Act 200 of 1993), ("the Interim Constitution")	10

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

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

c) The bidder's Central Supplier Database (CSD) report, CIPC registration documents, and Identity Documents (ID) copies submitted will serve as proof of ownership and directorship of the company.

d) Failure on the part of a bidder to submit proof or documentation required in terms of

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this tender to claim points for specific goals with the tender will not be allocated with the points claimed.

e) The State may, before a bid is adjudicated or at any time, require a bidder to submit any relevant additional supporting documents to substantiate claims it has made about preference.

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

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

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

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

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

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

Where:

PSSG= Points scored for a specific goal

MPA = Maximum points allocated for a specific goal

PEO = Percentage of equity ownership by an HDI

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

a) The specific goals contemplated in the paragraph above and are related to equity ownership must be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company's shares that are owned by individuals, who are actively involved in the management of the enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.

b) If the percentage of ownership contemplated in the paragraph above changes after

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the closing date of the tender, the tenderer must notify the Office and such tenderer will not be eligible for any preference points.

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

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

e) Equity claims for a Trust may only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust.

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

g) A consortium or Joint Venture may claim points for specific goals, based on the percentage of the contract value managed or executed by individuals who are actively involved in the management or exercise control of the respective parties of the consortium or Joint Venture.

h) A tenderer who does not submit proof of ownership may not be disqualified from the bidding process but will be allocated zero points for the relevant specific goals for ownership.

6.6.3 **Applicable Taxes**

a) All bid prices must be inclusive of all applicable taxes.

b) All bid prices must be inclusive of fifteen percent (15%) Value Added Tax.

c) Failure to comply with this condition may invalidate the bid.

6.6.4 **Cost Breakdown**

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

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

6.6.4.3 Example:

Table 4: Example of Cost Breakdown

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Cost-driver	% Total Cost
Finished Product	80%
Transport	10%
Labour	5%
Wholesale Margin	4%
SACAA/Road Transport Fuel Levy	1%
The total % of the item	**100%**

7. PART 2: ADDITIONAL BID REQUIREMENTS

7.1 TERMS AND CONDITIONS OF BID

7.1.1 **Counter Conditions**

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

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

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

7.1.2 **Fronting**

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

7.1.2.2 The National Treasury, in ensuring that bidders lawfully conduct themselves will, as part of the bid evaluation processes, conduct, or initiate the necessary inquiries/investigations to determine the accuracy of the representation made in this bid document. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade, Industry, and Competition, be established during such inquiry/investigation, the onus will be on the bidder to prove that fronting does not exist.

7.1.2.3 Failure to do so by the bidder within fourteen (14) days from the date of notification by the

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National Treasury may invalidate the bid/contract and may also result in the restriction of the bidder from conducting business with the public sector for a period not exceeding ten (10) years, in addition to any other remedies the National Treasury may have against the bidder concerned.

7.2 SUBMISSION OF BIDS

7.2.1 ONLINE BID SUBMISSION

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

7.2.1.2 Manual or hardcopy bids are not acceptable.

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

7.2.1.4 The guide for online bid submission is attached as Annexure 7.

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

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

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

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

7.3 LATE BIDS

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

7.4 COMMUNICATION AND CONFIDENTIALITY

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

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

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

current, or complete.

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

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

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

7.4.7 No representations made by or on behalf of the National Treasury about this bid will be binding on the National Treasury unless that representation is expressly incorporated into the contract ultimately entered between the National Treasury and the successful bidder(s).

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

7.5 CONTACT DETAILS

7.5.1 **General: -** National Treasury, Office of the Chief Procurement Officer, Chief Directorate: Transversal Contracting, Private Bag x115, Pretoria, 0001. Physical address: Riverwalk Office Park, 41 Matroosberg Road, Ashlea Gardens, Pretoria, 0081, South Africa.

7.5.2 **Bid Enquiries: -** All inquiries should be in writing to Demand.Acquisition3@treasury.gov.za. The closing date for receipt of all inquiries is 10 December 2026. All inquiries beyond the closing date will not be considered.

8. PART 3: RECOMMENDATION AND APPOINTMENT OF BIDDERS

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

8.2 On approval of the recommendation/s and appointment/s, the successful bidder(s) will sign

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an appointment letter together with the master transversal agreement for the supply and delivery of automotive diesel fuel, aviation fuel (jet a-1 and avgas), heavy furnace oil (HFO), illuminating paraffin (IP), marine gas oil (MGO) and unleaded unleaded petrol for a period of sixty (60) months and the unsuccessful bidder(s) will be informed accordingly. The following paragraphs will be applicable when the BEC makes the recommendation to the BAC.

8.3 **Tax Compliance Requirements**

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

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

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

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

8.4 **Multiple Award**

7.3.1 The State reserves the right to award the same item to more than one bidder to ensure security of supply, maintain continuity of service, and mitigate the risk of supply disruption. The maximum number of bidders per item to be awarded will be determined at the discretion of the BEC.

8.5 **Negotiations**

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

8.6 **Due Diligence**

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

8.6.2 The State also reserves the right to conduct any evaluation verifications before the final

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award or at any time during the transversal term contract period.

8.7 **Right of Award**

8.7.1 The State reserves its following rights -

8.7.1.1 To award the bid in part or in full,

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

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

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

8.7.1.5 Not to accept any of the bids submitted,

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

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

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SECTION C: CONDITIONS OF CONTRACT

9. CONCLUSION OF CONTRACT

9.1 The Contract between National Treasury and the preferred bidder/s (Supplier) collectively referred to as the Parties shall come into effect after the supplier has been issued with an unconditional letter of acceptance to their bid.

9.2 The Supplier (s) shall be appointed in terms of this bid. The following will form part of the contract documents between the Parties as far as this RT70-1-2026 is concerned:

9.2.1 Bid Documents

9.2.2 Letter of Appointment

9.2.3 Award Documents

9.2.4 Transversal Contracting Agreement (TCA)

9.3 If there is any contradiction between the abovementioned documents, the special conditions of the contract shall take precedence. For Section B, the term “Supplier “shall refer to the preferred bidder appointed in terms of the RT70-2026 transversal contract.

10. PARTICIPATING STATE INSTITUTIONS

10.1.1 This transversal contract RT70-1-2026 is intended to be utilized by various organs of the State as listed below:

Table 5: Participating Government Institutions

#	DEPARTMENT NAME
1	Department of Agriculture and Rual Development KwaZulu Natal
2	North West Department of Public Works and Roads
3	The Financial Sector Conduct Authority

11. POST-AWARD PARTICIPATION

11.1 PFMA public institutions listed in Schedules 1, 2, 3A, 3B, 3C, 3D and Local Government may send an application to the National Treasury post-award to request participation in the transversal contract.

11.2 In terms of Treasury Regulation 16A6.5 Accounting Officer/Accounting Authority of National and Provincial departments, constitutional institutions, and public entities listed in schedules 1, 3A, and 3C to the PFMA may opt to participate in a transversal contract facilitated by the relevant treasury.

11.3 Regulation 32 of the Municipal SCM Regulations provides that a Supply Chain Management

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policy may allow the accounting officer to procure goods or services for a municipality or municipal entity under a contract secured by another organ of the state.

12. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

12.1 **Contract Administration**

12.1.1 The administration and facilitation of the transversal contract is the responsibility of the National Treasury and all correspondence in this regard must be directed to the Transversal Contracting Department via email on TCcontracts3@treasury.gov.za

12.1.2 The Supplier must advise the Chief Directorate: Transversal Contracting, National Treasury immediately when unforeseeable circumstances will adversely affect the execution of the transversal contract.

12.1.3 Full particulars of such circumstances as well as the period of delay must be furnished.

12.2 **Supplier Performance Management**

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

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

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

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

13. CONTRACT PRICE ADJUSTMENT

13.1 **Formula**

13.1.1 Prices submitted for this bid will be regarded as non-firm and may be subject to adjustment(s) in terms of the following formula, defined areas of cost and defined periods.

13.1.2 Applications for price adjustments must be accompanied by documentary evidence in

support of any adjustment claim.

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

Table 6: Contract Price Adjustment Formula

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

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

13.2 **Formula component definitions**

13.2.1 **Adjustable amount**

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

13.2.2 **Fixed portion**

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

13.2.3 **Cost components and proportions**

13.2.3.1 The cost components of the contract price usually constitute the cost of materials (raw

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

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

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

Table 7 - Contract Price Adjustment Cost Components

Cost Component	% Contribution
D1 - Finished Product	
D2 - Transport	
D3 - Labour	
D4 – SACAA Fuel Levy	
D5 – Other	
TOTAL (Cost components must add up to 100%)	**100**

13.2.4 **Applicable indices/references**

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

Table 8: Applicable Indices/References

Cost component	Index Publication	Index Reference
D1 - Local Finished product (if applicable):	Invoice or Quotation from the Supplier	Invoice or Statement from the Supplier
D2 – Transport	Stats SA P0141 (CPI) Table E/Supplier Invoice	Transport – Other Running Cost/ Supplier Invoice

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Cost component	Index Publication	Index Reference
D3 – Labour	STATS SA P0141 (CPI), Table E; OR Labour Agreement[1]	Table E - All Items (CPI Headline) OR Labour agreement to be provided
D4 – SACAA Fuel Levy		
D5 – Other	Specify	

13.2.5 **Base index date**

13.2.5.1 The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid, the base index date is **November 2025.**

13.2.6 **End index date.**

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

13.2.7 **Price adjustment periods**

13.2.7.1 Price adjustment for diesel, unleaded unleaded petrol, and illuminating paraffin shall be adjusted in accordance with the publications of the Department of Energy and Mineral Resources.

13.2.7.2 Price adjustments for Jet-A1 fuel shall be made in accordance with the adjustments published by the oil majors.

13.2.7.3 Price adjustment for aviation gas, heavy furnace oil (HFO) and marine gas oil (MGO) shall be applied on an annual basis at the anniversary of the transversal contract from the closing date of the bid.

Table 9: Price Adjustment Period

Adjustment Period	CPA application to reach the office by the following dates	End Index	Dates *from* which adjusted prices will become effective
1st Adjustment	1 April 2026	February 2026	1 June 2026
2nd Adjustment	1 August 2026	June 2026	01 October 2026
3rd Adjustment	01 December 2026	October 2026	01 February 2027
4th Adjustment	01 April 2027	February 2027	01 June 2027

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

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Adjustment Period	CPA application to reach the office by the following dates	End Index	Dates *from* which adjusted prices will become effective
5th Adjustment	01 August 2027	June 2027	01 October 2027
6th Adjustment	01 December 2027	October 2027	01 February 2028
7th Adjustment	01 April 2028	February 2028	01 June 2028
7th Adjustment	01 August 2028	June 2028	01 October 2028
9th Adjustment	01 December 2028	October 2028	01 February 2029
10th Adjustment	01 April 2029	February 2029	01 June 2029
11th Adjustment	01 August 2029	June 2029	01 October 2029
12th Adjustment	01 December 2029	October 2029	01 February 2030
13th Adjustment	01 April 2030	February 2030	01 June 2030
14th Adjustment	01 August 2030	June 2030	01 October 2030
15th Adjustment	01 December 2030	October 2030	01 February 2031

13.2.8 **General**

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

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

13.2.8.3 CPA application will be applied strictly according to the specified formula and parameters above as well as the cost breakdown supplied by bidders in their bid documents.

13.2.8.4 If the supplier's CPA application, based on the above formula and parameters, differs from Transversal Contracting verification, Transversal Contracting will consult with the supplier to resolve the differences.

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

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

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

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14. DELIVERY ADHERENCE, ORDERS AND PAYMENTS

14.1 **Orders**

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

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

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

14.1.4 The State is under no obligation to accept any quantities which are more than the ordered quantities.

14.2 **Delivery Adherence**

14.2.1 Delivery by contractor must comply with the National Road Traffic Act, Act 93 of 1996 and the Hazardous Substances Act, Act 15 of 1973

14.2.2 For jet fuel deliveries, a delivery note/ bill of lading with an official purchase order number, valid flush certificate must be produced and relevant safety documentation.

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

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

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

14.2.6 The Supplier must make sure that their trucks are equipped with calibrated meters to accurately monitor the amount of fuel dispensed.

14.2.7 Transit and storage conditions applicable to the relevant product must be adhered to.

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

14.2.9 In the event of late delivery by the supplier, liquidated damages of 0.5% of the value of the delayed purchase order per week (or part thereof) will be imposed, up to a maximum of 10% of the purchase order.

14.2.10 In the event of late payment by the end-user, interest shall accrue on the outstanding amount at the prescribed rate of interest applicable in terms of the Prescribed Rate of

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Interest Act, 1975 (Act No. 55 of 1975), as amended, calculated daily and compounded monthly until full payment is made.

14.3 **Right to Test**

14.3.1 The End User reserves the right to have any fuel delivered under this Agreement tested by an independent, accredited laboratory, either on a random basis or in the event of a dispute regarding fuel quality.

14.3.2 The Supplier acknowledges and agrees that the results of such tests shall be final and binding for determining compliance with the applicable SANS specifications and other quality requirements.

14.4 **Minimum Order Quantities**

14.4.1 No quantities are reflected in the bid as orders will be placed on the basis of "as and when required" and no guarantee is given or implied as to the actual quantity which will be procured during the contract period.

15. CONTINUITY OF SUPPLY PRODUCT ADHERANCE / BRAND CHANGE

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

15.2 In the event that the brand is discontinued, National Treasury, Contract Management must be notified of such an occurrence.

15.3 The supplier is not allowed to deliver a different brand other than the brand awarded to them prior to an approval of brand change from National Treasury, Contract Management.

16. COMPREHENSIVE INSURANCE COVER

16.1 The successful bidder shall, within 10 days of receiving the award notification, submit proof of valid comprehensive insurance coverage applicable for the entire duration of the contract period. This insurance must include coverage for goods in transit and third-party liability. Insurance held by a third-party transporter will be accepted, provided that it meets the specified coverage requirements and proof of such insurance is submitted before commencement of services.

16.2 Failure to submit the required insurance within the stipulated timeframe after award shall constitute a breach of contract and may result in withdrawal of the award or other remedies as provided for in the contract.

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17. PROHIBITION OF UDULTERATION

17.1 The Supplier shall ensure that all fuel (diesel, petrol, and illuminating paraffin) delivered under this contract is free from any form of adulteration, including but not limited to the mixing of illuminating paraffin with diesel or petrol.

17.2 The Supplier shall be responsible for ensuring that illuminating paraffin is marked in accordance with the national Fuel Marker System and is not misrepresented as diesel or petrol.

18. FUEL QUALITY WARRANTY

18.1 The Supplier warrants that all fuel supplied shall comply with SANS/ISO specifications and be free from water, particulates, adulteration, microbial growth, paraffin or any other form of contamination.

18.2 In the event that contaminated fuel is delivered:

(a) The Purchaser reserves the right to reject the delivery and require immediate replacement within 24 hours at no additional cost.

(b) The Supplier shall be liable for all direct and consequential losses suffered, including but not limited to equipment damage, downtime, clean-up costs, and disposal of contaminated product.

(c) A penalty of 10% of the total order value per day of non-compliance shall apply until replacement fuel is delivered.

(d) If the Supplier delivers contaminated fuel on two separate occasions, any subsequent (third) instance of contaminated fuel shall, at the sole discretion of the End User, result in immediate contract termination. The Supplier /Director shall then be blacklisted from participating in any future business with the Transversal Contract for the next two RT70 cycles, corresponding to the duration of the five-year contract period.

(e) Test results from an accredited laboratory shall be final and binding for determining contamination.

19. PENALTIES AND REMEDIES

19.1 In the event that adulteration is confirmed, the End-User, in conjunction with National Treasury, shall have the right to impose penalties, recover any costs incurred, and/or terminate the contract with immediate effect

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19.2 End User further reserves the right to report the matter to SARS and other enforcement authorities for investigation and possible prosecution.

20. CONTINUITY OF SUPPLY

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

20.1.1 Industrial action,

20.1.2 Manufacturing Pipeline

20.1.3 Any other supply challenges.

20.2 In terms of the General Conditions of Contract and Special Requirements and Conditions of Contract, the participating authorities reserve the right to purchase outside of the contract to meet its requirements if:

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

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

20.2.3 In the case of an emergency.

21. PACKAGING AND LABELLING

21.1 **Packaging**

21.1.1 Fuel must be packaged in approved containers (e.g. drums, cans, or bowsers) that comply with SANS 10229.

21.1.2 Containers must be robust, sealed, and resistant to leakage or damage during handling/transport.

21.1.3 Portable fuel containers must comply with SANS 1906 (safety cans and jerricans).

21.1.4 Bulk transport (tankers/bowsers) must comply with SANS 1518 for the transport of dangerous goods by road.

21.2 **Labelling**

21.2.1 Labels must be included in line with SANS 10234.

21.2.2 Product identification, e.g. Petrol Unleaded 95, Diesel 50ppm.

21.2.3 Hazard pictograms including flammable, health hazard and environmental hazard.

21.2.4 Signal words, “Danger” or “Warning”.

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21.2.5 Hazard statements, e.g. “Highly flammable liquid and vapour”.

21.2.6 Precautionary statements, including storage, handling and PPE requirements.

21.2.7 Supplier identification, including name, address and emergency contact number.

21.2.8 Batch/lot number for traceability.

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

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

22.2 **Assignments of Contract**

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

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

22.3 **Cession of Contracts**

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

22.3.1.1 The written request for cession must be by the supplier and not a third party, and the written request by the supplier must be accompanied by the cession agreement.

22.4 **Changes in the Supplier Contact Details**

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

23. POST-AWARD PRODUCT COMPLIANCE PROCEDURES

23.1 The Supplier must ensure that the product confirms the technical specification and its relevant quality standards throughout the contract period. Where the is a justified concern

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regarding the quality of the product, the State reserve the right to request the supplier (at its own cost) to submit a product for testing to confirm compliance with the relevant item technical specification and requirements at the SANAS accredited institution.

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

24. REGISTRATION ON DATABASES OF PARTICIPATING INSTITUTIONS

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

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

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

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

25. MONITORING

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

25.1.1 Compliance with delivery lead times

25.1.2 Percentage of orders supplied in full first time.

25.1.3 Compliance with reporting requirements according to reporting schedule.

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

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

25.3 The National Treasury will conduct meetings with the Participating Institutions and

Suppliers to discuss transversal contracting issues.

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

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

25.6 Reporting and Supplier(s) meetings and schedules will be communicated to successful bidders.

25.7 All successful Suppliers are required to submit historical value and volume reports via e-mail every quarter to: TCcontracts1@treasury.gov.za / TCcontracts2@treasury.gov.za

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

26. TERMINATION

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

26.1.1.1 The Supplier decides to transfer the contract or cede the contract.

26.1.1.2 The supplier does not honour contractual obligations including the submission of information.

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

26.1.1.4 The supplier enters settlement arrangements with their creditors.

26.1.1.5 The supplier commits an act of insolvency.

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

26.1.1.7 There is a change in ownership of the supplier that has the effect that over 50% ownership of the Supplier belongs to the new owner without prior written approval of the State.

26.1.1.8 Overall poor performance rating during the contract period.

26.1.1.9 Supply of contaminated fuel.

END

Initials_____