



health

Department:
Health
REPUBLIC OF SOUTH AFRICA

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Directorate: Affordable Medicines Tel: (012) 395 8130 Fax: (012) 395 8823/4

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**CONTRACT HP07-2017DAI: SUPPLY AND DELIVERY OF PHARMACEUTICAL PRODUCTS:
DROPS, AEROSOLS AND INHALED MEDICINES TO THE
DEPARTMENT OF HEALTH FOR THE PERIOD 01 MAY 2017 TO 30 JUNE 2020**

1. The attached contract circular is for your information.
2. This contract will be subject to the General Conditions of Contract issued in accordance with Chapter 16A of the Treasury Regulations published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Requirements and Conditions of Contract are supplementary to the General Conditions of Contract. Where, however, the Special Requirements and Conditions of Contract are in conflict with the General Conditions of the Contract, the Special Requirements and Conditions of Contract will prevail.
3. The bid price offered applies to the product specified e.g. price per single unit, as per specification.
4. The following provincial Departments of Health will participate in this contract:

PARTICIPANTS	CONTACT PERSON	TEL NO	FAX NO
Eastern Cape	L Mabuya	(040) 608-0853	(086) 666-8790
Free State	M Smits	(051) 411-0544	(051) 430-5344
Gauteng	D Malele	(011) 628-9183	(086) 660-7080
Kwazulu-Natal	S Hlongwana	(031) 469-8336	(031) 462-9158
Limpopo	S Rasekele	(015) 223-9054	(086) 604-7766
Mpumalanga	M Moloto	(013) 283-9000	(013) 283-9043
North West	S Mokgatlha	(018) 384-2977	(018) 384-3529
Northern Cape	E Delport	(053) 830-2700	(086) 508-3222
Western Cape	N Mia	(021) 483-5800	(086) 669-1294

K JAMALOODIEN *K Jamaloodien*
DIRECTOR: AFFORDABLE MEDICINES
For: DIRECTOR-GENERAL: HEALTH
DATE: 13/04/2017

**CONTRACT HP07-2017DAI: SUPPLY AND DELIVERY OF PHARMACEUTICAL PRODUCTS: DROPS,
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IMPORTANT GENERAL INFORMATION:

- 1.1 Please note that two supplier codes are listed for each supplier. This is to provide for the required supplier registration on the Central Supplier Database (CSD) at National Treasury.
- 1.2 Note also that two item identifier codes are listed, viz. the National Stock Numbers (NSN) and the UNSPSC code, used in the new tendering and contract administration system run by National Treasury.
- 1.3 Please note that the delivered price is for the unit of measure (UOM) offered. Unit of Measure, National Stock Numbers and prices should be carefully matched when placing or executing orders.
- 1.4 All prices are inclusive of 14 % VAT.
- 1.5 All prices are on a delivered basis.
- 1.6 Contact persons and e-mail addresses indicated hereunder are to be used for contract enquiries and not for orders.

2. NAMES AND ADDRESSES OF CONTRACTORS AND CONTACT DETAIL

Supplier Name	Supplier Code	Postal Address	Telephone No. Fax Number	Contact Person ----- E-mail Address
Actor Pharma (Pty) Ltd	V2G28 MAAA0183044	P O Box 7408 HALFWAY HOUSE 1685	(011) 312-3812 (011) 312-7814	Malcolm Ryan Blane malcolmb@actorpharma.co.za
Adcock Ingram Critical Care (Pty) Ltd	V4222 MAAA0010153	P O Box 6888 JOHANNESBURG 2000	(011) 494-8491 (086) 619-5680	Natisha Jagaroo natisha.jagaroo@adcock.com
Adcock Ingram Healthcare (Pty) Ltd	V2272 MAAA0036413	Private Bag X69 BRYANSTON 2021	(011) 635-0671 (086) 553-0671	Louis Fourie louis.fourie@adcock.com
Alcon Laboratories (Pty) Ltd	V6308 MAAA0101764	P O Box 12257 VORNA VALLEY 1686	(011) 840-2300 (086) 508-8731	Aaron Tselane aaron.tselane@alcon.com
Allergan Pharmaceuticals (Pty) Ltd	V2Z92 MAAA0018734	P O Box 6024 HALFWAY HOUSE 1685	(011) 545-6609 (086) 765-0153	Teboho Benedict Molebatsi molebatsi_teboho@allergan.com
Biotech Laboratories (Pty) Ltd	VUV35 MAAA0029826	Suite 150 Private Bag X65 HALFWAY HOUSE 1685	(011) 848-3050 (011) 848-3065	Duduzile Mofolo tenders@biotechlabs.co.za

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Supplier Name	Supplier Code	Postal Address	Telephone No. Fax Number	Contact Person ----- E-mail Address
Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32 MAAA0006605	P O Box 32003 MOBENI 4060	(011) 315-9150 (021) 914-0531	Willem Maritz willem.maritz@cipla.co.za
Ferring (Pty) Ltd	VXY92 MAAA0005879	P O Box 14358 CLUBVIEW 0014	(012) 345-6358 (012) 345-1156	Mercia van Zyl mvz@ferring.com
Gulf Drug Company (Pty) Ltd	VT03 MAAA0009791	P O Box 1523 DURBAN 4000	(031) 538-8700 (031) 502-2379	Kevin Moonsamy kevinm@gulfdrug.co.za
Ingelheim Pharmaceuticals (Pty) Ltd	VH649 MAAA0079325	Private Bag X3032 RANDBURG 2125	(011) 348-2480 (086) 775-8223	Abner Moloele state@boehringer-ingelheim.com
Inova Pharmaceuticals (Pty) Ltd	V2192 MAAA0010561	Private Bag 3115 BEDFORDVIEW 2008	(011) 087-0000 (011) 455-3873	Melissa Rademeyer m.rademeyer@inovapharma.co.za
Litha Pharma (Pty) Ltd	VGS73 MAAA0009244	P O Box 8374 HALFWAY HOUSE 1685	(087) 742-1691 (087) 742-1666	Barry Budler barry.budler@lithahealthcare.co.za
Merck (Pty) Ltd	V3018 MAAA0022370	P O Box 1998 HALFWAY HOUSE 1685	(011) 372-5000 (086) 652-8217	Deon Labuschagne deon.labuschagne@merckgroup.com
Mylan (Pty) Ltd	V3PS6 MAAA0081441	PostNet #23 Private Bag X10010 EDENVALE 1610	(011) 451-1300 (011) 451-1400	Nathi Mthethwa nathi.mthethwa@mylan.com
Pharmacare Limited	V2205 MAAA0008452	P O Box 1593 GALLO MANOR 2052	(011) 239-6243 (086) 574-3175	Jaco De Wet jdewet@aspenpharma.com

Item No	Item Description	Quantity Awarded	% Split	Supplier Name	Supplier Code		Brand Name	Delivered Price	Lead time (Days)	MOQ	Total Score	ITEM CODES		UOM
					V-number	CSD						NSN	UNSPSC	
3	Acetylcholine 20mg/2ml, ophthalmic solution, 2ml	28 407		Inova Pharmaceuticals (Pty) Ltd	V2192	MAAA0010561	Miochol-E	R 113.3300	14	Box of 12	90.00	189761050	51151519-00000	VI
4	Atropine 1%, ophthalmic drops, 5ml	251 394		Adcock Ingram Healthcare (Pty) Ltd	V2272	MAAA0036413	Atropine eye drops	R 23.3700	14	20	95.00	180087294	51151616-00002	BT
5	Betaxolol 2.5mg/ml, ophthalmic drops, 5ml	64 062		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Betoptic S 0.25% Susp. 5ml	R 22.9900	14	1	92.00	180075592	51263108-00000	BT
6	Betaxolol 5mg/ml, ophthalmic drops, 5ml	257 091		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Betoptic Solution 5ml	R 22.9900	14	1	92.00	189708315	51263108-00001	BT
7	Bimatoprost 0.3mg/ml, ophthalmic drops, 3ml	682 760		Allergan Pharmaceuticals (Pty) Ltd	V2Z92	MAAA0018734	Lumigan 0.03%	R 31.9700	7	12	90.00	181772811	51241103-00000	CO
8	Bimatoprost and Timolol, 0.3mg and 5mg/ml, ophthalmic drops, 3ml	67 982		Allergan Pharmaceuticals (Pty) Ltd	V2Z92	MAAA0018734	Ganfort	R 43.9900	7	12	90.00	181885838	51241103-00001	BT
9	Brimonidine 1.5mg/ml, ophthalmic drops, 5ml	672 584		Allergan Pharmaceuticals (Pty) Ltd	V2Z92	MAAA0018734	Alphagan Purite	R 41.6100	7	12	90.00	181838247	51241131-00000	BT
10	Brimonidine 2mg/ml, ophthalmic drops, 5ml	103 289		Actor Pharma (Pty) Ltd	V2G28	MAAA0183044	Brimoct	R 62.7000	14	10	90.00	180284536	51241126-00000	BT
11	Brimonidine and Timolol, 2mg and 5mg/ml, ophthalmic drops, 5ml	138 076		Allergan Pharmaceuticals (Pty) Ltd	V2Z92	MAAA0018734	Combigan	R 103.6800	7	12	90.00	181848373	51241513-00000	BT
12	Cyclopentolate 1%, ophthalmic drops, 15ml	36 781		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Cyclogyl 1% 5ml	R 55.6800	14	1	92.00	189711430	51241138-00000	BT
13	Cyclopentolate, 1%, ophthalmic drops, single use applicators, 0.5ml Box of 20	1 789		Inova Pharmaceuticals (Pty) Ltd	V2192	MAAA0010561	Minims Cyclopentolate Hydrochloride 1%	R 219.0100	14	Box of 20	90.00	181891597	51241138-00001	BX
14	Cyclopentolate and Phenylephrine, 2mg and 10mg/ml, ophthalmic drops, 5ml	144 189		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Cyclomydril 5ml	R 60.8800	14	1	92.00	189711429	51241517-00000	BT
15	Desmopressin 10mcg/0.1ml, nasal spray, 5ml	5 602		Ferring (Pty) Ltd	VXY92	MAAA0005879	DDAVP Nasal Spray 0.1mg/ml	R 679.1100	3	2	90.00	180296022	51182101-00001	VI
16	Dexamethasone 0.1%, ophthalmic drops, 5ml	664 284		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Maxidex 5ml	R 11.5000	14	1	92.00	189711204	51422306-00002	BT
18	Dorzolamide and Timolol, 20mg and 5mg/ml, ophthalmic drops, 5ml	29 450		Actor Pharma (Pty) Ltd	V2G28	MAAA0183044	Glaumide CO	R 44.9000	14	10	90.00	222000021	51241522-00000	CO
19	Fluorescein, 2%, ophthalmic drops, single use applicators, 0.5ml Box of 20	11 313		Inova Pharmaceuticals (Pty) Ltd	V2192	MAAA0010561	Minims Fluorescein Sodium 2%	R 242.4800	14	Box of 20	90.00	189712252	51441603-00001	BX
21	Hyaluronidase 1500IU powder for solution, ampoule	82 099		Mylan (Pty) Ltd	V3PS6	MAAA0081441	Hyalase	R 364.9733	14	10	98.00	180301660	51271503-00000	AM
23	Ketorolac 5mg/ml, ophthalmic drops, 5ml	459 588		Allergan Pharmaceuticals (Pty) Ltd	V2Z92	MAAA0018734	Acular 0.5%	R 72.3000	7	10	90.00	180306324	51383504-00000	BT
24	Lanolin 3%, ophthalmic ointment, 3.5G	602 180		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Duratears Preservative Free 3.5g	R 35.9000	14	1	92.00	189711449	51241920-00000	TU

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					V-number	CSD						NSN	UNSPSC	
25	Levobunolol 0.5%, ophthalmic drops, 7.5ml Award deviation: 5ml instead of 7.5ml	128 660		Allergan Pharmaceuticals (Pty) Ltd	V2Z92	MAAA0018734	Betagan 0.5% 5ml	R 10.2400	7	12	90.00	180362560	51263125-00000	BT
26	Oxybuprocaine 0.4%, ophthalmic drops, 3ml	100 653		Adcock Ingram Healthcare (Pty) Ltd	V2272	MAAA0036413	Novesin Wander 0,4% 3ml	R 18.0006	14	100	95.00	189703838	51271919-00000	BT
27	Oxybuprocaine, 0.4%, ophthalmic drops, single use applicators, 0.5ml, Box of 20	10 087		Inova Pharmaceuticals (Pty) Ltd	V2192	MAAA0010561	Minims Oxybuprocaine Hydrochloride 0.4%	R 215.2600	14	Box of 20	90.00	189762327	51271919-00001	BX
28	Oxymetazoline, 0.025%, ophthalmic drops, 15ml	2 324 123	60%	Adcock Ingram Healthcare (Pty) Ltd	V2272	MAAA0036413	Allergex eye drops	R 11.5573	14	200 (1 shipper)	90.44	180139617	51162732-00000	BT
		1 549 415	40%	Allergan Pharmaceuticals (Pty) Ltd	V2Z92	MAAA0018734	Oxylin	R 11.0000	7	12	90.00	180139617	51162732-00000	BT
29	Oxymetazoline, 0.025%, nasal drops, 10ml	1 494 155		Merck (Pty) Ltd	V3018	MAAA0022370	Iliadin Paediatric Drops	R 9.0300	14	Multiples of 12	92.00	189707390	51162732-00001	BT
30	Oxymetazoline, 0.05%, nasal drops, 10ml	1 126 178		Merck (Pty) Ltd	V3018	MAAA0022370	Iliadin Adult Drops	R 9.9700	14	Multiples of 12	92.00	189705181	51162732-00002	BT
31	Oxymetazoline, 0.05%, nasal spray, 15ml Award deviation: 20ml instead of 15ml	1 008 601		Adcock Ingram Healthcare (Pty) Ltd	V2272	MAAA0036413	Nazene Z Nasal Spray	R 13.6373	14	208 (1 shipper)	95.00	189707389	51162732-00003	BT
32	Pilocarpine 1%, ophthalmic drops, 15ml	62 390		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Isopto Carpine 1% 15ml	R 39.8000	14	1	92.00	189714725	51151544-00000	BT
33	Prednisolone 1%, ophthalmic drops, 5ml	295 024		Allergan Pharmaceuticals (Pty) Ltd	V2Z92	MAAA0018734	Pred Forte	R 55.5800	7	12	90.00	189712345	51422315-00000	BT
34	Sodium Chloride 0.9%, isotonic sterile solution for irrigation, 30ml	145 597		Adcock Ingram Critical Care (Pty) Ltd	V4222	MAAA0010153	Adco Saline	R 4.1000	14	30ml x 25	95.00	180301667	51191602-00001	CO
36	Sterile intraocular Irrigating Solution, containing per ml: Sodium Chloride 6.4mg, Sodium Acetate 3.9mg, Sodium Citrate 1.7mg, Potassium Chloride 0.75mg, Calcium Chloride 0.48mg and Magnesium Chloride 0.3mg, 15ml	251 210		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	BSS 15ml	R 22.9900	14	1	92.00	189712275	51241505-00000	BT
37	Sterile intraocular Irrigating solution, containing per ml: Sodium Chloride 6.4mg, Sodium Acetate 3.9mg, Sodium Citrate 1.7mg, Potassium Chloride 0.75mg, Calcium Chloride 0.48mg and Magnesium Chloride 0.3mg, 500ml	74 855		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	BSS 500ml	R 45.2600	14	1	92.00	189712745	51241505-00001	BT
39	Hyaluronic Acid, 10mg/ml, intraocular injection, 0.4ml	114 917		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Provisc 0.4ml	R 140.5600	14	1	92.00	189711240	51202002-00000	SG
40	Hyaluronic Acid, 10mg/ml, intraocular injection, 0.55ml	52 606		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Provisc 0.55ml	R 148.9600	14	1	92.00	180087337	51202002-00001	SG

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41	Sodium Hyaluronate 12mg/ml visco-elastic ophthalmic solution, 0.8ml Prefilled syringe	20 083		Litha Pharma (Pty) Ltd	VGS73	MAAA0009244	Biolone Prime	R 315.0000	14	50	95.00	180087345	51202002-00002	SG
42	Sodium Chondroitin Sulphate and Sodium Hyaluronate, 40mg and 30mg/ml, visco-elastic ophthalmic solution, 0.5ml prefilled syringe	88 645		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Viscoat 0.5ml	R 352.5600	14	1	92.00	180001702	51202002-00003	SG
43	Tetracaine 1%, ophthalmic drops, single use applicators, 0.5ml Box of 20	1 556		Inova Pharmaceuticals (Pty) Ltd	V2192	MAAA0010561	Minims Tetracaine Hydrochloride 1%	R 216.5000	14	Box of 20	90.00	189762325	51272115-00000	CO
44	Timolol, 0.25%, ophthalmic drops, 5ml	30 628		Gulf Drug Company (Pty) Ltd	VTS03	MAAA0009791	Occumol 0,25% (Eye Drop)	R 13.1100	14	100	92.00	189714735	51263175-00000	BT
45	Timolol, 0.5%, ophthalmic drops, 5ml	508 172		Gulf Drug Company (Pty) Ltd	VTS03	MAAA0009791	Occumol 0,5% (Eye Drop)	R 11.9700	14	100	92.00	189711308	51263175-00001	BT
46	Travaprost 40mcg/ml, ophthalmic drops, 2.5ml	86 759		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Travatan 2.5ml	R 47.0000	14	1	92.00	181799197	51241100-00000	BT
47	Travaprost and Timolol, 40mcg and 5mg/ml, ophthalmic drops, 2.5ml	523 361		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	DuoTrav 2.5ml	R 42.0000	14	1	92.00	181837639	51241500-00000	BT
48	Tropicamide, 1%, ophthalmic drops, 15ml	36 711		Alcon Laboratories (Pty) Ltd	V6308	MAAA0101764	Mydracil 1% 15ml	R 50.6500	14	1	92.00	189714739	51151606-00000	BT
49	Tropicamide, 1%, ophthalmic drops, single use applicators, 0.5ml, Box of 20	6 788		Inova Pharmaceuticals (Pty) Ltd	V2192	MAAA0010561	Minims Tropicamide 1%	R 242.4800	14	Box of 20	90.00	180957297	51151606-00001	BX
50	Beclometasone metered dose inhaler, complete, 50mcg per actuation, 200 doses	962 388		Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Beclate 50 HFA	R 27.6800	14	160 packs	99.00	180388822	51422302-00000	TI
51	Beclometasone metered dose inhaler, complete, 100mcg per actuation, 200 doses	1 831 687	60%	Biotech Laboratories (Pty) Ltd	VUV35	MAAA0029826	Beceze 100 CFC Free Inhaler (200 Doses) Complete	R 41.0000	14	10 x 200 dose inhaler	98.00	180034705	51422302-00001	TI
		1 221 124	40%	Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Beclate 100 HFA	R 43.0400	14	160 packs	94.52	180034705	51422302-00001	TI
52	Beclometasone nasal spray, 50mcg per metered dose, 150-200 metered doses Product Awarded: Beclate Aquanase 150 doses	125 717		Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Beclate Aquanase	R 21.5000	14	192 packs	99.00	180267798	51422302-00002	TI
53	Beclometasone metered dose inhaler, complete, 200mcg per actuation, 200 doses	2 690 080		Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Beclate 200 HFA	R 61.1900	14	160 packs	99.00	180327939	51422302-00003	TI
54	Budesonide metered dose inhaler, complete, 100mcg per actuation, 300 metered doses.	248 583		Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Budeflam	R 54.0000	14	90 packs	99.00	180116028	51422302-00004	TI
55	Budesonide metered dose inhaler, complete, 200mcg per actuation, At Least 200 metered doses. Product Awarded: Budeflam 200, 300 doses	1 420 587		Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Budeflam 200	R 58.0000	14	90 packs	99.00	180116030	51422302-00005	TI

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					V-number	CSD						NSN	UNSPSC	
57	Fenoterol, 1.25mg/2ml, respirator solution, single dose vials Box of 60	178 728		Adcock Ingram Critical Care (Pty) Ltd	V4222	MAAA0010153	Adco Fenoterol 1.25mg/2ml	R 108.3000	14	1.25mg/2ml x 60	95.00	180090033	51391721-00000	BX
58	Fluticasone nasal spray, 50mcg per actuation, 120 metered doses.	2 048 090	80%	Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Flomist	R 20.9000	14	192 packs	99.00	189763130	51421501-00000	BT
		512 022	20%	Pharmacare Limited	V2205	MAAA0008452	Flixonase Aqueous Nasal Spray 120 Dose	R 22.0020	14	40	85.25	189763130	51421501-00000	BT
59	Fluticasone and Salmeterol, 125mcg and 25mcg per actuation, metered dose inhaler complete, 120 doses	187 028		Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Sereflo 25/125 HFA	R 51.7100	14	20 packs	99.00	181762518	51162030-00000	CO
60	Fluticasone and Salmeterol, 250mcg and 50mcg per actuation, actuated inhaler, complete, 60 doses	618 578		Pharmacare Limited	V2205	MAAA0008452	Seretide 50/250mcg Accuhaler	R 58.8225	14	20	90.00	181772025	51162030-00001	CO
62	Ipratropium metered dose inhaler, 40mcg per actuation, complete, 200 metered doses	196 059		Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Ipvent 40 HFA	R 71.2900	14	60 packs	99.00	180965002	51161705-00000	TI
63	Ipratropium, 0.25mg/2ml, respirator solution, single dose vials Box of 60	95 910		Adcock Ingram Critical Care (Pty) Ltd	V4222	MAAA0010153	Adco Ipratropium 0,25mg/2ml	R 94.3900	14	0,25mg/2ml x 60 ampoules	95.00	180114760	51161705-00001	BX
64	Ipratropium, 0.5mg/2ml, respirator solution, single dose vials Box of 60	118 144		Adcock Ingram Critical Care (Pty) Ltd	V4222	MAAA0010153	Adco Ipratropium 0,5mg/2 ml	R 108.3000	14	0,5mg/2ml x 60 ampoules	95.00	180008212	51161705-00002	BX
65	Ipratropium Bromide and Salbutamol, 0.5mg and 2.5mg / 2.5ml, respirator solution Box of 60	109 277		Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Duolin Respules	R 86.0000	14	12 boxes of 60 respules	99.00	180146017	51162002-00000	CO
66	Salbutamol metered dose inhaler, complete, 100mcg per actuation, 200 metered doses	9 836 125	70%	Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Asthavent Ecohaler (200 dose)	R 16.4100	14	160 packs	99.00	181773392	51391703-00001	CO
		4 215 482	30%	Biotech Laboratories (Pty) Ltd	VUV35	MAAA0029826	Ventimax 100 CFC Free Inhaler (200 Doses) Complete	R 17.7000	14	10 x 200 dose inhaler	90.93	181773392	51391703-00001	CO
67	Salbutamol 0.5% respirator solution, 20ml	389 631		Pharmacare Limited	V2205	MAAA0008452	Ventolin Respirator Solution 20ml	R 22.9689	14	40	90.00	189715489	51391703-00002	BT
69	Tiotropium Bromide metered dose inhaler complete 18mcg, per actuation, 30 doses	54 334		Ingelheim Pharmaceuticals (Pty) Ltd	VH649	MAAA0079325	Spiriva	R 374.7600	14	1	93.00	181764367	51161574-00000	CO
70	Inhaler Device (Spacer) with mask, for infants, non-return valve, space volume 150ml to 250ml, made of a suitable anti-static material for use with metered dose inhalers Each	113 270		Pharmacare Limited	V2205	MAAA0008452	Glaxohaler Spacer Device	R 56.9430	14	30	90.00	189750638	42271807-00000	EA
71	Inhaler device (spacer) with mask, for children, made of a suitable anti-static material with spacer volume between 250ml and 500ml. Compatible with all inhalers Each	85 023		Cipla Medpro South Africa (Pty) Ltd T/A Cipla Medpro Manufacturing	VXZ32	MAAA0006605	Cipla Zerostat VT Spacer and baby mask	R 105.0000	14	6 units	99.00	189750639	42271807-00001	EA



health

Department:
Health
REPUBLIC OF SOUTH AFRICA

Special Requirements and Conditions of Contract

HP07–2017DAI

**SUPPLY AND DELIVERY OF PHARMACEUTICAL PRODUCTS:
DROPS, AEROSOLS AND INHALED MEDICINES TO THE
DEPARTMENT OF HEALTH**

**FOR THE PERIOD
01 MAY 2017 TO 30 JUNE 2020**

VALIDITY PERIOD: 120 days

National Department of Health

Non-compulsory Briefing Session

13 September 2016

Time: 10:00

Venue:

National Department of Health

Civitas Building, Impilo Board Room, North Tower,

Podium Level

**242 Struben Street (Cnr Thabo Sehume and Struben streets),
Pretoria**

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SPECIAL REQUIREMENTS AND CONDITIONS OF CONTRACT

1. BACKGROUND

This bidding process, and all contracts emanating therefrom, will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) and the Special Requirements and Conditions of Contract which supplement the General Conditions of Contract. Where the Special Requirements and Conditions of Contract are in conflict with the General Conditions of Contract, the Special Requirements and Conditions of Contract will prevail.

2. EVALUATION CRITERIA:

2.1. PREFERENCE POINTS SYSTEM

2.1.1. In terms of Regulation 6 of the Preferential Procurement Regulations, published in terms of the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the basis of the 90/10-preference point system in terms of which points are awarded to bidders on the basis of:

- The bid price (final delivered price including VAT): maximum 90 points
- B-BBEE status level of bidder: maximum 10 points

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

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

Where:

Ps= Points scored for comparative price of bid under consideration

Pt= Comparative price of bid under consideration

Pmin= Comparative price of lowest acceptable bid

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

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

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6	3
7	2
8	1
Non-compliant contributor	0

- 2.1.4. Bidders are required to complete the preference claim form (SBD 6.1) irrespective of whether B-BBEE status level points are claimed or not.
- 2.1.5. Only bidders who have completed and signed the declaration part of the preference claim form, and who have submitted a B-BBEE status level certificate issued by a registered auditor, accounting officer (as contemplated in section 60(4) of Close Corporation Act, 1984 (Act 69 of 1984) or an accredited verification agency will be considered for preference points.
- 2.1.6. Bidders that fail to comply with paragraphs 2.1.4 and 2.1.5 will be allocated zero points for B-BBEE status.
- 2.1.7. The points scored by a bidder for B-BBEE contribution will be added to the points scored for price.
- 2.1.8. The points scored will be rounded off to the nearest 2 decimal points.
- 2.1.9. The National Department of Health may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference points.
- 2.1.10. In the event that two or more bids have scored an equal number of total points, the contract will be awarded to the bidder scoring the highest number of points for B-BBEE. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- 2.1.11. A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

3. PARTICIPATING AUTHORITIES

The National Department of Health and the following Provincial Departments of Health will participate in this contract: Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North West and Western Cape.

3.1. POST AWARD PARTICIPATION

Regulation 16A6.6 of the Treasury Regulations for Departments, Trading Entities, Constitutional Entities and Public Entities, issued in terms of the Public Finance Management Act, 1999, (Act 1 of 1999), states that the Accounting

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Officer/Accounting Authority may, on behalf of a department, constitutional institution or public entity, request to participate in any contract arranged by means of a competitive bidding process by any organ of state, subject to the written approval of such organ of state and the relevant contractors. The Participating Authorities on this contract may therefore be extended in terms of the abovementioned Regulation.

4. CONTRACT PERIOD

The contract period shall commence on 01 May 2017 and expire on 30 June 2020.

5. CENTRAL SUPPLIER DATABASE (CSD)

- 5.1. The Central Supplier Database (CSD) is managed by National Treasury to serve as the source of all supplier information for all spheres of government. The purpose of centralising government's supplier database is to reduce duplication of effort and cost for both supplier and government while enabling electronic procurement processes.
- 5.2. It is a compulsory requirement that all bidders are registered on the CSD at the closing time of the bid (date and hour specified in the bidding documents). Furthermore, suppliers must provide the unique supplier number and security code allocated to them as part of the bid document.
- 5.3. A bid will be deemed non-responsive if the bidder fails to provide the unique supplier number and security code.
- 5.4. For information regarding registration on the CSD, go to www.csd.gov.za.

6. DOCUMENT SUBMISSION AND COMPLETION FOR BIDDING

6.1. BID DOCUMENTS FOR SUBMISSION

Bidders MUST submit the following completed and signed documents in the Bid Pack:

- SBD1: Invitation to bid
- SBD4: Declaration of Interest
- SBD5: The National Industrial Participation Programme
- SBD6.1: Preference points claim form in terms of the Preferential Procurement Regulations 2011

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- SBD8: Declaration of bidder's past supply chain management practices
- SBD9: Certificate of independent bid determination
- PBD1: Authorisation Declaration (if applicable)
- PBD4.1: Supplier details
- PBD8: Declaration of Compliance with the Special Requirements and Conditions of Contract
- Bid Response Document: Completion of all response fields per item offered is mandatory.
- B-BBEE Status Level Verification Certificate (where preference points are claimed) (Original or Certified Copy)
- A certified copy of the license to manufacture, including all annexures, issued by the Medicines Control Council, or its successor in title, in terms of the Medicines and Related Substances Act, Act 101 of 1965, as amended**
- For all items for which a bid is submitted:
 - A certified copy of the Medicine Registration Certificate (GW12/7) **with** all the associated conditions, issued by the Medicines Control Council, or its successor in title, in terms of the Medicines and Related Substances Act, Act 101 of 1965, as amended**.
 - An original package insert approved by the Medicines Control Council, or its successor in title, as well as a copy of the package insert in A4 format**.

** Please note: Where registration of an item is not required in terms of the Medicines and Related Substances Act 101 of 1965, as amended, it is not necessary for the bidder to submit

- A certified copy of the license to manufacture, issued in terms of the Medicines and Related Substances Act, Act 101 of 1965, as amended;
- A certified copy of the Medicine Registration Certificate
- A package insert. Where there is no package insert a legible copy of the label must be provided.

6.2. COMPLETION OF DOCUMENTS AND BID SUBMISSION

6.2.1. Bidders are required to submit **four** sets of bid documents according to the instructions below.

6.2.2. Set 1: Hard copy (constitutes the legally binding bid document)

All SBD, PBD and Bid Response forms must be completed in black typescript. All fields must be completed. Where no electronic entry field is provided, bidders must complete the forms in black ink, handwritten in capital letters. Where information as requested is not relevant, this should be indicated with N/A. After completion, the full

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PDF document and the Bid Response document must be printed. Bidders must submit their complete bid in hard copy format (paper document). The signed hard copy of the bid document will serve as the legal bid document.

The Chief Executive Officer, Chief Financial Officer, or authorised designee of the entity submitting the bid must attach his/her official signature where indicated on the documents. All pages in the bid submission must be initialled by the same person with black ink. The use of correction fluid is not acceptable. Any change/s must be clearly indicated and initialled. Where certified copies of documents are required, the person certifying such documents must not be associated with the bidder in any way.

6.2.3. Set 2: Scanned version of Set 1. (i.e. Scanned complete hard copy)

Bidders **must** submit a PDF version of the entire signed hardcopy bid, including all certificates and documents requested. This may include the supplier submission report discussed in paragraph 6.2.6 below.

6.2.4. Set 3: Electronic version of bid documents

Bidders must submit the electronic versions of all bidding documents to facilitate data extraction. The PDF document must be submitted as editable PDF and the Bid Response Document in Excel (not PDF).

6.2.5. Set 2 and Set 3 must be included on a CD and submitted in **a sealed** package with Set 1. The full name and address of the bidder, the bid number and the closing date of the bid must be clearly indicated on the package.

6.2.6. Set 4: Online Electronic Bid submission

Bidders must access bids and submit bids electronically using the url: <https://eprocurement.csd.gov.za>. Training with regard to the Online Electronic Bid submission will be provided immediately after the briefing session to be held on 13 September 2016.

The procedure to be followed in order to access and complete bids electronically/online is described in the **TCBD 4** attached to this document. The requirement pertaining to the submission of the "supplier submission report" referenced in paragraph 9 of the **TCBD 4** document is not a compulsory requirement for this bid. However, suppliers may submit this report.

6.2.7. All four sets of information must be submitted before the closing time of the bid (date and hour specified in the bidding documents).

6.2.8. Incomplete bids will be deemed non-responsive.

7. TAX CLEARANCE CERTIFICATE

Bidders will not be required to provide an original valid tax clearance certificate to the department as part of the documents for this bid. The Department reserves the right to request the provision of a valid tax clearance certificate which must be provided within ten days of such request being made to the bidder.

8. LEGISLATIVE REQUIREMENTS AND AUTHORISATION DECLARATION

8.1. LEGISLATIVE REQUIREMENTS

- 8.1.1. Where registration is required in terms of the Medicines and Related Substances Act 101 of 1965, as amended, items offered must be registered in terms of section 15 of this Act and must comply with the conditions of registration for the duration of the contract. A certified copy of the Medicine Registration Certificate GW12/7, issued in terms of section 15(3)(a) of the Medicines and Related Substances Act, Act 101 of 1965, as amended must be included with the bid.
- 8.1.2. For all registered products, the bidder must be indicated as the applicant on the Medicine Registration Certificate.
- 8.1.3. When items are offered for products where a BPC (British Pharmaceutical Codex) or USP (United States Pharmacopeia) standard is specified, the bidder must declare that the product complies with and is manufactured according to the specified standard. Details of the manufacturer must also be provided.
- 8.1.4. In exceptional circumstances the National Department of Health may accept bids from bidders who are not indicated as the applicant on the Medicine Registration Certificate. The decision to consider such bids will be made on a case-by-case basis. In cases where the bidder is not the applicant -
 - 8.1.4.1. Details of the agreement between the bidder and the applicant must be disclosed as per paragraph 8.2 of the Special Requirements and Conditions of Contract and the Authorisation Declaration (PBD1) forms submitted.
 - 8.1.4.2. The bidder offering a product must be the holder of a licence to manufacture medicines in terms of section 22C(1)(b) of the Medicines and Related Substances Act, Act 101 of 1965, as amended.
- 8.1.5. Bidders must comply with the requirements of the Patents Act, 1978 (Act 57 of 1978) and the Trade Marks Act, 1993 (Act 194 of 1993) as amended. Where applicable, an explanation for non-compliance must be provided.

8.2. DECLARATION OF AUTHORISATION

- 8.2.1. Where applicable, only the holder of a certificate of registration in terms of the Medicines and Related Substances Act, Act 101 of 1965, as amended may submit a bid.
- 8.2.2. In the event that the Manufacturer, Packer or other entity, as listed on the medicine registration certificate, are external third parties, the bidder must ensure that all legal, financial and supply arrangements have been mutually agreed upon between the bidder and these third parties.
- 8.2.3. Where a third party is involved in any capacity the bidder must submit a duly completed and signed Authorisation Declaration (PBD1) for each such third party. Failure to submit the full declaration will invalidate the bid for such goods offered.
- 8.2.4. The National Department of Health reserves the right to verify any information supplied by the bidder in the Authorisation Declaration at any time. Should the information be found to be false or incorrect, the National Department of Health will exercise any of the remedies available to it in order to disqualify the bid, or cancel the contract, if already awarded.
- 8.2.5. No agreement between the bidder and any third party will be binding on the National Department of Health or Participating Authorities.
- 8.2.6. Accountability with regard to meeting the conditions of any contract emanating from this bidding process rests with the successful bidder and not any third party.

9. BIDDING PROCESS ADMINISTRATION

- 9.1. All communication between the bidder and the National Department of Health must be in writing and addressed to the Director: Affordable Medicines.
- 9.2. The Affordable Medicines Directorate within the National Department of Health is responsible for managing the bidding process and will communicate with bidders to request extension of the validity period of the bid, should it be necessary.
- 9.3. Any unsolicited communication between the closing date and the award of the contract between the bidder and any government official or a person acting in an advisory capacity for the National Department of Health in respect to any bids, is discouraged.

10. COUNTER CONDITIONS

Any amendments to any of the bid conditions, changes to bid specifications or setting of any other counter conditions by bidders will result in the invalidation of such bids.

11. PROHIBITION OF RESTRICTIVE PRACTICES

- 11.1. In terms of section 4(1) of the Competition Act, Act 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder or a contractor was involved in:
- directly or indirectly fixing a purchase or selling price or any other trading condition;
 - dividing markets by allocating customers, suppliers, territories or specific types of goods or services; or
 - collusive bidding.
- 11.2. Section 4(2) of Act 89 of 1998 states that an agreement to engage in a restrictive horizontal practice referred to in subsection (1)(b) of the Act is presumed to exist between two or more firms if:
- any one of those firms owns a significant interest in the other, or they have at least one director or substantial shareholder in common; or
 - any combination of those firms engages in that restrictive horizontal practice.
- 11.3. If a bidder or contracted supplier, in the judgement of the purchaser, has engaged in any of the restrictive practices referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act 89 of 1998.
- 11.4. If a bidder or contracted supplier has been found guilty by the Competition Commission of any of the restrictive practices referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid for such item(s) offered, and/or terminate the contract in whole or part, and/or restrict the bidder or contracted supplier from conducting business with the public sector for a period not exceeding ten (10) years and/or claim damages from the bidder or contracted supplier concerned.

12. FRONTING

- 12.1. The Department of Health supports the spirit of broad-based black economic empowerment and recognises that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the Department of Health condemns any form of fronting.

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- 12.2. The National Department of Health may, 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 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 National Treasury may have against the bidder/contractor concerned.

13. PRODUCT COMPLIANCE

Prior to award products will be evaluated for:

- Compliance with specifications as set out in the Bid Response Document.
- Compliance of the product with the Medicines and Related Substances Act, Act 101 of 1965, as amended (where applicable).
- Availability of samples at both sample evaluation sites as detailed in paragraph 13.1.

13.1. SUBMISSION OF SAMPLES

- 13.1.1. Samples must be submitted to each of the addresses indicated below, prior to closing date and time of bid:

Mr Dumisane Malele	Mr Nisaar Mia
Depot Manager	Pharmaceutical Policy Specialist
Tel: 011 628 9001	Tel: 021 483 5800
Gauteng: Medical Supplies Depot, Transito In	4 th Floor, Cape Medical Depot
35 Plunkett Avenue	16 Chiappini Street
Hurst Hill 2092	Cape Town 8001

- 13.1.2. No samples must be sent to the Directorate: Affordable Medicines at the National Department of Health.
- 13.1.3. Samples must be marked with the bid number, the item number as well as the bidder's name and address.
- 13.1.4. Bidders must submit at least one original pack of each offer for evaluation.

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- 13.1.5. Bids where samples are not submitted to both facilities listed in paragraph 13.1.1 will not be considered for award.
- 13.1.6. It is the responsibility of the bidder to ensure that samples have been received at the addresses provided.
- 13.1.7. All samples for awarded items will be retained for the period of the contract.
- 13.1.8. All samples must be a true representation of the product which will be supplied.
- 13.1.9. All samples submitted must be inclusive of the MCC approved package insert (where applicable). In cases where submission of a package insert is not applicable, a copy of the label of the product must be submitted.
- 13.1.10. In the case of schedule 6 items, only an empty original package and the MCC approved package insert (if applicable) must be submitted and NOT the content of the package.

14. PRODUCT AWARD

14.1. AWARD CONDITIONS

- 14.1.1. The National Department of Health reserves the right not to award a line item.
- 14.1.2. The National Department of Health reserves the right to negotiate prices.
- 14.1.3. In cases where the tender does not achieve the most economically advantageous price, the National Department of Health reserves the right not to award that item.
- 14.1.4. No conversion factors will be applied in instances where a pack size other than that specified is offered.
- 14.1.5. The Department of Health may change treatment protocols and/or product formulations where required, due to emerging clinical evidence, disease profiles, safety or resistance patterns. In these circumstances, the National Department of Health reserves the right to cancel the contract for an item or adjust the quantity awarded based on expected changes in projected demand. In these instances, the Department of Health will notify the contracted supplier within a reasonable time of the expected change. However, in cases where patient safety is a concern, these changes may be implemented with immediate effect.

14.2. SPLIT AND MULTIPLE AWARDS

- 14.2.1. The National Department of Health reserves the right to issue split or multiple awards, where necessary, to ensure security of supply.
- 14.2.2. The following will be taken into consideration when contemplating a split award:
 - Source of API and manufacturing site.

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- Capacity to meet expected demand as per published estimates in the Bid Response Document.
- Estimated volume to be supplied.
- Risk to public health if the item is not available.
- Past compliance of the bidder with contractual obligations.

14.2.3. Two-way split awards will be made in accordance with the following schedule based on the points scored:

Category	Difference between points scored	Recommended percentage split
A	Equal points	50/50
B	< 5 points	60/40
C	>5-10 points	70/30
D	>10-20 points	80/20
E	>20 points	90/10

14.2.4. Where a split for more than 2 suppliers is contemplated, the following formula may be used to allocate volumes for award:

- For a three way split: Supplier share = 33.3% + (supplier score - mean score) x 2.3%
- For a four way split: Supplier share = 25% + (supplier score - mean score) x 2%

14.3. PRE AWARD SUPPLIER DUE DILIGENCE

The National Department of Health reserves the right to conduct supplier due diligence prior to the final award of contract. Supplier capacity may be assessed based on past compliance of the bidder with contractual obligations and manufacturing capacity as declared by the bidder.

15. PRICE QUALIFICATION

- 15.1. Bidders must quote a final price inclusive of delivery and Value Added Tax (VAT).
- 15.2. If a price exclusive of VAT is submitted the bid will be deemed non-responsive.
- 15.3. The bid price offered for a product is deemed to be for the pack size as advertised in the item specification.
- 15.4. Prices submitted must not exceed the Reference Price as published.
- 15.5. Prices submitted must not exceed the ex-manufacturer component of the Single Exit Price inclusive of VAT.

- 15.6. Prices submitted for this bid will be regarded as firm and subject only to review in terms of Paragraph 16.

16. PRICE REVIEW

The National Department of Health envisages three types of price review processes for the duration of this contract:

- A routine adjustment to mitigate foreign exchange fluctuations;
- An exceptional adjustment to mitigate significant short-term foreign exchange fluctuations; and
- A systematic review of prices for comparable products available in the international market place.

16.1. ELIGIBILITY RELATING TO RATE OF EXCHANGE ADJUSTMENTS

16.1.1. Eligibility for price adjustments relating to foreign exchange risk depends on:

- The submission of a complete price breakdown per instructions below for all relevant products; and
- Assessment of the rationality of this price breakdown by the National Department of Health.

16.2. INSTRUCTIONS FOR PRICE BREAKDOWN

16.2.1. The price breakdown must be completed on the signed bid response document as well as the electronic version. The delivered price must be divided across five components:

1. Active Pharmaceutical Ingredients (API);
2. Formulation;
3. Packaging;
4. Logistics (this includes transportation, warehousing and distribution);
5. Gross margin (remaining portion).

16.2.2. The sum of these categories must be equal to 100% of the delivered price for the line item.

16.2.3. The local + imported portions of the first three components must add up to 100% within each component (e.g. Portion of API attributable to local + Portion of API attributable to import = 100% of specific API component).

16.2.4. VAT must be apportioned equally across all components and not regarded as a separate component.

16.2.5. Labour must be apportioned appropriately across the relevant components.

16.2.6. Breakdown must be in percentage format to the closest whole percentage (e.g. 20%).

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- 16.2.7. The National Department of Health reserves the right to engage with bidders to verify any of the components of the bid price, which may include audit of invoices and related documentation.

16.3. PRICE ADJUSTMENTS RELATING TO FOREIGN EXCHANGE RISK

- 16.3.1. Only the portion of the bid price facing foreign exchange risk will be adjusted. This portion is determined by the price breakdown on the signed bid submission.
- 16.3.2. Adjustments are always calculated using the original awarded contracted price as the base.
- 16.3.3. Price adjustments relating to foreign exchange will be based on the percentage change between the relevant base average rate of exchange (RoE) and an adjustment average RoE. Rates are sourced from the Reserve Bank (www.resbank.co.za).
- 16.3.4. Eligibility for favourable Contractual Price Adjustments may be withdrawn in light of evidence of poor compliance with contractual obligations.
- 16.3.5. Base average RoE for this tender will be as follows, per currency:

Currency	Base Average Rates of Exchange Average for the period 1 March 2016 to 31 August 2016
Rand per US Dollar	R 14.7736
Rand per Br Pound	R 20.5864
Rand per Euro	R 16.5592
Yuan Renminbi per Rand	CN¥ 0.4461
Indian Rupee per Rand	I ₹ 4.5435

- 16.3.6. Should the bidder make use of any currency not mentioned above, the bidder must stipulate this clearly and submit the calculated average RoE for the period 01 March 2016 to 31 August 2016 using the South African Reserve Bank published rates for the specific currency.

APPLICATION FOR CONTRACTUAL PRICE ADJUSTMENTS

- 16.3.7. Scanned copies of signed applications for price adjustments must be received by the National Department of Health prior to the submission dates detailed in the tables below.

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16.3.8. Where no application for an adjustment relating to foreign exchange has been received and such an adjustment would be favourable to the Department, this will be implemented automatically.

16.3.9. Foreign exchange adjustments may never result in a price exceeding the current Single Exit Price, ex Logistics.

ROUTINE PRICE ADJUSTMENTS

16.3.10. Schedules for routine price reviews, and periods for calculating adjustment average RoE are detailed in the table below:

Review	Period for calculating adjustment average RoE	Submission of request for price review to reach the office by	Date from which adjusted prices will become effective
1	01 April 2017 – 30 September 2017	03 October 2017	01 November 2017
2	01 October 2017 – 31 March 2018	03 April 2018	01 May 2018
3	01 April 2018 – 30 September 2019	03 October 2018	01 November 2018
4	01 October 2018 – 31 March 2019	03 April 2019	01 May 2019
5	01 April 2019 – 30 September 2019	03 October 2019	01 November 2019
6	01 October 2019 – 31 March 2020	03 April 2020	01 May 2020

EXCEPTIONAL PRICE ADJUSTMENTS

16.3.11. Suppliers may request exceptional price adjustments according to the schedule in the table below. These will be activated if the absolute change between the base RoE and the three month retrospective average RoE indicated in the table below fluctuates by more than 10%.

Review	Period for calculating adjustment average RoE	Submission of request for price review to reach the office by	Date from which adjusted prices will become effective
0.1	01 Apr 2017 – 30 Jun 2017	03 Jul 2017	01 Aug 2017
1.1	01 Oct 2017 – 31 Dec 2017	03 Jan 2018	01 Feb 2018
2.1	1 Apr 2018 – 30 Jun 2018	03 Apr 2018	01 Aug 2018
3.1	01 Oct 2018 – 31 Dec 2018	03 Jan 2019	01 Feb 2019
4.1	1 Apr 2019 – 30 Jun 2019	03 Apr 2019	01 Aug 2019
5.1	01 Oct 2019 – 31 Dec 2019	03 Jan 2020	01 Feb 2020

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16.3.12. Suppliers who received exceptional adjustments will receive routine adjustments based on the preceding three months, rather than the usual six month historical average exchange rate. The periods for calculating adjustment average RoE in these instances are detailed in the table below:

Review	Period for calculating adjustment average RoE post exceptional adjustment	Submission of request for price review to reach the office by	Date from which adjusted prices will become effective
1	01 Jul 2017 – 30 Sep 2017	03 October 2017	01 November 2017
2	01 Jan 2018 – 31 March 2018	03 April 2018	01 May 2018
3	01 Jul 2018 – 30 Sep 2018	03 October 2018	01 November 2018
4	01 Jan 2019 – 31 March 2019	03 April 2019	01 May 2019
5	01 Jul 2019 – 30 Sep 2019	03 October 2019	01 November 2019
6	01 Jan 2020 – 31 March 2020	03 April 2020	01 May 2020

16.4. PRICE ADJUSTMENTS BASED ON A SYSTEMATIC REVIEW

- 16.4.1. The National Department of Health reserves the right to review international prices to identify lowest comparable global prices.
- 16.4.2. Where this review identifies any prices that are lower than contract prices the National Department of Health will enter into price negotiations with the contracted supplier.
- 16.4.3. Where the outcome of this negotiation is deemed unfavourable, the National Department of Health reserves the right to terminate the award for the item in question.

17. ORDERS, DELIVERY AND CONTINUITY OF SUPPLY

17.1. ORDERS

- 17.1.1. The quantities reflected in the advertised bid response document are estimated volumes and are not guaranteed.
- 17.1.2. Fluctuations in monthly demand may occur.
- 17.1.3. Successful bidders will be informed of estimates specific to Participating Authorities upon award.

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- 17.1.4. Contracted suppliers and Participating Authorities are responsible for reviewing these estimated quantities on a monthly basis in order to determine and commit to a rolling quarterly demand plan, thus improving predictability of demand.
- 17.1.5. Proposed minimum order quantities should facilitate delivery directly to facilities. The National Department reserves the right to negotiate minimum order quantities where necessary. Where consensus regarding minimum order quantities cannot be reached, the bid may not be awarded.
- 17.1.6. In order to facilitate efficient implementation of the direct delivery strategy contracted suppliers must pack orders by facility as per the purchase order.
- 17.1.7. Only orders made using an official, authorised purchase order format are valid.
- 17.1.8. Suppliers are required to acknowledge receipt of all purchase orders received from participating authorities, in a manner stipulated by the relevant participating authority.
- 17.1.9. Changes to any quantities ordered may only be made upon receipt of an amended purchase order.
- 17.1.10. The Participating Authorities reserve the right to cancel orders where the lead time exceeds the delivery lead time specified in the contract (as per paragraph 17.2 of the Special Requirements and Conditions of Contract) and may at their discretion purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract (as per paragraph 21.6 of the General Conditions of Contract).
- 17.1.11. In cases where an order is received which appears to be irrational or misaligned with estimates, the contracted supplier must liaise with the relevant Participating Authority prior to processing the order.

17.2. DELIVERIES

- 17.2.1. The initial lead time as proposed in the bid response document will be calculated from date of award of the contract and NOT the date of placement of the first order. This period may not exceed 75 calendar days from the date of award.
- 17.2.2. Lead-time within the contract period is defined as the time from submission of order to supplier to time of receipt by the Department as confirmed by the Proof of Delivery document. This lead-time may not exceed 14 calendar days.
- 17.2.3. Failure to comply with the contractual lead-time will result in penalties being enforced as per paragraph 21 and 22 of the General Conditions of Contract.
- 17.2.4. Products and related documentation must be delivered in accordance with the terms, conditions and delivery instructions stipulated on the purchase order.

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- 17.2.5. The information on invoices and documents relating to delivery must comply with the minimum data requirements as defined by the National Department of Health.
- 17.2.6. Invoices must reflect both the product name of the item and the item description as it appears in the contract circular and Master Procurement Catalogue (MPC).
- 17.2.7. Original invoices and proof of delivery must be authorised by a delegated official at the designated delivery point. These documents must be delivered to the authority responsible for payment. This may or may not be the same as the delivery address stipulated on the purchase order. Suppliers are required to know where documents must be delivered.
- 17.2.8. The supplier must ensure that products are delivered in accordance with the appropriate conditions of storage, as per product's conditions of registration (where applicable). Delivery is deemed to terminate upon signature of receipt by the delegated official as contemplated in paragraph 17.2.7
- 17.2.9. Discrepancies between invoice and physical stock, or damaged stock, will be reported to the contracted supplier within a reasonable time or as arranged with the supplier. This time period must make provision for the quantities received to be checked upon receipt of delivery.
- 17.2.10. Contracted suppliers will be responsible for collection of goods delivered erroneously, or in the incorrect condition as formally arranged in consultation with the facility. The Participating Authorities may recoup any expenses associated with failure to collect such goods in accordance with the agreement.

17.3. CONTINUITY OF SUPPLY

17.3.1. Contracted suppliers must:

- have at least two months' supply of the estimate at the start of the contract;
- maintain sufficient stock to meet demand throughout the duration of the contract;
- inform the National Department of Health at first knowledge of any circumstances that may result in interrupted supply, including but not limited to:
 1. regulatory action which may impact on their GMP status or that of entities on which they are reliant;
 2. any anticipated problems associated with the availability of active pharmaceutical ingredient (API);
 3. industrial action;
 4. challenges with manufacturing pipeline;
 5. any other supply challenges.

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- direct official communication relating to continuity of supply to stockalert@health.gov.za, as well as Participating Authorities;
- direct official communication relating to payment challenges to medacc@health.gov.za, as well as Participating Authorities.

This official communication must include detail of corrective actions taken by the contracted supplier to ensure continuity of supply.

17.3.2. It is the responsibility of the contracted supplier to ensure continuous availability and supply of contracted items. In the event that the contracted supplier is unable to supply in terms of 17.3.1 above, the contracted supplier will source alternative product of acceptable quality and up to the same quantity as required in terms of the contract. The substitute item will be supplied at the current price of the contracted item.

17.3.3. Suppliers using the mechanism stipulated in 17.3.2 above may also be required to pay penalties for supply exceeding the contractual lead time as stipulated in the General Conditions of Contract Paragraph 22.

17.3.4. In terms of the General Conditions of Contract and Special Requirements and Conditions of Contract, the Participating Authorities may purchase outside the contract in order to meet its requirements if the item(s) are urgently required and not immediately available.

18. PACKAGING AND LABELLING

18.1. PACKAGING

18.1.1. Suppliers must ensure that products delivered are received in good order at the point of delivery. Packaging must be suitable for further dispatch, storage and stacking according to Good Wholesaling Practice and Good Distribution Practice.

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

18.1.3. The packing must be uniform for the duration of the contract period. All products must be packed in acceptable containers, specifically developed for the product.

18.1.4. The number of units in the unit pack, shelf pack and shipper pack must be completed in the Bid Response Document.

18.1.5. Where a particular stacking and storage configuration is recommended by the supplier, this should be clearly illustrated on the outer packaging.

18.1.6. Where the contents of the shipper pack represents a standard supply quantity of an item, the following must be adhered to:

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- Outer packaging flanges must be sealed with suitable tape that will clearly display evidence of tampering.
 - The contents must be packed in neat, uniform rows and columns that will facilitate easy counting when opened.
- 18.1.7. Where the contents of a shipper pack represents a non-standard supply quantity, the following must be adhered to:
- Outer packaging flanges must be sealed with suitable tape that will clearly display evidence of tampering.
 - The shipper pack must contain only one product, mixing of multiple items in a single shipper is not allowed.
 - The outer packaging must be clearly marked as a "Part Box".

18.2. LABELLING

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

The following information must be clearly and indelibly printed on all shelf and shipper packs, including any part boxes:

- Item name as contained in the contract circular and the Master Procurement Catalogue (MPC);
 - Registered product name (if applicable);
 - Number of units in pack (e.g. for bulk packs 80 x 10 x 100s);
 - Batch number;
 - Expiry date;
 - Storage conditions;
 - Barcode.
- 18.2.2. Where the contents of the shipper requires special attention in terms of storage and/or handling, e.g. thermolabile, high-scheduled or cytotoxic products, such instructions must be clearly and visibly indicated on the outer packaging on a brightly coloured background.
- 18.2.3. In the case of products registered in terms of the Medicines and Related Substances Act, Act 101 of 1965, as amended, unit packs must be labelled in accordance with Regulation 8 of the General Regulations published in terms of this Act. The label must include a barcode.

18.3. BARCODES

18.3.1. It is mandatory that all products supplied must include a barcode (number plus symbology). All shipper, shelf and unit packs must be marked with the appropriate number and symbology. The European Article Numbering Code 13 (EAN 13) has been accepted as standard.

18.3.2. Suppliers are encouraged to include a 2D barcode or similar on their packaging that will include the following information:

- Item name as contained in the contract circular and the Master Procurement Catalogue (MPC);
- Registered product name (if applicable);
- Dosage form and strength;
- Pack size;
- Batch number;
- Expiry date.

19. QUALITY

Where applicable, products must conform to the conditions of registration of the product with Medicines Control Council, or its successor in title, for the full duration of this contract.

20. SHELF-LIFE

20.1. Unless the Medicines Control Council, or its successor in title, has approved a shorter shelf life, products must have a shelf-life of at least 18 months upon delivery.

20.2. Contracted suppliers may apply in writing to Participating Authorities to supply a product with a shorter shelf life provided that:

- Applications are accompanied by an undertaking that such short-dated products will be unconditionally replaced or credited before or after expiry; **and**
- applications are approved by the Participating Authorities before execution of orders; **and**
- upon notification of remaining expired stock such products will be collected by the supplier at their own cost; **and**
- failure to collect the products within 30 days after written notification to the supplier will result in the disposal of the product by the Participating Authority for the account of the supplier.

- 20.3. If short-dated products are delivered **without** the aforementioned undertaking the following discount formula will be applied for invoicing of short-dated products:

$A = (18 - \text{months to date of expiry}) \times 2\% \times \text{consignment value short dated product}$.
Therefore, amount to be invoiced is: Consignment value minus A, where A is the value of the outcome of the discount formula.

- 20.4. Unless otherwise agreed to in terms of 20.2, any Participating Authority may, without prejudice, decline to accept product with a shelf-life of less than 18 months.

21. POST AWARD

21.1. MONITORING

- 21.1.1. The management of the contract is the responsibility of the National Department of Health. All correspondence in this regard must be directed to the Director: Affordable Medicines.
- 21.1.2. Contracted suppliers must advise the Director: Affordable Medicines at first knowledge of any unforeseeable circumstances that may adversely affect supply against the contract. Full particulars of such circumstances must be provided by the supplier as contemplated in paragraph 17.3.
- 21.1.3. The National Department of Health, in collaboration with the other Participating Authorities, will monitor the performance of contracted suppliers and maintain a scorecard for compliance to the terms of this contract as follows:
- Compliance with delivery lead times;
 - Percentage of orders supplied in full first time;
 - Compliance with reporting requirements according to reporting schedule and reporting mechanism. As a minimum, suppliers will be required to submit the following information in a specified format and via a mechanism defined by the National Department of Health:
 - All transactional data relating to orders;
 - A monthly age analysis;
 - Pipeline data;
 - Status of outstanding orders.
 - Attendance of compulsory quarterly meetings: The National Department of Health will hold quarterly meetings with suppliers to review the next quarter's demand, as well as supplier performance.

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21.1.4. The National Department of Health will request Participating Authorities to impose penalties, where deemed necessary, as per Paragraph 21 and 22 of the General Conditions of Contract.

21.1.5. Non-compliance of contracted suppliers to the terms and conditions of this contract may influence participation in future contracts.

21.2. REPORTING

21.2.1. National Department of Health will provide an indication of reporting requirements at the briefing session and successful bidders will be assisted with complying with these requirements.

21.2.2. The National Department of Health may, from time to time and within reason, add to the reporting requirements. Any changes to reporting requirements or the reporting mechanism will be communicated in writing by the Director: Affordable Medicines.

21.3. CEDING, MERGERS, TAKE OVERS AND CHANGES IN SUPPLIER DETAILS

21.3.1. Where a contracted supplier plans to merge with or is going to be acquired by another entity, or plans to cede a contract the contracted supplier must inform the National Department of Health in writing at first knowledge of such an event.

21.3.2. The National Department of Health reserves the right to agree to the transfer of contractual obligations to the new supplier under the prevailing conditions of contract or to cancel the contract.

21.3.3. A contracted supplier must inform the National Department of Health at first knowledge of any changes to address, name, or contact details and effect these changes on the Central Supplier Database.

21.4. THIRD PARTIES

21.4.1. Participating Authorities will not make a payment to or consult with a third party.

21.4.2. No third party is entitled to put an account of a Participating Authority on hold.

21.5. CONTACT DETAILS

Postal address
Director: Affordable Medicines,
Private Bag X828, Pretoria, 0001

Physical address
Director: Affordable Medicines, Civitas
Building, 242 Struben Street,
Cnr Thabo Sehume Street, Pretoria,
0001

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Please use the following e-mail address and contact persons for any queries relating to bidding process:

Ms B May	Ms M Rasengane
Tel: (012) 395 8442	Tel: (012) 395 9452
Fax number: (012) 395 8823	
Email: medtenders@health.gov.za	

22. ABBREVIATIONS

The abbreviations used in this document signify the following:

API	Active Pharmaceutical Ingredient
BP	British Pharmacopeia
BPC	British Pharmaceutical Codex
B-BBEE	Broad-Based Black Economic Empowerment
CD	Compact Disc
CSD	Central Supplier Database
EAN	European Article Number
GMP	Good Manufacturing Practice
MCC	Medicines Control Council
NDoH	National Department of Health
PDF	Portable Document Format
RoE	Rate of Exchange
SARS	South African Revenue Service
USP	United States Pharmacopeia
VAT	Value Added Tax