

**KWAZULU-NATAL PROVINCE**HEALTH
REPUBLIC OF SOUTH AFRICA

Quotation Advert

Opening Date: 12/07/2024

Closing Date: 22/07/2024

Closing Time: 11:00

INSTITUTION DETAILS

Institution Name: Queen Nandi Hospital

Province: KwaZulu-Natal

Department of entity: Department of Health

Division or section: Supply Chain Management

Place where goods/
service is required: **Queen Nandi Regional Hospital**

Date Submitted: 12/07/2024

ITEM CATEGORY AND DETAILS

Quotation number: QNR308/24-25

Item Category: Services

Item Description: **Request for proposal to outsource radiology reporting services for Queen Nandi Regional Hospital****COMPULSORY BRIEFING SESSION / SITE VISIT**

Select Type: Complusory Briefing

Date: 17 July 2024

Time: 09h00

Venue: QNRH X-Ray Boardroom

QUOTES CAN BE COLLECTED FROM: MUST BE PRINTED ON THE KZN HEALTH WEBSITE**QUOTATION MUST BE DEPOSITED ON THE TENDER BOX SITUATED NEXT TO HOSPITAL ENTRANCE DOOR, 29 UNION STREET, EMPANGENI, BEFORE THE CLOSING DATE AND TIME OF THE BID****ENQUIRIES REGARDING ADVERT MAY BE DIRECTED TO:**

Name: Mr K.R. Nzimande

Email: Khayelihle.nzimande@kznhealth.gov.za

Contact number: 035 907 7069

Finance Manager Name: Mr D.N. Luthuli

Finance Manage signature: 



health

Department:

Health

PROVINCE OF KWAZULU-NATAL

REQUEST FOR PROPOSAL

TO

**OUTSOURCE RADIOLOGY REPORTING
SERVICES FOR QUEEN NANDI REGIONAL
HOSPITAL**

PERIOD: 12 MONTHS

DATE OF SITE BRIEFING: 17 JULY 2024

TIME: 9H00

Key Contact Information

Queen Nandi Regional Hospital – Key Contacts			
Name	Title	Email	Phone
Mrs C.N.N. Mkhwanazi	CEO	nqobile.mkhwanazi@kznhealth.gov.za	035 907 7001
Dr M. Samjowan	SMM	menitha.samjowan@kznhealth.gov.za	035 907 7008
Mr. D.N. Luthuli	DDF	ntuthuko.luthuli@kznhealth.gov.za	035 907 7050

Response Requirements: The complete sets of proposals replying to all requested information must be submitted on or before the closing date to the address at 11:00 AM (Local time and date):

Queen Nandi Regional Hospital
Tender Box on the Hospital Main Entrance
29 Union Street
Empangeni 3880

Questions/Clarification to RFP: All questions and clarification are to be submitted via email with "Radiology Services RFP Clarification" in the subject line to:

Dr M. Samjowan, Senior Medical Manager, menitha.samjowan@kznhealth.gov.za

Each vendor's RFP response shall remain firm for a period of 90 days from the proposal due date.

RFP Schedule

RFP Schedule	
Deliverable	Date
Advert Date	12 July 2024
Site briefing details:	Date: 17 July 2024 Time: 09h00. Venue: QNRH X-Ray Boardroom.
Deadline for submissions of vendor proposals	22 July 2024
Notification of Award	01 August 2024
Contract negotiations completed	12 August 2024
Contract start date	01 September 2024

1. Introduction

KZN Department of Health Overview

- 1.1 KwaZulu-Natal Department of Health's vision is to provide optimal health status for all persons in the Province achieved through the development of a sustainable, co-ordinated, integrated and comprehensive health system at all levels, based on the primary health care approach through the district health system.
- 1.2 The Department's core values are founded on:
 - 1.2.1 Trust built on truth, integrity and reconciliation
 - 1.2.2 Open communication, transparency and consultation
 - 1.2.3 Commitment to performance
 - 1.2.4 Courage to learn, change and innovate

2. Purpose and background

The purpose of this Request for Proposals (RFP) is to appoint a suitably qualified service provider to render Radiology services at Queen Nandi Regional Hospital. Queen Nandi Regional Hospital is a 369 bedded, gazetted regional hospital providing specialized Mother and Child services to the Northern KwaZulu Natal districts of King Cetshwayo, Zululand and UMkhanyakude. The hospital provides 60% tertiary level services, 35% regional services and 5% district services. This hospital also provides maternal, paediatric services and radiology services to inpatients. Radiology is responsible for both carrying out the CTs and reporting thereof. Paediatric scans booked average about 50 plus scans for a month and approximately one third of these requests are urgent. The department is struggling to appoint permanent / sessional Radiologists hence this request for proposal for the remote reporting of Radiology Services from the suitable service providers.

The appointed service provider will be required to provide remote reporting for the following Radiology services for the hospital and provide the reports to the institution within a specified time frame:

- CT Scans,
- MRI scans,
- Complicated X-Rays,
- Level 3 and 4 Ultrasound scans
- Emergency CT scans.

3. Scope of Radiology Services

Under the proposed agreement, the selected Radiologist will provide the following services on an agreed upon fee arrangement:

1. Provide interpretation of radiological procedures in all modalities including general diagnostic of Complicated X-Rays, CT scans, MRI scans, Level 3 and 4 Ultrasound scan, and Emergency CT scan offered in the system with final diagnostic reports for each examination or procedure.
2. To provide real time remote reporting on all our CT scans thereby reducing the turnaround times of reports and the booking of patient appointments can be timeously booked within allocated times.
3. Provide communication and education with the hospital's medical staff as reasonably requested by the hospital.
4. Select, along with designated hospital leadership, Radiologists who are fully qualified and able to perform the duties as stated above, but within their scope, expertise, and credential of each individual Radiologist.
5. Comply with all state laws relating to patient care and related activities radiology protocols and prescripts;
6. Provide "normal" or "standard" templates for dictation and ensure that the Radiologists dictate into the hospital's dictation system reports on all examinations, procedures, and other services performed in the Imaging Department within twenty-four (24) hours of completion of the service
7. Develop and lead processes to ensure quality, timeliness, and communication of all results by developing a scorecard of metrics as determined in consultation with Queen Nandi Regional Hospital leadership and medical staff.
8. To be able to provide relevant compatible IT equipment to expedite the sending of images remotely and to comply with their onsite application, in consultation with Radiology staff and the IT Technician in Queen Nandi Regional Hospital.

4. RFP Timeframe and Requirements

Inquiries – We encourage inquiries and welcome the opportunity to answer questions from potential applicants. Questions submitted in writing will be returned within the reasonable prior the closing date of RFP.

Site Briefing - Interested service providers are requested to attend the briefing session so that they will get a chance to engage the Hospital on the nature of service required and view the setup in the Radiology section.

Scope of Responses - Interested vendors must submit their responses to all sections of this RFP and include all requested information. Vendors who wish to send additional materials are welcome to do so.

Pricing – Interested Service Providers must quote per service as listed in section (2). The services listed on section (2) are not exhaustive and Service Providers can add the services that they deem necessary in relation to the service being rendered at the Hospital however the Hospital will make final determination on whether additional proposed services and their pricing are accepted.

Confidentiality - Due to the competitive nature of this RFP, to the extent permitted by law, all vendor responses will be confidential.

5. RFP Administrative Conditions

Vendor applicants should note the following:

The submission of this RFP does not imply an offer to do business with any QNRH recipient. The right to accept any complete response, or portion thereof, or to accept none of the responses even if all the stated requirements are met is reserved by the requestor. Only the execution of a written contract will obligate the RFP requestor in accordance with the terms and conditions contained in such contract.

Submitted information packages that do not respond to all items in this RFP may be excluded from further consideration and alternative information packages may not be considered.

Queen Nandi Regional Hospital reserves the right to disqualify any vendor from review in the event the vendor submits the RFP response after the submission deadline.

Queen Nandi Regional Hospital will not be responsible for any costs incurred by an organization in preparing, delivering or presenting responses to this RFP. Once submitted, vendor responses will be the property of RFP requestors and will not be returned.

All responses to this RFP should be clear and concise. Responses of excessive length or containing excessive advertisement are discouraged and may not be reviewed.

By submitting an information package, the vendor represents that they have read and understand the RFP and are capable of fulfilling all requirements.

6. Vendor Background and Information

1. Vendor Company

- Company legal name:
- Company and Intellectual Property Commission (CIPC):
- State of incorporation:

2. Vendor Primary Contact

- Name:
- Title:
- Office/Location Address:
- Phone Number:
- E-Mail address:
- Organization's Internet Home Page:

7. Administrative Information:

- Matric Certificate
- MBChB
- HPCSA Registration as a full specialist radiologist
- FC Radiology
- List of all hospital contracts you have won in the last 12 months.
- List of all hospital contracts terminated in the last 12 months.
- Please provide a CV for each Radiologist in your group.
- A valid tax clearance certificate;
- The Central supplier database registration number;
- A description of the Company's profile;
- BBBEE Certificate or Sworn Affidavit from the Commissioner of Oaths

8. Proposal of Radiology Services to be provided

A. Radiologist Coverage

- Describe how the group proposes to provide radiologist coverage and services to the hospital. Include any 3rd party groups that would be included in the proposed services.
- If the use of "Preliminary Reports" is part of the proposed services, please describe when they are used, who is generating them, the process and timing of generating a

“Final Report,” and how the report discrepancies are managed, reported and communicated.

- Describe any areas of sub-specialty provided by your group, and how those services are provided. Please indicate the qualifications used to determine the specialty service.

B. Final Report Turn-Around Times

- Describe contracted Final Report Turn-Around Times based on a 24 hours environment.
 - Describe how report turn-around times are measured and reported to the hospital.
 - Please include (via an attachment) an example of a report that would be used to report turn-around time performances.

C. Quality Plan

- Describe your group's approach towards ensuring quality.
- Describe your group's standard approach to “Peer Review” and your peer review process. Please include tools used, “blinding” process, how quality is measure, and the standards levels assessment used.
- Describe how identified quality issues are addressed, tracked, reported, and communicated with the hospital.
- In the event of a quality issue with an identified radiologist, describe the process to address and remove the radiologist from the hospital practice. Please describe any potential impact to the level of service for the hospital as a result of this process.
- Describe your group's approach toward ensuring the “Critical Findings” are tracked and communicated effectively. Please include tools used, reports tracking, and team staff involved to support this process.
- Provide an example of internal and external surveys conducted to ensure continuous improvement.

D. Report Generation and Editing

- Describe the process and technology used to generate and edit final radiology reports.

- Describe steps taken to ensure report completeness and consistency across the group of individual radiologists.
- Describe any expectations or needs the radiology group has for hospital staff in generation of radiology reports (technology, people, integration, etc.)
- Provide a representative sample of your group's radiology reports:

E. Radiologist Staffing and Retention

- What advantages does your organization have in its ability to recruit quality radiologists?
- How are your radiologists compensated and incentivized to achieve performance goals?
- Is it proposed that radiologists assigned will work exclusively at our hospital?
- What is your proposed on-site staffing plan for the Radiology department at our hospital?
- How do you assure that newly hired radiologists are high quality?

F. Clinical Effectiveness Programs

- Describe your group's clinical effectiveness experience, including but not limited to, information regarding:
 - Imaging protocol development
 - Radiation dose reduction initiatives
 - Review of order appropriateness/clinical decision support
 - Development of ordering guidelines/suggestions for referring physicians/clinical decision support
 - Reducing variations in practice
 - Measuring outcomes

G. Additional Information

I hereby acknowledge that the above information is accurate and completed to the best of my knowledge.

Name _____ Date: _____

Title _____

Organization: _____

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

- 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 "Day" means calendar day.
- 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder,

and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in

- the form provided in the bidding documents or another form acceptable to the purchaser; or
- (b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

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

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into

consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

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

22. Penalties

- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.