HEALTH
REPUBLIC OF SOUTH AFRICA

HP12-2023LQ – 27 March 2023
QUESTIONS AND ANSWERS

No	HP12-2023LQ HDI & RDP Questions received	Answer
1	What impact will the BEE certificate play in tenders going forward? Will it need to be shared and will any preference be given to each BEE level?	The B-BBEE certificate will have no impact in pharmaceutical tenders managed by the National Department of Health going forward. It does not need to be shared nor will it be used to give p-points. Preference points will be scored through alignment with specific goals (HDI and RDP) set by the Department as prescribed in the SRCC, referred to in the Preferential Procurement Regulations of 2022 and as contemplated in section 2(1)(d) of the Procurement Policy Framework Act No 5 of 2000, which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994.
2	Are these requirements specific to this tender or will it be the rule for all future tenders?	With effect from 16 January 2023 all pharmaceutical tenders must include goals. These goals relate to HDI and RDP. HDI goals and points as published, and is unlikely to change going forward, however, the RDP goal may change from tender to tender.
3	Will the HDI promotion and points claimable be allocated based on our ownership element of our current BEE scorecard? If so, then how do we provide support for an ownership trust with many beneficiaries?	HDI points claimable will be allocated based on the percentage of an enterprise which is owned by HDI`s and in the case of a company, the percentage of shares that are owned by individuals classified as HDIs, who are actively involved in the management of the enterprise. Equity claims for a Trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust. The onus is on the bidder to present evidence of ownership for all that meet the criteria of HDI`s, including HDI beneficiaries in an ownership trust.
4	Who would verify the HDI promotion and points claimable?	Several Units within NDoH comprising of skilled officials in a relevant field will be responsible for *inter alia* the initial evaluation of HDI and RDP claims which will include the allocation and calculation of points claimable. Furthermore, the initial verification and calculation work done, is subject to peer review by Pharmaceutical Policy Specialists for quality assurance. In addition, all tenders are presented to several bid committees which comprises of experts in the field of Supply Chain. who verify that prescribed rules regulations and legislations have been applied and adhered to during the process. It should be noted that fraudulent information will be reported to National Treasury OCPO with consequences i.e., blacklisting.

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5	The RDP goal – are these 2 points claimable for South African registered enterprises or only enterprises where the shareholder is a South African enterprise? How far up the group structure does this cut off, i.e. If your bidding entity is a SA based and owned enterprise, but the ultimate holding company for the SA group is an Indian registered enterprise.	RDP points are not obtained through an RSA registration of an enterprise. RDP points are obtained through ownership. A percentage (%) of the two (2) Points that is claimable, equal to the percentage (%) South African ownership (through shareholding, that may include other South African bodies or RSA individuals) can be claimed, if a claim is adequately supported i.e., CSD Report, CIPC, SAHPRA MRC`s, ownership/shares certificates, and applicable statutory registrations etc. In cases where % RSA ownership is not certain, input from National Treasury OCPO will be sought for final determination.
6	When referring to HDI does this related to shareholders or the board members of the company?	Only those individuals classified as HDI`s, who are shareholders (owners) who are actively involved in the management of the enterprise. Thus, excluding board members without ownership.
7	Is HDI any RSA citizen that has a % ownership of the bidding company and falling within a racial categorisation other than white?	Yes, as long as the individual was born before 1993, (excluding white males but including white females).
8	When referring to female HDI does this include all females, please clarify?	All Females with % ownership (all racial categorisations) is included. Same % is claimable from the two (2) points available for the HDI Female goal.
9	When reference to HDI who is being referred to? (Does this include white women)	White women with % ownership is included
10	In HDI what race does this relate to what disabilities are included? Please specify if this relates to board members/ shareholders or staff. (As supporting documentation what level of healthcare practitioner is required?)	Historically Disadvantaged Individual (HDI) means a South African citizen - who, due to the Apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act 200 of 1993) (“the interim Constitution); and/or who is a female; and/or who has a disability: provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI. HDI excludes white males. A disability disclosed by a registered Medical Practitioner will be considered, and points will only be allocated if such person has a % ownership. It should be noted that fraudulent information will be reported to National Treasury OCPO with consequences i.e., blacklisting.
11	With reference to RDP, does this relate to the general public or confined to a specific race group	The RDP Goal relates to South African owned enterprises and includes those RSA citizens with ownership. It is not confined to any specific race group.
12	With reference to RDP, does employee share schemes be considered for point allocation? Please specify the supporting documentation required and will there be a requirement of a dividend declaration.	The RDP Goal in this tender, relates to South African owned enterprises and as such, evidence is required to show the % ownership of RSA citizens within the share scheme, The onus is on the bidder to present evidence of % ownership claimed (as per SBD6.1) and may include a dividend declaration etc. In cases where % RSA ownership is not certain, input from National Treasury OCPO will be sought for final determination.

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13	Will this preferential point scoring system be applicable to buy out as well	Buy out is not relevant to tender, however, HDI & RDP Goals form part of all procurement activities above R2000.
14	Will this be a standard requirement by the department going forward and will this be adopted by other government institutions as well?	HDI and RDP goals are applicable to all (government institutions) tenders and quotations as per the published regulation, however, the RDP goal/s may be institution specific.
15	If this is a standard requirement, please confirm in writing that BBBEE certification is no longer required going into the future.	The B-BBEE certificate will have no impact in pharmaceuticals tenders managed by the National Department of Health going forward. It does not need to be shared nor will it used to give points. Preference points will be scored through alignment with specific goals (HDI and RDP) set by the Department as prescribed in the SRCC, referred to in the Preferential Procurement Regulations of 2022 and as contemplated in section 2(1)(d) of the Procurement Policy Framework Act, No 5 of 2000 which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994.
16	Please specify the mechanism used to calculate the points per requirement as set out in section 5 of the Special Requirement and Conditions of contract: HP12-2023LQ	The supporting documents for each HDI and RDP goal will be evaluated and the total % obtained, will be multiplied by the available points for each goal. If bidder does not offer supporting documents or evidence for the percentages (%) claimed - no points will be allocated. Bidders will only receive points for substantiated claims. Several Units withing NDoH comprising of skilled officials in a relevant field will be responsible for *inter alia* the initial evaluation of HDI and RDP claims which will include the allocation and calculation of points claimable. Furthermore, the initial verification and calculation work done, is subject to peer review by Pharmaceutical Policy Specialists for quality assurance. In addition, all tenders are presented to several bid committees which comprises of experts in the field of Supply Chain.

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