



Procurement Management MGP & Services

Address: 117 Cresswell Street, Weavind Park, Pretoria.

E-mail: [RoosH@saps.gov.za](mailto:RoosH@saps.gov.za) / [FubePrincess@saps.gov.za](mailto:FubePrincess@saps.gov.za)

**16. SECTION B**

**16.1 CONTRACT PERIOD**

The contract period shall be for a period of five (5) years.

**16.2 RIGHT OF AWARD**

The South African Police Service reserves its following rights:-

- To award the bid in part or in full;
- Not to make any award in this bid;
- Award the bid to more than one bidder for the same line item;
- Clarify further technical information from any bidder after the closing date;
- Verify information and documentation of the respective bidder;
- To withdraw or amend any of the bid conditions by notice in writing to all bidders prior to closing of the bid and post award
- To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the bid
- To award a bid based on which bidder is offering the best value for money, even if such bid is not the lowest price.
- In the event that an incorrect award has been made or an error occurred during evaluation and adjudication phase, the South African Police Service reserves the right to remedy the matter in any manner it may deem fit.

**16.3 MULTIPLE AWARD**

The South African Police Service reserves the right to award the same item to more than one supplier to address product availability and compatibility. Due diligence will be applied to ensure that pricing is affordable, market related and aligned to end-user requirements.

The following will be taken into consideration when awarding through a multiple award:

- a) Capacity to meet volume demand as per bid requirements
- b) Estimated volume to be supplied
- c) Risk to departments if the item is not available



- d) Source of the finished product, raw material and manufacturing site
- e) Previous performance of the bidder
- f) Example 1 – 50/50  
Example 2 – 70/30  
Example 3 - 60/40  
Example 4 – 80/20

#### **16.4 NEGOTIATIONS**

The South African Police Service reserves the right to negotiate with the bidders prior to award and with the successful bidder(s) post award.

#### **16.5 QUALITY**

Where specific specifications and/ or standards are applicable on materials and supplies, the quality of products shall not be less than the requirements of the latest edition of such specifications and/or standards.

#### **16.6 DELIVERY AND QUANTITIES**

##### **16.6.1 DELIVERY BASIS**

Firm lead times for delivery must be quoted for the duration of the contract period.

##### **16.6.2 QUANTITIES**

Quantities cannot be guaranteed.

#### **17. SECTION C**

##### **17.1 ROLES AND RESPONSIBILITIES**

###### **17.1.1 CONTRACT ADMINISTRATION**

The administration and facilitation of the contract will be the responsibility of SAPS Contract Management and all correspondence in this regard must be directed to the following address:  
The Head: Procurement and Contract Management Supply Chain Management  
Private bag x 254, Pretoria, 0001.  
Contractors must advise the SAPS Contract Management immediately when unforeseeable circumstances will adversely affect the execution of the contract.



Full particulars of such circumstances as well as the period of delay must be furnished to the Section Head Bid Management: Supply Chain Management: SAPS – email: [SmitJ3@saps.gov.za](mailto:SmitJ3@saps.gov.za).

### 17.1.2 SUPPLIER PERFORMANCE MANAGEMENT

Supplier performance management will be the responsibility of end-users of SAPS and where supplier performance disputes cannot be resolved between the contractor and the relevant purchasing institution, SAPS Contract Management must be informed for corrective action.

Deliveries not complying with the order forms will be returned to the contractor at the contractor's expense.

### 17.2 POST-AWARD PRODUCT COMPLIANCE PROCEDURES

The following post-award product compliance procedures will apply:

### 17.3 QUALITY ADHERANCE

Bidder's attention is drawn to paragraph 8 of the General Conditions of Contract regarding inspection, tests and analysis.

If the delivered supplies are not in accordance with the contract requirements, the cost of inspections, tests and analysis done by an independent testing facility shall be paid by the contractor.

### 17.4 CONTRACT PRICE ADJUSTMENT

#### 17.4.1 Formula

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

Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.

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



$Pa = (1-V) Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + Dn \frac{Rnt}{Rno} + VP1 \right)$		
Pa	=	The new adjusted price to be calculated
V	=	Fixed portion of the bid price (15% or 0.15)
Pt	=	Original bid price. Note that Pt must always be the original bid price and not an adjusted price
(1-V)Pt	=	Adjustable portion of the bid price (85% or 0.85). .
D1 – Dn	=	= Each factor (or percentage) of the bid price, e.g., material, labour, transport, overheads, etc. The total of the various factors (or percentages) D1 – Dn must add up to 1 (or 100%).
R1t – Rnt	=	= End Index. Index figure obtained from the index at the end of each adjustment period
R1o–Rno	=	Base Index. Index figure at the time of bidding.
VPt	=	15% (or 0.15) of the original bid price. This portion of the bid price 'remains fixed, i.e. it is not subject to price adjustment.

**17.5 FORMULA COMPONENT DEFINITIONS**

**17.5.1 Adjustable amount**

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

**17.5.2 Fixed portion**



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

### 17.5.3 Cost components and proportions

- a) The cost components of the contract price usually constitute the cost of materials (raw material or finished product), cost of direct labour, cost of transport and those other costs which are inclined to change. The proportions are the contribution to the contract price of each of these cost components. In this bid the following cost components will be used to calculate contract price adjustments.
- b) Bidders are requested to submit the cost breakdown of the bid price for each item with their bid. Should the cost breakdown be the same for all items on the bid, please indicate it clearly in the bid document. Successful bidders will not be allowed to change the cost breakdown of bid prices during the tenure of the contract.
- c) In a case where the same cost components are applicable to all items offered please fill out the Cost components document attached with the bid other than that cost components must be indicated on each line item when finalising pricing schedule.

Cost Component	% Contribution
D1- Imported Raw Material / Finished product (if applicable)	
D2 - Local Raw Material / Finished product (if applicable)	
D3 - Labour	
D4 - Transport	
D5 – Housing and utilities	
D6 – Other	
<b>TOTAL (Cost components must add up to 100%)</b>	<b>100 %</b>



#### 17.5.4 Applicable indices / references

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

Cost component	Index Publication	Index Reference
D1 – Imported Raw Material / Finished product (if applicable)	Supplier / Manufacturer invoice(s) and remittance	Documentary evidence to accompany claim.
D2 - Local Raw Material / Finished product (if applicable)	STATS SA P0142.1 (PPI) Table 1	Textiles, clothing and Footwear – Clothing OR Documentary evidence to accompany claim
D3 - Labour	STATS SA P0141 (CPI), Table E OR Labour agreement <sup>2</sup>	Table E - All Items OR Labour agreement to be provided
D4 – Transport	STATS SA P0141 (CPI) Table E	Table E - Transport – Other Running Cost
D5 – Housing and utilities	STATS SA P0141 (CPI) Table E	Table E – Housing and utilities Headline
D6 – other	Specify	Documentary evidence to accompany application

#### 17.5.5 Base Index Date

The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date is 2023-01-01.

#### 17.5.6 End Index Date

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



**17.5.7 Price Adjustment Periods**

Adjustment to contract prices must be applied for after one year period of the signing of the contract at The Head: Procurement and Contract Management Supply Chain Management Private bag x 254, Pretoria, 0001.

Contractors must advise the SAPS Contract Management immediately when unforeseeable circumstances will adversely affect the execution of the contract.

Full particulars of such circumstances as well as the period of delay must be furnished to the Section Head Bid Management: Supply Chain Management: SAPS – email: [SmitJ3@saps.gov.za](mailto:SmitJ3@saps.gov.za).

**17.6 RATES OF EXCHANGE (ROE) – BASE AND AVERAGE RATES**

In the event where material and/or finished products are imported the following will apply: The formula described above will be used and the imported cost component of the bid price (D1) will be adjusted taking into account the base RoE rate and the average RoE rate.

In the event where the RoE adjustment goes hand in hand with a material/product price increase, the material/product price (in foreign currency) will be converted to South African currency using the base

The imported cost component (D1) will be adjusted together with all the other cost components. Rate(s) of exchange to be used in this bid in the conversion of the bid price of the item(s) to South African currency is indicated in the table below.

Currency	Rates of exchange 12-month average for the contract period
US Dollar	16,36317375
Pound Sterling	20,17991158
Euro	17,291054
Yuan	2,430866



Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average, using the Reserve Bank published rates for the specific currency. Visit [www.reservebank.co.za](http://www.reservebank.co.za) to obtain the relevant rates.

Contract price adjustments due to rate of exchange variations are based on average exchange rates as published by the Reserve Bank.

## 18. GENERAL

Unless prior approval has been obtained from SAPS Contract Management, no adjustment in contract prices will be made.

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

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

In the event where the supplier's CPA application, based on the above formula and parameters, differs from Contract Management SAPS verification, Contract Management SAPS will consult with the supplier to resolve the differences. The South African Police Service reserves the right to negotiate amended contract prices at any stage prior to the final notification to end users.

## 19. BREACH OF CONTRACT

The South African Police Service reserves the right to terminate the contract(s) if the contractor does not honour contract(s) obligations including submission of information.

## 20. PACKAGING

Goods supplied must be packed in suitable packaging before distribution to end users.



NAME OF BIDDER: .....

NAME OF CONTACT PERSON: .....

CAPACITY: .....

SIGNATURE: ..... DATE: .....



**AUTHORIZATION DECLARATION**

**NAME OF THE BIDDER:** \_\_\_\_\_

**BID NUMBER:** \_\_\_\_\_

**DESCRIPTION:** \_\_\_\_\_

**CLOSING DATE:** \_\_\_\_\_

**Are you sourcing the goods or services from a third party?**

YES	NO
-----	----

*\* If you have answered YES to the above question, please provide full details in the table below of the third party(ies) from whom you are sourcing the goods or services.*

**1. Declaration by the bidder where the bidder is sourcing goods or services from a third party.**

The bidder hereby declares the following:-

- 1.1 The bidder is sourcing the goods or services listed in the Form 1 attached, from a third party in order to comply with the terms and conditions of the bid.
- 1.2 The bidder has informed the third party of the terms and conditions of the bid and the third party is acquainted with the said terms and the description of the goods or services listed in the Form 1.
- 1.3 The bidder has received the attached, unconditional written undertaking from the third party to supply the goods or services listed in the form 1 in accordance with the terms and conditions of the bid document for the duration of the contract. A template has been attached (Form 2) that is to be used for the purpose of the third party undertaking.
- 1.4 The bidder confirms that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party.

**2. The bidder declares that the information contained herein is true and correct.**

**3. The bidder acknowledges that the SAPS reserves the right to verify the information contained therein and if found to be false or incorrect may invoke any remedies available to it in the bid documents.**

**SIGNATURE BY THE BIDDER**

Signed at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

Signature \_\_\_\_\_ Full name \_\_\_\_\_

Designation \_\_\_\_\_

List of goods or services offered

Bid Item No	Brand Name	Name of the company from where the goods or services will be sourced	Address and contact details of the company from where the goods or services will be sourced

32



TEMPLATE FOR THIRD PARTY UNDERTAKING

Form 2

**Note:**

**The authorization letter must be original, signed and on an official letterhead of the third party.  
A separate authorization letter must be included for each third party.  
The authorization letter must be addressed to the Bidding Company.**

**No copies of the authorization letter will be accepted. The validity of authorization letter/s will be verified with the third party/ies.**

Name of Bidding Company

Address of Bidding Company

Attention:

Dear Sir/Madam

**AUTHORIZATION LETTER: TENDER NR \_\_\_\_\_**

We, \_\_\_\_\_ (Name of Third Party) hereby authorize you, \_\_\_\_\_ (Name of Company) to include the products listed below in your bid submission for the abovementioned contract.

We confirm that we have firm supply arrangements in place, and have familiarized ourselves with the item descriptions, specifications and bid conditions relating to item/s listed below.

Item no.	Description of product	Brand name

*(Should the table provided not be sufficient for all the items offered, please provide additional information as an attachment and it must be properly referenced to this document)*

Yours faithfully,

\_\_\_\_\_  
Signature of Third Party

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

**PRICING SCHEDULE – FIRM PRICES  
(PURCHASES)**

**NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

**IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

Name of bidder.....	Bid number <b>19/1/9/71TD(23)</b>
Closing Time 11:00	Closing date: <b>2023-12-14</b>

OFFER TO BE VALID FOR **90** DAYS FROM THE CLOSING DATE OF BID.

Item Nr	ICN NUMBER	DESCRIPTION	QT	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)	COUNTRY OF MANUFACTURE
1	9825T05087870	Supply Of X Ray Diffraction Spectrometer (XRD)	1		
2	9825T05087871	Training Costs X Ray Diffraction Spectrometer (XRD)	1		
3	9825T05087872	Maintenance and service of X Ray Diffraction Spectrometer (XRD)	1		
4	9825T05087873	Installation X Ray Diffraction Spectrometer (XRD)	1		
5	9825T05087833	Delivery costs Pretoria	1		

- Required by: **DIVISION: FORENSIC SCIENCE LABORATORY**
- At: **Forensic Science Laboratory: Silverton, Pretoria**
- As per address list Annexure "A" of the specification
- COUNTRY OF MANUFACTURE .....
- Brand and model .....
- Does the offer comply with the specification(s)? \*YES/NO
- If not to specification, indicate deviation(s) .....
- Period required for delivery .....
- Delivery basis \*Delivery: Firm/not firm

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

\*\* "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

\*Delete if not applicable

### BIDDER'S DISCLOSURE

**1. PURPOSE OF THE FORM**

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

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

**2. Bidder's declaration**

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship

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

with any person who is employed by the procuring institution? YES/NO

2.2.1 If so, furnish particulars:

.....  
.....

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

2.3.1 If so, furnish particulars:

.....  
.....

**3 DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

**SBD4**

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....	.....
Signature	Date

.....	.....
Position	Name of bidder