



- If the bid consist of more than one item, it should be clearly indicated in respect of which item(s) the supportive letter has been issued.
- It must be indicated in the above-mentioned letter that **firm supply arrangements have been made and all financial arrangements with regard to payment between the prospective bidder and manufacturer, company or supplier issuing such a letter has been finalized and terms and conditions mutually agreed upon.**

Non-compliance with the above-mentioned special conditions would automatically invalidate the bid for such products offered."

The South African Police Service reserves the right to verify any information supplied by the bidder in the Authorisation Declaration and should the information be found to be false or incorrect, the South African Police Service will exercise any of the remedies available to it in the bid documents.

No agreement between the bidder and the third party will be binding on the South African Police Service.

An authorisation declaration with conditional arrangements will not be accepted. Bidders must ensure that all arrangements are agreed to before submitting a bid.

## 8. TAX COMPLIANCE REQUIREMENTS

It is a condition of this bid that the tax matters of a successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations. The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.



It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted; Bidders are required to be registered on the Central Supplier Database and the South African Police Service shall verify the bidder's tax compliance status through the Central Supplier Database.

Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database. The South African Police Service will not award a bid to any bidder whose tax matters are not in order.

## **9. FORMAT AND SUBMISSION OF BIDS**

In order to simplify the evaluation process, Bidders are required to submit their bids hard copy in the following manner: -(Take note of Paragraph 8, Supra)

SECTION	REQUIRED DOCUMENTS
Section 1	Standard bidding documents (SBD 1, SBD 3.1 or 3.2 or 3.3, SBD 4, SBD 6.1 and CSD report
Section 2	Authorisation Declaration and item list
Section 3	Any other information (e.g. Company profile, Local economic development submission etc.)

## **10. LATE BIDS**



Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, will be returned unopened to the bidder.

## 11. COUNTER CONDITIONS

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

## 12. FRONTING

The SAPS supports the spirit of broad based black economic empowerment and recognizes 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 South African Police Service condemn any form of fronting.

The South African Police Service, in ensuring that bidders conduct themselves in an honest manner will, 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 South African Police Service may have against the bidder / contractor concerned.

### **13. COMMUNICATION**

SAPS: Procurement and Contract Management with permission of the BAC may communicate in writing with bidders where clarity is sought after the closing date of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary.

Any communication to any other government official or a person acting in an advisory capacity for the South African Police Service in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.

All communication between the bidder and the SAPS: Procurement Management MGP & Services must be done in writing.

### **14. CONTACT DETAILS**

#### **BID & SAMPLE ENQUIRIES**

Procurement Management MGP & Services

Address: 117 Cresswell Street, Weavind Park, Pretoria.

E-mail: [FBubeprincess@saps.gov.za](mailto:FBubeprincess@saps.gov.za)/[mashianeq@saps.gov.za](mailto:mashianeq@saps.gov.za)

### **15. SECTION B**

#### **15.1 CONTRACT PERIOD**

The contract period shall be for a period of five (05) years.



## 15.2 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;
- Not to accept any of the bids submitted;
- 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
- In the event that an incorrect award has been made to remedy the matter in any manner it may deem fit.
- 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.

## 15.3 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

#### **15.4 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.

#### **15.5 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.

#### **15.6 DELIVERY AND QUANTITIES**

##### **15.6.1 DELIVERY BASIS**

Firm lead times for delivery must be quoted for the duration of the contract period. Transit and storage conditions applicable to the relevant products must be adhered to.

##### **15.6.2 QUANTITIES**

Quantities cannot be guaranteed.



## 16. SECTION C

### 16.1 ROLES AND RESPONSIBILITIES

#### 16.1.1 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) and Tel: 012-841 7119

#### 16.1.2 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.

### 16.2 ORDERS AND DELIVERY

#### 16.2.1 ORDERS



Contractors should note that the order(s) will be placed as and when required during the contract period and delivery points will be specified by the South African Police Service.

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

The South African Police Service may request that a contractor to submit a sample for approval before mass production related to that order is finalised. The cost of this sample is for the contractor.

The South African Police Service is under no obligation to accept any quantity, which is in excess of the ordered quantity.

#### **16.2.2 DELIVERY**

Delivery of goods must be made in accordance with the instructions appearing on the official order forms issued by purchasing institutions.

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

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

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

#### **16.3 PRODUCT ADHERANCE / BRAND CHANGE**

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



In the event that the brand is discontinued and or replaced with a new model, SAPS Contract Management must be notified of such an occurrence and upon approval, an official amendment will be issued. The contractor is required to submit supporting documents from the manufacturer substantiating the changes.

It must be noted that the new brand will be required to undergo the evaluation process prior to receiving approval of the brand change issued by SAPS. The new brand must adhere to the technical specification for the item. The quality of the product must not be lower than the initial awarded product.

Furthermore, contractors are to take note that the price of the new brand should not be higher from the current contract price of the original product.

Contractors are not allowed to deliver a new brand other than the brand awarded to them prior to an approval of brand change from SAPS.

#### **16.4 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.

#### **16.5 CONTRACT PRICE ADJUSTMENT**

##### **16.5.1 Formula**



Prices submitted for this bid will be regarded as non-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).

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



## 16.6 FORMULA COMPONENT DEFINITIONS

### 16.6.1 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.

### 16.6.2 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.

### 16.6.3 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>

#### 16.6.4 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 agreement2	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

#### 16.6.5 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 2023-02-01.

#### 16.6.6 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).

#### 16.6.7 Price Adjustment Periods

Adjustment to contract prices must be applied for at the following dates:

Adjustment	CPA application to reach the office at the following dates	End Index Date	Dates from which adjusted prices will become effective
1 <sup>st</sup> Adjustment	After One year of signing the contract		Date of application of adjustment after approval was obtained
2 <sup>nd</sup> Adjustment	After year two of signing the contract		Date of application of adjustment after approval was obtained
3 <sup>rd</sup> Adjustment	After year three of signing the contract		Date of application of adjustment after approval was obtained

- \* *In cases where invoices are supplied as documentary evidence, it is advised that invoices closest to the Base Index date and the End Index date be submitted. It should ideally reflect the adjustment period.*
- \* *In the absence of a labour agreement, the labour cost component will be adjusted with CPI Headline inflation.*



## **16.7 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 (refer paragraph 30.3.4) and the average RoE rate over the period under review indicated in paragraph 30.3.6 below.

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 rate (paragraph 30.3.4) for the earlier invoice and the average RoE rate for the period under review as indicated in paragraph 30.3.6 below for the later invoice.

The imported cost component (D1) will be adjusted together with all the other cost components indicated in paragraph 30.2.3 and 30.2.4 above and at the predetermined dates indicated in paragraph 30.2.7 above

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.

<b>Currency</b>	<b>Rates of exchange</b>
	12-month average for the contract period
US Dollar	
Pound Sterling	
Euro	
Yuan	



Should the bidder make use of any other currency not mentioned above, the bidder is requested to calculate the average for the period \_\_\_\_\_ to \_\_\_\_\_ 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. Please refer to TCBD 2 (Procedure to download historical exchange rates from the Reserve Bank website) for instructions.

Contract price adjustments due to rate of exchange variations are based on average exchange rates as published by the Reserve Bank for the periods indicated hereunder:

<b>Adjustment</b>	<b>Average exchange rates for the period:</b>
1st Adjustment	<b>Date to Date</b>
2 <sup>nd</sup> Adjustment	<b>Date to Date</b>
3 <sup>rd</sup> Adjustment	<b>Date to Date</b>

## 17. 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.



**18. 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.

**19. PACKAGING**

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

**20. DISPOSING OF GOODS BEARING SOUTH AFRICAN POLICE SERVICE OWNERSHIP MARK: ALL PRINTED FABRIC**

Textile goods manufactured in terms of this contract and bearing a South African Police Service ownership mark shall not be disposed of by the contractor to any person, other than a South African Police Service Department unless the ownership mark has been cancelled, defaced or obliterated in such a manner as may be approved by the South African Police Service.

In order for a contractor to comply with the abovementioned condition, a contractor will be entitled to:

Dispose of such goods provided the goods are stamped or stencilled in indelible ink or dye with the word "CANCELLED", preferable, but not necessarily, over the South African Police Service ownership mark, or overprinted with a design in the same colour as that of the mark, or provided the colouring of the mark is bleached out.

Cut up the goods so that the South African Police Service ownership mark is defaced and then to use it or dispose of it as rags, cleaning cloths, etc.



## SPECIAL CONDITIONS OF CONTRACT 19/1/9/1/84TD (23)

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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.

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**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

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
		</td	

(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)

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