

INFORMATION NOTE

TO: The Honorable Minister of Police
GENERAL BH CELE
Private Bag X 94
PRETORIA
0001

PROCUREMENT DURING THE PERIOD OF THE COVID-19 PANDEMIC

1. PURPOSE

- 1.1 The purpose of the report is to provide the information to the office of the Minister with regard to the emergency procurement relating to COVID-19.

2. BACKGROUND

- 2.1 The COVID-19 pandemic necessitated the South African Police Service to engage in emergency procurement as prescribed by National Treasury Instruction Notes 8 of 2019/2020 and 5 of 2020/2021 as well as SAPS Delegation of Powers Part 5, Procurement. These National Treasury instruction notes were issued with measures in place to assist State institutions to procure the basic preventative items in order to contain and manage the transmission of the Covid-19 virus. Three (3) Transversal Contracts, with price lists, were put in place by National Treasury.
- 2.2 The nature of the goods that were required were not goods ordinarily procured and there was a high demand in both the private and public sectors, which led to uncompetitive and inflated prices by suppliers.
- 2.3 The South African Police Service (SAPS) engaged the respective suppliers, as provided by National Treasury Instruction Notes 8 of 2019/2020 and 5 of 2020/2021, without success of the availability of stock. National Treasury was informed in relation to the challenges encountered and to request the utilization of suppliers out of contract for procurement of the PPEs for the members.
- 2.4 In urgent and emergency cases, an institution may dispense with the invitation of bids and may obtain the required goods, works or services by means of quotations by preferably making use of the database of prospective suppliers, or otherwise in any manner to the best interest of the State. Price quotations or negotiations must be executed in accordance with Treasury Regulation 16A6.4. Urgent cases are cases where early delivery is of critical importance and the invitation of competitive bids is either impossible or impractical. Emergency cases are cases where immediate action is necessary in order to avoid a dangerous or risky situation or misery. The reasons for the urgency/emergency and for dispensing of competitive bids, should be clearly recorded and approved by the Accounting Officer / authority or his / her delegate.

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3. PROCESS FOLLOWED BY SAPS TO PROCURE PPEs

- 3.1 Suppliers were sourced from Central Supplier Database and contacted telephonically to confirm availability for any commodity of PPE they have in stock.
- 3.2 On confirmation of availability of stock and quantities, officials/members were sent to conduct due diligence and when satisfied after the inspection then request for quotations were sent to each suppliers.
- 3.3 Request for financial authority and the granting of procurement authorization were processed individually to different suppliers without a comparative table in order to secure the availability of sufficient PPE due to the emergency of the requirement as well as the shortage of stock in the market. Official order forms were issued to different suppliers according to their capability and quantities quoted for.
- 3.4 The attached list of items as per Annexure "A" were procured in terms of the emergency procurement process, as stipulated in Treasury Regulation 16A6.4, by means of the invitation of price quotations from suppliers registered on the Central Supplier Database:
- 3.5 All the procurement actions that are approved are continuously reported to National Treasury and the office of the Auditor General of South Africa.
- 3.6 All questionable transactions were also forwarded to the Competition Commission for their information and to investigate any irregularities that they might identify.
- 3.7 Engagement with the Competition Commission is ongoing as additional information that they request is also provided.

Trusting your office will find the information to your assistance.



**DEPUTY NATIONAL COMMISSIONER: ASSET AND LEGAL MANAGEMENT
FN VUMA**

LIEUTENANT GENERAL

Date: 2020-08-11

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COMMENTS

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**GENERAL
NATIONAL COMMISSIONER, SOUTH AFRICAN POLICE SERVICE
KJ SITOLE (SOEG)**

Date: 2020-08-12

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**MINISTER OF POLICE
GENERAL BH CELE**

Date: 13/08/2020