



**DEPARTMENT OF
HEALTH**

SBD 1

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE LIMPOPO DEPARTMENT OF HEALTH

BID NUMBER: **HEDP001/21/22** CLOSING DATE: **12 AUGUST 2022** CLOSING TIME: **11:00**

DESCRIPTION **SUPPLY, DELIVERY AND INSTALLATION OF OFFICE FURNITURE AT LIMPOPO DEPARTMENT OF HEALTH (LDOH) FOR A PERIOD OF THIRTY SIX (36) MONTHS (THREE YEARS)**

BID RESPONSE DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

DEPARTMENT OF HEALTH, 18 COLLEGE STREET, POLOKWANE, LIMPOPO PROVINCE

THE BID BOX IS GENERALLY OPEN 24 HOURS, 7 DAYS A WEEK.

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO

CONTACT PERSON **Ms. Simango T.O / Ms. Motene N.M**
TELEPHONE NUMBER **015 293 6352 / 015 293 6350
071 861 9937 / 063 692 9368**
E-MAIL ADDRESS **Tintswalo.simango@dhsd.limpopo.gov.za
Ntlama.Maphahlele@dhsd.limpopo.gov.za**

TECHNICAL ENQUIRIES MAY BE DIRECTED TO:

CONTACT PERSON **Mr. Matshete S.S**
TELEPHONE NUMBER **(015 293 6669 / 063 692 9554**
E-MAIL ADDRESS **Sello.Matshete@dhsd.limpopo.gov.za**

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS BELOW]
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QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.	

SBD1

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA .
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

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.....
Closing Time 11:00	Closing date.....

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
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Required by:

At:

Brand and model

Country of origin

Does the offer comply with the specification(s)?
*YES/NO

If not to specification, indicate deviation(s)

Period required for delivery

Delivery: *Firm/not firm

** "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

PRICE ADJUSTMENTS

NON-FIRM PRICES SUBJECT TO ESCALATION

IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES

IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} \right) + VPt$$

Where:

Pa	=	The new escalated price to be calculated.
(1-V)Pt	=	85% of the original bid price. Note that Pt must always be the original bid price and not an escalated price.
D1, D2..	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

The following index/indices must be used to calculate your bid price:

Index..... Dated..... Index..... Dated..... Index..... Dated.....

Index..... Dated..... Index..... Dated..... Index..... Dated.....

FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE

PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

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 interest¹ 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 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:

.....

¹ 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.

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 consortium² 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 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

² 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.

This document must be signed and submitted together with your bid

THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME

INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

1. PILLARS OF THE PROGRAMME

- 1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have an NIP obligation. This threshold of US\$ 10 million can be reached as follows:
 - (a) Any single contract with imported content exceeding US \$10 million; or
 - (b) Multiple contracts for the same goods, works or services each with imported content exceeding US \$3 million awarded to one seller over a 2 year period which in total exceeds US \$10 million; or
 - (c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US \$10 million.
 - (d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$10 million.
- 1.2 The NIP obligation applicable to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30 % of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a *pro-rata* basis.
- 1.3 To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners or suppliers.
- 1.4 A period of seven years has been identified as the time frame within which to discharge the obligation.

2 REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

- 2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of **R10 million** (ten million Rands), submit details of such a contract to the DTI for reporting purposes.
- 2.2 The purpose for reporting details of contracts in excess of the amount of R10 million (ten million Rands) is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in paragraphs 1.1.(b) to 1.1. (d) above.

3 BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)

- 3.1 Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.
- 3.2 In order to accommodate multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R10 million (ten million Rands), to contact and furnish the DTI with the following information:
- Bid / contract number.
 - Description of the goods, works or services.
 - Date on which the contract was accepted.
 - Name, address and contact details of the government institution.
 - Value of the contract.
 - Imported content of the contract, if possible.
- 3.3 The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr Elias Malapane within five (5) working days after award of the contract. Mr Malapane may be contacted on telephone (012) 394 1401, facsimile (012) 394 2401 or e-mail at Elias@thedti.gov.za for further details about the programme.

4. PROCESS TO SATISFY THE NIP OBLIGATION

- 4.1 Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:
- a. the contractor and the DTI will determine the NIP obligation;
 - b. the contractor and the DTI will sign the NIP obligation agreement;
 - c. the contractor will submit a performance guarantee to the DTI;
 - d. the contractor will submit a business concept for consideration and approval by the DTI;
 - e. upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
 - f. the contractor will implement the business plans; and
 - g. the contractor will submit bi-annual progress reports on approved plans to the DTI.

- 4.2 The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid number Closing date:.....

Name of bidder.....

Postal address

.....

Signature..... Name (in print).....

Date.....

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

a) The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2 DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3 POINTS AWARDED FOR PRICE

3.4 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20

or

90/10

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

4 POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.4 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5 BID DECLARATION

5.4 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6 B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.4 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7 SUB-CONTRACTING

7.4 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES		NO	
-----	--	----	--

7.4.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES		NO	
-----	--	----	--

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8 DECLARATION WITH REGARD TO COMPANY/FIRM

8.4 Name of company/firm:.....

8.5 VAT registration number:.....

8.6 Company registration number:.....

8.7 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

8.8 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

8.9 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.10 Total number of years the company/firm has been in business:.....

8.11 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) makes provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6 A bid may be disqualified if –

- (a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and
- (b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

2. Definitions

2.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;

2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);

2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).

2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;

2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and

2.9. “**sub-contract**” means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

3. **The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
Furniture	85%

4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

YES		NO	
-----	--	----	--

- 4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za.

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?

(Tick applicable box)

YES		NO	
-----	--	----	--

- 5.1. If yes, provide the following particulars:

(a) Full name of auditor:

(b) Practice number:

(c) Telephone and cell number:

(d) Email address:

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

6. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):

.....
NB

1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),

do hereby declare, in my capacity as

of(name of bidder entity), the following:

(a) The facts contained herein are within my own personal knowledge.

(b) I have satisfied myself that:

- (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (ii) the declaration templates have been audited and certified to be correct.

(c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

Local Content Declaration - Summary Schedule

- (C1) Tender No.
 (C2) Tender description:
 (C3) Designated product(s)
 (C4) Tender Authority:
 (C5) Tendering Entity name:
 (C6) Tender Exchange Rate:
 (C7) Specified local content %

Note: VAT to be excluded
from all calculations

Pula EU GBP

Calculation of local content							
Tender item no's	List of items	Tender price - each (excl VAT)	Exempted imported value	Tender value- net of exempted imported content	Imported value	Local value	Local content % (per item)
(C8)	(C9)	(C10)	(C11)	(C12)	(C13)	(C14)	(C15)
1	3 Drawer - with top						100%
2	5 Drawer - with top						100%
3	Bar Fridge						
4	Boardroom Table 8 Seater						70%
5	Boardroom Table 12 Seater						70%
6	Boardroom Table 16 Seater						70%
7	Boardroom Table 18 Seater						70%

Tender summary			
Tender Qty	Total tender value	Total exempted imported content	Total Imported content
(C16)	(C17)	(C18)	(C19)

8	Boardroom Server Cabinet						70%				
9	Canteen Tables - Round(STEEL) consists with 4 chairs						100%				
10	Central Locking desk Height Pedestal						90%				
11	2-Way Cluster Cubicles						70%				
12	3-Way Cluster Cubicles						70%				
13	4-Way Cluster Cubicles						70%				
14	5-Way Cluster Cubicles						70%				
15	6-Way Cluster Cubicles						70%				
16	7-Way Cluster Cubicles						70%				
17	Silverline outdoor stainless steel 3 - seater (Benches)						100%				
18	Staff Locker (Metal) Grey						100%				
19	Coffee Table						70%				
20	Evolution Dual Cluster Desk						70%				
21	EXECUTIVE OFFICE DESK Extension Top, Storage And Modesty Panels and Desk Based Screens (LEFT HAND)						70%				
22	EXECUTIVE OFFICE DESK Extension Top, Storage And Modesty Panels and Desk Based Screens (RIGHT HAND)						70%				

23	Filing Bay Unit (Right Hand)						100%				
24	Filing Bay Unit (10 Bay Unit)						100%				
25	Filing Bay Unit (4 Bay Unit)						100%				
26	Hat And Coat Stand						70%				
27	High Volume Paper Shredder						100%				
28	Highback Chairs - Leather						65%				
29	Meeting Tables						70%				
30	Office Desk with Extension Top, Storage And Modesty Panels and Desk Based Screens						100%				
31	Office Desk with Extension Top, Storage And Modesty Panels and Desk Based Screens(LEFT HAND)						100%				
32	Office Desk With Extension Top, Storage And Modesty Panels and Desk Based Screens(RIGHT HAND)						100%				
33	Office Desk Rectangular with Storage and Modesty Panels						100%				
34	Office Desk Rectangular						100%				
35	Office Desk With Extension Top, Storage And Modesty Panels and Desk Based Screens						100%				

36	Operator's Chairs High Back Chair						65%				
37	Pigeon Hole(Vancouver maple 688 melamine)						70%				
38	Printer Tables						70%				
39	Stand Retractable Queuing System						100%				
40	Step Stool with Retractable Brake Wheel						100%				
41	Systems Cupboard (Hinged door system cupboards Vancouver Maple 688 Melamine with 03 steel shelves)						100%				
42	Two Seater Couch(Weaver World,Element,Ph antom-W615)										
43	Two-Tier Letter Tray						100%				
44	Visitors Chairs						70%				
45	Visitors Chairs – Leather						65%				
46	Wall Unit (Vancouver maple 688 melamine)						70%				
47	Waste Paper Bin						100%				
48	Two Seater Couch(100% genuine leather black seating and upper)										
49	One Seater Couch(100% genuine leather black seating and upper)										
50	One Seater Couch(Weaver										

	world,Element ,Phantom-W615						
52	Reception Counter Desk (L- Shape)						90%
52	High Density Filling Gray						100%
53	Training Desk						70%
54	Canteen Chairs						100%
55	Highback Leather Chair(swivel and tilt)						65%
56	Two Seater Couch(100% genuine leather black seating and upper)						

(C20) Total tender value R

Signature of tenderer from Annex B

(C21) Total Exempt imported content R

(C22) Total Tender value net of exempt imported content R

(C23) Total Imported content R

(C24) Total local content R

(C25) Average local content % of tender

Date: _____

(D1)
(D2)
(D3)
(D4)
(D5)
(D6)

Tender No.	
Tender description:	
Designated Products:	
Tender Authority:	
Tendering Entity name:	
Tender Exchange Rate:	Rate

Note: VAT to be excluded from all calculations

EU	R 9.00	GBP	R 12.00
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Calculation of imported content

[illegible]

(D19) Total exempt imported value

Summary

Summary	
Tender Qty	Exempted imported value
(D17)	(D18)

**This total must correspond with
Annex C - C 21**

Calculation of Imported content

[illegible]

(D32) Total imported value by tenderer

Summary

[illegible]

Calculation of imported content

[illegible]

(D45) Total imported value by 3rd party

Summary

Summary	
Quantity imported	Total imported value
(D43)	(D44)

Calculation of foreign currency payments

Type of payment	Local supplier making the payment	Overseas beneficiary	Foreign currency value paid	Tender Rate of Exchange
(D46)	(D47)	(D48)	(D49)	(D50)

Summary of payments

Local value of payments

(D51)

Signature of tenderer from Annex B

(D52) Total of foreign currency payments declared by tenderer and/or 3rd party

(D53) Total of imported content & foreign currency payments - (D32), (D45) & (D52) above

Date: _____

**This total must correspond with
Annex C - C 23**

Annex E

Local Content Declaration - Supporting Schedule to Annex C

(E1)	Tender No.	
(E2)	Tender description:	
(E3)	Designated products:	
(E4)	Tender Authority:	
(E5)	Tendering Entity name:	

Note: VAT to be excluded from all calculations

Local Products (Goods, Services and Works)	Description of items purchased	Local suppliers	Value
	(E6)	(E7)	(E8)
	(E9) Total local products (Goods, Services and Works)		

(E10) **Manpower costs** (Tenderer's manpower cost)

(E11) **Factory overheads** (Rental, depreciation & amortisation, utility costs, consumables etc.)

(E12) **Administration overheads and mark-up** (Marketing, insurance, financing, interest etc.)

(E13) Total local content

This total must correspond with Annex C - C24

Signature of tenderer from Annex B

Date:



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

Private Bag X84, PRETORIA, 0001, the dti Campus, 77 Meintjies Street, Sunnyside, 0002, Tel: (012) 394 0000
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Guidance Document for the Calculation of Local Content

1. DEFINITIONS

Unless explicitly provided in this guideline, the definitions given in SATS 1286:2011 apply.

2. GENERAL

2.1. Introduction

This guideline provides tenderers with a detailed description of how to calculate local content of products (goods, services and works) by components/material/services and enables them to keep an updated record for verification requirements as per the SATS 1286:2011 Annex A and B.

The guideline consists of two parts namely:

- a written guideline; and
- three declarations that must be completed:
 - Declaration C: “Local Content Declaration - Summary Schedule” (see Annex C)
 - Declaration D: “Imported Content Declaration - Supporting Schedule to Annex C” (see Annex D)
 - Declaration E: “Local Content Declaration - Supporting Schedule to Annex C” (see Annex E)

The guidelines and declarations should be used by tenderers when preparing a tender. A tenderer must first complete Declaration D. After completing Declaration D, the tenderer completes Declaration E and then consolidate the information on Declaration C.

Annex C must be submitted with the tender by the closing date and time as determined by the Tender Authority. The Tender Authority reserves the right to request that Declarations D and E also be submitted.

If the tender is successful then the tenderer must continuously update Declarations C, D and E with actual values for the duration of the contract.

NOTE:

Annex A is a note to the purchaser in SATS 1286:2011;

Annex B is the Local Content Declaration IN SATS 1286:2011.

2.2. What is local content?

According to SATS 1286:2011, the local content of a product, is the tender price less the value of imported content, expressed as a percentage.

It is therefore necessary to first compute the imported value of a product in order to determine the local content of a product.

2.3. Categories: Imported and Local Content

The tenderer must differentiate between imported content and local content. Imported content of a product by components/material/services is divided into two categories namely:

- products imported directly by the tenderer and
- products imported by a third party and supplied to the Tenderer.

2.3.1. Imported Content

Identify the imported content, if any, by value for products by component/material/services. In the case of components/materials/services sourced from a South African manufacturer, agent, supplier or subcontractor (i.e. third party), obtain that information and Declaration D from the third party.

Calculate the imported content of components/materials/services to be used in the manufacture of the total quantity of the products for which the tender is to be submitted.

As stated in clause 3.2.4 of SATS 1286:2011: "If information on the origin of components, parts or materials is not available, it will be deemed to be imported content."

2.3.1.1. *Imported directly by the Tenderer:*

When the tenderer import products directly, the onus is on the tenderer to provide evidence of any components/materials/services that were procured from a non-domestic source. The evidence should be verifiable and pertains to the tender as a whole. Typical evidence will include commercial invoices, bills of entry, etc.

When the tenderer procures imported services such as project management, design, testing, marketing, etc. and makes royalty and lease payments, such payments relating to the tender, must be included when calculating imported content.

2.3.1.2. *Imported by a third party and supplied to the Tenderer:*

When the tenderer supplies components/material/services that are imported by any third party (for example: a domestic manufacturer, agent, supplier or subcontractor in the supply chain), the onus is on the tenderer to obtain verifiable evidence from the third party. The tenderer must obtain Declaration D from all third parties for the related tender. The third party must be requested by the tenderer to also continuously update Declaration D. Typical evidence of imported content will include commercial invoices, bills of entry etc. When a third party procures imported services such as project management, design, testing, marketing etc. and makes royalty and lease payments, such payments relating to the tender, must be included when calculating imported content.

2.3.1.3. *Exempt Imported Content*

Exemptions, if any, are granted by the Department of Trade and Industry (the dti). Evidence of the exemptions must be provided and included in Annex D.

2.3.2. Local Content

Identify and calculate the local content, by value for products by components/materials/service's to be used in the manufacture of the total quantity of the products.

3. ANNEX C

3.1. Guidelines for completing Annex C: Local Content Declaration – Summary Schedule

Note: The paragraph numbers correspond to the numbers in Annex C.

C1. Tender Number

Supply the tender number that is specified on the specific tender documentation.

C2. Tender description

Supply the tender description that is specified on the specific tender documentation.

C3. Designated products

Supply the details of the products that are designated in terms of this tender (i.e. buses).

C4. Tender Authority

Supply the name of the tender authority.

C5. Tendering Entity name

Provide the tendering entity name (i.e. Unibody Bus Builders (Pty) Ltd).

C6. Tender Exchange Rate

Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

C7. Specified local content %

Provide the specified minimum local content requirement for the tender (i.e. 80 %), as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MDB) 6.2.

C8. Tender item number

Provide the tender item number(s) of the products that have a local content requirement as per the tender specification.

C9. List of items

Provide a list of the item(s) corresponding with the tender item number. This may be a short description or a brand name.

Calculation of local content

C10. Tender price

Provide the unit tender price of each item excluding VAT.

C11. Exempted imported content

Provide the ZAR value of the exempted imported content for each item, if applicable. These value(s) must correspond with the value(s) of column D16 on Annex D.

C12. Tender value net of exempted imported content

Provide the net tender value of the item, if applicable, by deducting the Exempted imported content (C11) from the Tender price (C10).

C13. Imported value

Provide the ZAR value of the items' imported content.

C14. Local value

Provide the Local value of the item by deducting the Imported value (C13) from the net tender value (C12).

C15. Local content percentage (per item)

Provide the Local content percentage of the item(s) by dividing the Local value (C14) by the net tender value (C12) as per the local content formula in SATS 1286.

Tender Summary

C16. Tender quantity

Provide the tender quantity for each item number as per the tender specification.

C17. Total tender value

Provide the Total tender value by multiplying the Tender quantity (C16) by the Tender price (C10).

C18. Total exempted imported content

Provide the Total exempted imported content by multiplying the Tender quantity (C16) by the Exempted imported content (C11). These values must correspond with the values of column D18 on Annex D.

C19. Total imported content

Provide the Total imported content of each item by multiplying the Tender quantity (C16) by the Imported value (C13).

C20. Total tender value

Total tender value is the sum of the values in column C17.

C21. Total exempted imported content

Total exempted imported content is the sum of the values in column C18. This value must correspond with the value of D19 on Annex D.

C22. Total tender value net of exempted imported content

The Total tender value net of exempt imported content is the Total tender value (C20) less the Total exempted imported content (C21).

C23. Total imported content

Total imported content is the sum of the values in column C19. This value must correspond with the value of D53 on Annex D.

C24. Total local content

Total local content is the Total Tender value net of exempted imported content (C22) less the Total imported content (C23). This value must correspond with the value of E13 on Annex E.

C25. Average local content percentage of tender

The average local content percentage of tender is calculated by dividing Total local content (C24) by the Total tender value net of exempted imported content (C22).

4. ANNEX D

4.1. Guidelines for completing Annex D: “Imported Content Declaration – Supporting Schedule to Annex C”

Note: The paragraph numbers correspond to the numbers in Annex D.

D1. Tender number

Supply the tender number that is specified on the specific tender documentation.

D2. Tender description

Supply the tender description that is specified on the specific tender documentation.

D3. Designated products

Supply the details of the products that are designated in terms of this tender (i.e. buses).

D4. Tender authority

Supply the name of the tender authority.

D5. Tendering entity name

Provide the tendering entity name (i.e. Unibody Bus Builders (Pty) Ltd).

D6. Tender exchange rate

Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

Table A. Exempted Imported Content

D7. Tender item number

Provide the tender item number(s) of the product(s) that have imported content.

D8. Description of imported content

Provide a list of the exempted imported product(s), if any, as specified in the tender.

D9. Local supplier

Provide the name of the local supplier(s) supplying the imported product(s).

D10. Overseas supplier

Provide the name (s) of the overseas supplier (s) supplying the exempted imported products.

D11. Imported value as per commercial invoice

Provide the foreign currency value of the exempted imported product(s) disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

D12. Tender exchange rate

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2

D13. Local value of imports

Convert the value of the exempted imported content as per commercial invoice (D11) into the ZAR value by using the tender exchange rate (D12) disclosed in the tender documentation..

D14. Freight costs to port of entry

Provide the freight costs to the South African Port of the exempted imported item.

D15. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the exempted imported product(s) as stipulated in the SATS 1286:2011.

D16. Total landed costs excl VAT

Provide the total landed costs (excluding VAT) for each item imported by adding the corresponding item values in columns D13, D14 and D15. These values must be transferred to column C11 on Annex C.

D17. Tender quantity

Provide the tender quantity of the exempted imported products as per the tender specification.

D18. Exempted imported value

Provide the imported value for each of the exempted imported product(s) by multiplying the Total landed cost (excl. VAT) (D16) by the Tender quantity (D17). The values in column D18 must correspond with the values of column C18 of Annex C.

D19. Total exempted imported value

The Total exempted imported value is the sum of the values in column D18. This total must correspond with the value of C21 on Annex C.

Table B. Imported Directly By Tenderer

D20. Tender item numbers

Provide the tender item number(s) of the product(s) that have imported content.

D21. Description of imported content:

Provide a list of the product(s) imported directly by tender as specified in the tender documentation.

D22. Unit of measure

Provide the unit of measure for the product(s) imported directly by the tenderer.

D23. Overseas supplier

Provide the name (s) of the overseas supplier (s) supplying the imported product(s).

D24. Imported value as per commercial Invoice

Provide the foreign currency value of the product(s) imported directly by tenderer disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

D25. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D26. Local value of imports

Convert the value of the product(s) imported directly by the tenderer as per commercial invoice (D24) into the ZAR value by using the tender exchange rate (D25) disclosed in the tender documentation

D27. Freight costs to port of entry

Provide the freight costs to the South African Port of the product(s) imported directly by the tenderer.

D28. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the product(s) imported directly by the tenderer as stipulated in the SATS 1286:2011.

D29. Total landed costs excl VAT

Provide the total landed costs (excluding VAT) for each item imported directly by the tenderer by adding the corresponding item values in columns D26, D27 and D28.

D30. Tender quantity:

Provide the tender quantity of the product(s) imported directly by the tenderer as per the tender specification.

D31. Total imported value

Provide the total imported value for each of the product(s) imported directly by the tenderer by multiplying the Total landed cost (excl. VAT) (D29) by the Tender quantity (D30).

D32. Total imported value by tenderer

The Total value of imports by the tenderer is the sum of the values in column D31.

Table C. Imported by Third Party and Supplied to the Tenderer

D33. Description of imported content

Provide a list of the product(s) imported by the third party and supplied to the tenderer as specified in the tender documentation.

D34. Unit of measure

Provide the unit of measure for the product(s) imported by the third party and supplied to tenderer as disclosed in the commercial invoice.

D35. Local supplier

Provide the name of the local supplier(s) supplying the imported product(s).

D36. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the imported products.

D37. Imported value as per commercial invoice

Provide the foreign currency value of the product(s) imported by the third party and supplied to the tenderer disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

D38. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D39. Local value of imports

Convert the value of the product(s) imported by the third party as per commercial invoice (D37) into the ZAR value by using the tender exchange rate (D38) disclosed in the tender documentation

D40. Freight costs to port of entry

Provide the freight costs to the South African Port of the product(s) imported by third party and supplied to the tenderer.

D41. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the product(s) imported by third party and supplied to the tenderer as stipulated in the SATS 1286:2011.

D42. Total landed costs excluding VAT

Provide the total landed costs (excluding VAT) for each product imported by third party and supplied to the tenderer by adding the corresponding item values in columns D39, D40 and D41.

D43. Quantity imported

Provide the quantity of each product(s) imported by third party and supplied to the tenderer for the tender.

D44. Total imported value

Provide the total imported value of the product(s) imported by third party and supplied to the tenderer by multiplying the Total landed cost (D42) by the Quantity imported (D43).

D45. Total imported value by third party

The Total imported value from the third party is the sum of the values in column D44.

Table D. Other Foreign Currency Payments

D46. Type of payment

Provide the type of foreign currency payment. (i.e. royalty payment for use of patent, Annual licence fee, etc).

D47. Local supplier making the payment

- Provide the name of the local supplier making the payment.
- D48. Overseas beneficiary**
- Provide the name of the overseas beneficiary.
- D49. Foreign currency value paid**
- Provide the value of the listed payment(s) in their foreign currency.
- D50. Tender rate of exchange**
- Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.
- D51. Local value of payments**
- Provide the local value of each payment by multiplying the Foreign currency value paid (D49) by the Tender rate of exchange (D50).
- D52. Total of foreign currency payments declared by tenderer and/or third party**
- The Total of foreign currency payments declared by tenderer and/or a third party is the sum of the values in column D51.
- D53. Total of imported content and foreign currency payment**
- The Total imported content and foreign currency payment is the sum of the values in column D32, D45 and D52. This value must correspond with the value of C23 on Annex C.

5. ANNEXURE E

5.1. Guidelines to completing Annex E: “Local Content Declaration- Supporting Schedule to Annex C”

The paragraph numbers correspond to the numbers in Annex E

- E1. Tender number**
- Supply the tender number that is specified on the specific tender documentation.
- E2. Tender description**
- Supply the tender description that is specified on the specific tender documentation.
- E3. Designated products**
- Supply the details of the products that are designated in terms of this tender (i.e. buses/Canned vegetables)
- E4. Tender authority**
- Supply the name of the tender authority
- E5. Tendering entity name**
- Provide the tendering entity name (i.e. Unibody Bus Builders (Pty) Ltd) Ltd).

Local Goods, Services and Works

E6. Description of items purchased

Provide a description of the items purchased locally in the space provided.

E7. Local supplier

Provide the name of the local supplier that corresponds to the item listed in column E6.

E8. Value

Provide the total value of the item purchased in column E6.

E9. Total local products (Goods, Services and Works)

Total local products (Goods, Services and Works) is the sum of the values in E8.

E10. Manpower costs:

Provide the total of all the labour costs accruing only to the tenderer (i.e. not the suppliers to tenderer).

E11. Factory overheads:

Provide the total of all the factory overheads including rental, depreciation and amortisation for local and imported capital goods, utility costs and consumables. (Consumables are goods used by individuals and businesses that must be replaced regularly because they wear out or are used up. Consumables can also be defined as the components of an end product that are used up or permanently altered in the process of manufacturing, such as basic chemicals).

E12. Administration overheads and mark-up:

Provide the total of all the administration overheads including marketing, insurance, financing, interest and mark-up costs.

E13. Total local content:

The Total local content is the sum of the values of E9, E10, E11 and E12. This total must correspond with C24 of Annex C.

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Edition 1

SABS STANDARDS DIVISION

Technical specification

Local goods, services and works — Measurement and verification of local content

This document does not have the status of a South African National Standard.

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Edition 1

Table of changes

Change No.	Date	Scope

Foreword

This South African technical specification was approved by National Committee SABS TC 180, *Conformity assessment (CASCO)*, in accordance with procedures of the SABS Standards Division, in compliance with annex 3 of the WTO/TBT agreement.

This SATS was published in November 2011.

This document is being issued as a South African technical specification because there is a need for clarity and the ability to measure and validate the local content of goods, works and services in order to implement a procurement system that takes the local content into account.

This document will in future be revised and issued as a national standard.

Reference is made in 1.1 and 2.6 to the "relevant national legislation". In South Africa, this means the Preferential Procurement Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

Reference is made in the note to 2.10 to a "national accreditation body". In South Africa, this means the South African National Accreditation System (SANAS).

Reference is made in 5.1(a) to an "accredited verification body". In South Africa, this means a body accredited by the South African National Accreditation System (SANAS).

Reference is made in 5.1(b) to an "independent registered auditor". In South Africa, this means a registered auditor approved by the Independent Regulatory Board for Auditors (IRBA) in terms of the Auditing Profession Act, 2005 (Act No. 26 of 2005).

Annexes A and B form an integral part of this document.

Introduction

Preferential procurement policies and their associated regulations, such as local content requirements, are mechanisms used by the government and organs of state in the adjudication of tenders, to give consideration to procuring locally manufactured products that comply with specified requirements. Governments may identify specific industries which are deemed to be of critical importance to the economic sustainability and industrial development of their country.

In order to calculate and verify local content, a standardized approach is essential, and this document specifies the approach used in South Africa.

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Local goods, services and works — Measurement and verification of local content

1 Scope

1.1 This technical specification specifies requirements and procedures to define, measure, declare and verify the local content of goods, services and works when required for procurement and other purposes, in terms of the relevant national legislation (see foreword):

NOTE The product should contain no less than the level of local content as determined by the relevant national legislation (see foreword) and other procurement requirements.

1.2 This technical specification does not specify the required safety, quality or other properties of the product.

The responsibility to include the above requirements rests with the procurement authority.

2 Definitions

For the purposes of this document, the following definitions apply.

2.1

component

elementary part (element or portion) of a product

2.2

imported content

that portion of the tender price represented by

- a) the cost of imported components, and
- b) the cost of parts or materials which have been or are still to be imported (whether by the suppliers or the suppliers' subcontractors or any other third party) the costs of which are inclusive of the costs abroad,

plus freight and other direct importation costs, such as landing cost, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry excluding value added tax (VAT)

2.3

local content

that portion of the tender price that is not included in the imported content, provided that local manufacturing takes place and is calculated in accordance with the local content formula (see 3.1)

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2.4

manufacture

any kind of working or processing, including assembly or specific operations

2.5

material

ingredient, raw material, component or part used in the manufacture of a product

2.6

products

produced goods, services or works, or manufactured goods as defined in the relevant national legislation (see foreword)

2.7

tender price

price offered by the tenderer, excluding value added tax (VAT)

2.8

tenderer

person or organization that submits a tender offer

[ISO 10845-1:2010]

2.9

verification

confirmation through the provision of objective evidence that the specified requirements have been fulfilled.

2.10

verification body

body that provides assurance of the claims of local content made by the supplier

NOTE In order to provide assurance as to the competence of the verification body, the user may require that the verification body be accredited to perform these functions by a national accreditation body (see foreword).

3 Local content measurement

3.1 Calculation of local content

The local content percentage of the product shall be as specified (see annex A). The local content, *LC*, expressed as a percentage of the tender price, shall be calculated as follows:

$$LC = (1 - x/y) \times 100$$

where

x is the imported content (see 2.2), in Rand (ZAR);

y is the tender price (see 2.7), in Rand (ZAR).

Prices referred to in the determination of *x* shall all be converted to Rand (ZAR) by using the exchange rate as specified (see annex A).

3.2 Documentation required for the calculation of local content

3.2.1 Documentation used for the purposes of measuring local content shall include, but is not limited to, details of all imported components, parts or materials indicating origin, manufacturer, freight cost and other direct importation costs, such as landing cost, dock duties, and import duty and sales duty, i.e. landed cost.

3.2.2 Documentary proof used for calculating x in the measurement of local content and proof of the tender price y shall be kept accessible for a period of no less than five years.

3.2.3 The tenderer shall be responsible for the accuracy of the information, including the imported content in the supply chain.

3.2.4 If information on the origin of components, parts or materials is not available, it will be deemed to be imported content.

3.3 Control of documents and records by the tenderer

Documents and records to provide evidence of compliance with the requirements of this technical specification shall be controlled.

A documented procedure to define the controls needed for the identification, storage, protection, retrieval, retention and disposition of records shall be established.

Records shall remain legible, readily identifiable and retrievable.

4 Declaration

The tenderer shall attach the declaration in annex B signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member/person with management responsibility (close corporation, partnership or individual) to the purchaser stating the local content percentage of the product, calculated in accordance with 3.1, and confirming the final tender price.

5 Verification

5.1 The procurement authority may require that the measurement of local content be verified. The verification shall be conducted by:

- a) an accredited verification body (see foreword); or
- b) an independent registered auditor (see foreword).

5.2 Those conducting the verification shall have defined and documented procedures for the verification activities.

Annex A
(normative)

Notes to purchasers

In addition to data clearly describing the product ordered, the following requirements shall be specified in tender invitations and in each order or contract:

- a) the local content percentage requirements (see 3.1), and
- b) the exchange rate requirements (see 3.1).

Annex B
(normative)

Local content declaration

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF TENDER No.
ISSUED BY: (Procurement Authority):

NB The obligation to complete and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the tenderer.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of (name of tendering entity),
the following:

(a) The facts herein contained are within my own personal knowledge.

(b) I have satisfied myself that the goods/services to be delivered in terms of the above-specified tender comply with the minimum local content requirements as specified in the tender, and as measured in terms of SATS 1286.

(c) The local content has been calculated using the formula given in clause 3 of SATS 1286 and the following figures:

	Rand (ZAR)
Tender price, excluding VAT	
Less imported content, as calculated in terms of SATS 1286	
Local content	
Local content %	

If the tender is for more than one product, a schedule of the local content by product shall be attached.

(d) I accept that the Procurement Authority has the right to request that the local content be verified in terms of the requirements of SATS 1286.

(e) I understand that the awarding of the tender is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the procurement authority imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____ **DATE:** _____

WITNESS No. 1 _____ **DATE:** _____

WITNESS No. 2 _____ **DATE:** _____

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Bibliography

ISO 10845:2010, *Construction procurement – Part 1: Processes, methods and procedures.*

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SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE

I the undersigned,

Full name & Surname	
Identity Number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a member / director / owner of the following enterprise and am duly authorized to act on its behalf:

Enterprise Name	
Trading Name	
Registration Number	
Enterprise Address	

3. I hereby declare under oath that:

- The enterprise is _____ % black owned;
- The enterprise is _____ % black woman owned;
- Based on the management accounts and other information available on the _____ financial year, the income did not exceed R10,000,000.00 (ten million rands);
- Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

100% black owned	Level One (135% B-BBEE procurement recognition)	
More than 51% black owned	Level Two (125% B-BBEE procurement recognition)	
Less than 51% black owned	Level Four (100% B-BBEE procurement recognition)	

4. The entity is an empowering supplier in terms of **the dti** Codes of Good Practice
5. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
6. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____

Date: _____

Commissioner of Oaths
Signature & stamp

...

SWORN AFFIDAVIT – B-BBEE QUALIFYING SMALL ENTERPRISE

I the undersigned

Full name & Surname	
Identity Number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a member / director / owner of the following enterprise and am duly authorized to act on its behalf:

Enterprise Name	
Trading Name	
Registration Number	
Enterprise Address	

3. I hereby declare under oath that:

- The enterprise is _____ % black owned;
- The enterprise is _____ % black woman owned;
- Based on the management accounts and other information available on the _____ financial year, the income did not exceed R50,000,000.00 (fifty million rands);
- The entity is an Empowering Supplier in terms of clause 3.3 (a) or (b) or (c) or (d) or as amended 3.3. € (select one) _____ of the dti Codes of Good Practice.
- Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box**

100% black owned	Level One (135% B-BBEE procurement recognition)	
More than 51% black owned	Level Two (125% B-BBEE procurement recognition)	
(a) At least 25% of cost of sales, (excluding labour costs and depreciation) must be procurement from local producers or suppliers in South Africa; for the services industry include labour costs but capped at 15%	(b) Job creation-50% of jobs created are for black people, provided that the number of black employees in the immediate prior verified B-BBEE measurement is maintained	
(b) At least 25% transformation of raw material / beneficiation which include local manufacturing, production and / or assembly, and/ or packaging	(d) At least 12 days per annum of productivity deployed in assisting QSE and EME beneficiaries to increase their operation or financial capacity	
(e) At least 85% of labour costs should be paid to South African employees by service industry entities.		

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
5. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
6. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____

Date: _____

Commissioner of Oaths
Signature & sta



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF
HEALTH**

TERMS OF REFERENCE

HEDP001/21/22-SUPPLY, DELIVERY AND INSTALLATION OF OFFICE FURNITURE AT LIMPOPO DEPARTMENT OF HEALTH (LDOH) FOR A PERIOD OF THIRTY SIX (36) MONTHS.

1. OBJECTIVE

THE MAIN OBJECTIVE OF THIS BID IS:

To appoint a suitable independent supplier/s to supply, deliver and install office furniture for the Limpopo Department of Health Department (the Department) as per the agreed specifications in various offices in the LIMPOPO region.

2. DELIVERABLES

The successful Bidder/s will be expected to supply, deliver and install office furniture at the Limpopo Department of Health Department as per the agreed specifications in various LDOH offices around the LIMPOPO Region.

3. SCOPE OF WORK

To supply, deliver and install general office furniture in various offices around the LIMPOPO Province.

3.1. Extent of Work

The below mentioned commodities will form core of assets required (*Refer to detailed specification on **Annexure A (Specifications)***)

3.1.1. Cubicles

3.1.2. Office Desks

3.1.3. Chairs

3.1.4. Boardroom and meeting tables

3.1.5. Office Accessories i.e. letter trays, rubbish bins, hang & coat stands.

3.2. Delivery Addresses

The list of all offices where the furniture must be delivered is detailed in **Annexure B. (List of Offices & Locations/Physical Addresses)**

3.3. Bill of Quantities

Annexure B1 to B17 represents assets required per each office as per the above delivery addresses or Annexure B above.

3.4. Other Services

The winning bidder must remove, dismantle and place existing furniture at designated places within each office.

4. VALIDITY PERIOD

- 4.1 The validity period of this bid is 120 days and is calculated from the time and date that the bid closes.

5. PRICING BILLING METHOD

- 5.1 The winning bidder may elect to bill the Department (LDOH) in phases to be agreed upon during the signing of the Service Level Agreement.

5.2 PRICING SCHEDULE

- 5.2.1 The Pricing Schedule documents form part of and must be read and priced in conjunction with all the other documents forming part of the contract documents, the Standard Conditions of Bid, Conditions of Contract, Specifications, Drawings and all other relevant documentation. Price proposals must strictly be prepared in line with the attached **ANNEXURE G**.

6. SPECIAL CONDITIONS OF THE BID

- 6.1. Bidders shall comply 100% with the local content determination as per the SABS (South African Bureau of Standards) Technical specification SATS 1286:2011.
- 6.2. The exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid.
- 6.3. The rates of exchange quoted by the bidder shall be verified for accuracy.
- 6.4. Only the SABS approved Technical Specification Number SATS 1286:2011 and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [**Annexure C** (Local Content Declaration: Summary Schedule), **Annexure D** (Imported Content Declaration: Supporting Schedule to Annex C) and **Annexure E** (Local Content Declaration: Supporting Schedule to Annex C)] shall be used in calculating local content. *This is accessible to all potential bidders on the DTI's official website <http://www.thedti.gov.za/industrialdevelopment/ip.jsp> at no cost. NB: (All templates mentioned in 6.4 must be completed signed and submitted with the bid*
- 6.5. The declaration certificate for Local Production and Content (SBD 6.2) together with Annexure C (Local Content Declaration: Summary Schedule) must be completed, dully signed and submitted by the bidder at the closing date and time of the bid.

- 6.6. Bidders must attach / provide documentation used for local content such as: Details of imported components; Direct importation costs; Import & Sales duty; Landing costs and Dock duties
- 6.7. If information on the origin of components, parts or material in the manufacturing process is not attached it will be deemed to be imported content.
- 6.8. ***Bidders are drawn to the attention of the following documents herein attached as Annexure F:***
- Guidance Document for the Calculation of Local Content
 - SATS 1286.2011 edition 1
- 6.9. Bidders must complete the checklist for all the returnable documents for this bid. ***Annexure H.***

7. EVALUATION CRITERIA

7.1 The bid shall be evaluated in Five (5) phases as follows:

PHASE 1	Administrative Compliance	<input type="checkbox"/> Compliance with administrative bidding requirements
PHASE 2	Local Content Threshold compliance	<input type="checkbox"/> Minimum Thresholds for local production and content
PHASE 3	Functionality Criteria	<input type="checkbox"/> Compliance with Functionality
PHASE 4	Price and B-BBEE	<input type="checkbox"/> Evaluation on 80/20 preference points
PHASE 5	Site Inspection Criteria	<input type="checkbox"/> Compliance to site inspection

7.1.1 PHASE 1: ADMINISTRATIVE COMPLIANCE

Bidders shall take note of the following guidelines:

7.1.2 The below administrative bidding requirements shall be complied with and required documents must be attached before consideration for further evaluation.

7.1.3 The bidder shall respond with “**Comply**”, “**Not Comply**” or “**Not Applicable**” in the apportioned spaces. The “**Not Applicable**” answer shall only be considered where the response field has the wording “**If Applicable**”.

NB: Bidders *may* be disqualified for failure to comply with the above guidelines when responding to administrative bidding requirements and failure to attach or complete and/or sign any of the designated arrears of the documents mentioned below *may* render the bid a not “Acceptable Bid”

FOL	ADMINISTRATIVE BIDDING REQUIREMENTS	BIDDER'S RESPONSE (Comply/ Not Comply / Not Applicable)
7.1.4	Submission of the following standard bidding documents (fully completed and signed)	
(i)	SBD 1: Invitation to Bid,	
(ii)	SBD 3.1: Pricing Schedule (Firm Prices),	
(iii)	SBD 4: Bidder's disclosure	
(iv)	SBD 6.1: Preference points claim form in terms of the Preferential Procurement Regulations 2017;	
(v)	SBD 6.2 : Declaration of local production and content	
(vi)	Naming of the bidding company must be consistent in the request for bid (RFB) document, applicable EME or QSE original sworn affidavit, original	

FOL	ADMINISTRATIVE BIDDING REQUIREMENTS	BIDDER'S RESPONSE (Comply/ Not Comply / Not Applicable)
	or copy of valid B-BBEE Status Level Verification Certificate and the CSD report. Deviations to this pre-requisite may disqualify the bid.	
7.1.5	Proof of Central Supplier Database Registration AND/OR Attachment of Central Supplier Database Registration Report (CSD) of the bidder.	
7.1.6	In case of a B-BBEE Exempted Micro Enterprise (EME) or B-BBEE Qualifying Small Enterprise (QSE) bidders shall submit a valid Sworn Affidavit (copy attached to this bid) or submit an original or certified copy of valid B-BBEE issued by an Agency Accredited by the South African National Accreditation System (SANAS). Bidders other than EMEs and QSEs shall submit an original or certified copy of valid B-BBEE issued by an Agency Accredited by SANAS (If Applicable)	
7.1.7	Naming of the bidding company must be consistent in the request for bid (RFB) document, applicable EME or QSE original sworn affidavit, original or certified copy of valid B-BBEE Status Level Verification Certificate and the CSD report. If the CSD report and/or original certified copy of valid B-BBEE Status Level Verification Certificate and/or original sworn affidavit ends with a 'cc', 'PTY/LTD, etc., or it does not, it is expected that the name of the bidder as written in the RFB document will read 100% the same as in the CSD and/or original or original certified copy of valid B-BBEE Status Level Verification Certificate, that is, ending or not ending with 'cc', PTY/LTD, etc., whichever is the case.	
7.1.8	<p>Attachment of proof of Financial Capacity of the Bidder to a minimum of R500 000</p> <p>The financial capacity of the Bidder(s) shall be tested through either of the following documents:</p> <p>Audited Annual Financial Statement for a three (3) consecutive financial years with an average annual turnover of R500 000.</p> <p>Any proof of support from accredited Financial Institution on primary funding when the tender is successfully awarded</p> <p>Proof of capacity to self-funding (three months recent Company Bank Statement)</p> <p>Any proof of support from accredited Financial Institution (FSP or NCR) on primary funding when the tender is successfully awarded.</p>	

8. PHASE 2: PRE-QUALIFICATION FOR LOCAL PRODUCTION AND CONTENT

- 8.1.1 Bids in respect of furniture must contain a specific bidding condition that only locally produced or locally manufactured furniture with a stipulated minimum threshold for local production and content **as indicated in the Bill of quantity.**

Evaluation in terms of the stipulated minimum threshold for local production and content for textile, Clothing, Leather and Footwear the following criteria shall apply:

- 8.1.2 Bids will be evaluated in terms of the minimum threshold stipulated in the bid documents.
- 8.1.3 Bids in respect of furniture must contain a specific bidding condition that only locally produced or locally manufactured furniture with a stipulated minimum threshold for local production and content as indicated in the Bill of quantity. The declaration made by the bidder in the Declaration Certificate for Local Content (SBD 6.2) and Annex C (Local Content Declaration: Summary Schedule) will be used for this purpose. If the bid is for more than one product, the local content percentages for each product contained in Declaration C will be used.
- 8.1.4 Bidders must take note that the DTI has the right to, as and when necessary, request for auditors' certificates confirming the authenticity of the declaration made in respect of local content.
- 8.1.5 The Department will verify the accuracy of the rates of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate for Local Content SBD 6.2. Incorrect information may invalidate your bid.
- 8.1.6 Only bids that achieved the minimum threshold for local production and content will be evaluated further in terms of functionality and 90/10 preference point systems prescribed in Preferential Procurement Regulations, 2017.
- 8.1.7 Only locally produced or locally manufactured Textiles, Clothing, Leather and Footwear from local raw material or input will be considered.
- 8.1.8 The stipulated minimum threshold percentages for local production and content for the Textiles and Clothing is 100%.
- 8.1.9 If the raw material or input to be used for a specific item is not available locally, bidders should obtain written authorization from the DTI should there be a need to import such raw material or input; and a copy of the authorization letter must be submitted together with the bid document at the closing date and time of the bid.
- 8.1.10 For further information, bidders may contact the Clothing, Textile, Footwear and Leather Unit within the DTI at telephone 012 – 394 3717/1390. The exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.
- 8.1.11 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content.
- 8.1.12 The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the following formula;

$$LC = (1-x/y) * 100$$

Where

X is the imported content in Rand

Y is the bid price in Rand excluding value added tax (VAT)

- 8.1.13 Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the SARB at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.
- 8.1.14 2.1.12 The SABS approved technical specification number SATS 1286:2011 and the Guidance on the calculation of Local Content together with the Local Content Declaration Templates Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration)
- 8.1.15 2.1.12 The Declaration Certificate for Local Production and Content (SBD 6.2) together with the Annex C (Local Content Declaration: Summary Schedule) must be completed, duly signed and submitted by the bidder at the closing date and time of the bid.

9. PHASE 3: FUNCTIONALITY CRITERIA

9.1. Third phase: Evaluation on Functionality

- 9.1.1. The evaluation of the bids on functionality will be conducted by the Bid Evaluation Committee in accordance with the functionality criteria and values set below:

TOTAL SCORE			100	
ACCEPTABLE MINIMUM SCORE			70	
NO	CRITERIA	WEIGHT	ELEMENT BREAKDOWN	SCORING VALUES
a)	Experience in the supply and delivery of general office furniture	30	Company experience in the supply and delivery of general office furniture Number of Completed projects:	
			(15 and above completed projects)	Excellent (5)
			(10 to 14 completed projects)	Very Good (4)
			(5 to 9 completed projects)	Good (3)
			(1 to 4 completed projects)	Average (2)
			(0 project completed)	Poor (1)
		30	Extent of the bidder's biggest current or past medical equipment project: Value of a Single Highest Project:	
			R 500 000 and Above	Excellent (5)
			R 400 000 To R499 999	Very Good (4)
			R 300 000 To R 399 999	Good (3)
			R 200 000 To R 299 999	Average (2)
			R 01 To R 199 999	Poor (1)
b)	Financial Capacity	40	Submission of Audited Annual Financial Statement for a three (3) consecutive financial years with an average annual turnover stipulated below or Any proof of support from accredited Financial Institution on primary funding when the tender is successfully awarded or Proof of capacity to self-funding (three months recent Company Bank Statement) or Any proof of support from accredited Financial Institution (FSP or NCR) on primary funding when the tender is successfully awarded.	

			R500 000 and Above	Excellent (5)
			R400 000 To R499 999	Very Good (4)
			R 300 000 To R399 999	Good (3)
			R 200 000 To R299 999	Average (2)
			R 01 To R199 999	Poor (1)

Bids shall be assessed for 100% compliance with the technical specifications requirements as outlined on the tables in the subsequent pages, under this sample evaluation phase. Technical specifications that exceed the requirements are acceptable. Failure to comply with 100% compliance with the technical specifications requirements will lead to a disqualification.

10. PHASE 4: PRICE AND B-BBEE

- 10.1. This bid shall be evaluated in terms of **80/20** preference points system.
- 10.2. Bidders must submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African National Accreditation System (SANAS).
- 10.3. In case of a B-BBEE Exempted Micro Enterprise (EME) or B-BBEE Qualifying Small Enterprise (QSE) bidders may submit a valid Sworn Affidavit (attached to this bid).
- 10.4. Points shall be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

11. SITE INSPECTION

11.1. PHASE 4: SITE INSPECTION REQUIREMENTS

11.1.1. Site inspection will ONLY be conducted to addresses given in the bid document (SBD 1) and to bidders whose bids have satisfied all requirements of the bid. Written notice of change of business address must reach the Departmental Supply Chain Management Office within **fourteen (14) days** prior to the relocation and before site inspection.

TOTAL SCORE			100	
ACCEPTABLE MINIMUM SCORE			70	
NO	BUSINESS REQUIREMENT	WEIGHT	ELEMENT BREAKDOWN	SCORING VALUES
11.1.1.1.	Physical Existence of the business premises	60	Availability of business premises fully equipped with functional industrial sewing machines, storage capacity with a minimum of 100m ² and personnel.	Excellent (4)
			Availability of business premises with functional industrial sewing machine with a storage capacity of 100m ² and Personnel.	Good (3)
			Availability of business premises with functional industrial sewing machine with a storage capacity of <100m ² and Personnel.	Average (2)
			Unavailability of business premises with no industrial sewing machine and limited storage capacity and personnel.	Poor (1)
11.1.1.2.	The service provider must be able to show the furniture being offered, allow for inspection of the quality of all items offered and demonstrate its ability to source, supply and install the furniture and equipment.	40	Services provider has the capacity, resources, personnel and control processes to supply and deliver office furniture compliant with SABS standards, be able to showcase office furniture as per specification.	Excellent (4)
			Services provider has the capacity, resources control processes to supply and deliver office furniture compliant with SABS standards, be able to showcase	Good (3)

			office furniture as per specification.	
			Services provider has the capacity to supply and deliver office furniture compliant with SABS standards, be able to showcase office furniture as per specification.	Average (2)
			Service provider has insufficient capacity, resources, personnel and poor-quality controls to deliver a and supply office furniture.	Poor (1)
TOTAL SCORE			100	
ACCEPTABLE MINIMUM SCORE			70	

12. KEY ASPECTS OF THE BID PROPOSAL

Bidders must take note of the following fundamental aspects before submission of their bid proposals:

- 12.1. The bidder is expected to examine all instructions, forms, terms of reference and specifications in this bid.
- 12.2. **In this bid 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**
- 12.3. Alterations/corrections must be signed. **No tippex/eraser allowed.**
- 12.4. Bidders must submit their bids on the stipulated closing date and time. Late bids shall not be considered.
- 12.5. In order to evaluate and adjudicate bids effectively, it is imperative that bidders submit responsive bids. To ensure a responsive bid it is imperative to comply with all conditions pertaining to the terms of reference.
- 12.6. Each bidder must attach all applicable documents in support of its bid in accordance with the requirements set out in this bid as well as any other relevant materials, photographs and/or attachments.

- 12.7. The department reserves the right to verify any information supplied by the bidder and should the information be found to be false or incorrect, the department will exercise any of the remedies available to it.
- 12.8. Each bid, once submitted, constitutes a binding and irrevocable offer to provide the services on the terms set out in the bid, which offer cannot be amended after its date of submission.
- 12.9. The department reserves the right to invite any bidder for a formal presentation during the evaluation process.
- 12.10. The department may, for any reason and at any time during the selection process, request any bidder to supply further information and/or documentation.
- 12.11. Returnable documents must be chronologically indexed with a contents list.

13. CONDITIONS ON ADMINISTRATIVE REQUIREMENTS

- 13.1. The LDoH has prescribed minimum administrative requirements that must be met by the bidders, in order for the former to accept the bid for evaluation. In this regard administrative compliance will be carried out to determine whether the bidder's bid comply in this regard.
- 13.2. Where the bidder fails to comply fully with any of the administrative bidding requirements below/under this bid or the LDoH is for any reason unable to verify whether administrative bidding requirements are fully complied with, the LDoH reserves the right, either to:
 - a. Reject the bid in question and not evaluate it at all.
 - b. Give the bidder an opportunity to submit and/or supplement the information and/or documentation provided so as to achieve full compliance with the administrative bidding requirements, provided that such information/ documentation can be provided within the period that will be determined by the LDoH and such supplementary information/ documentation is only administrative and not substantive in nature. **The evaluation team shall agree on the maximum time frame to be granted to furnish the information required.**
 - c. Permit the bid to be evaluated, subject to the outstanding information and/or documentation being submitted prior to the award of the bid.
 - d. **The LDoH may waive any minor informality or non-conformity or irregularity in a bid which does not constitute a material deviation, provided such waiver does not prejudice any bidder.**

14. BID AWARD AND CONTRACT CONDITIONS

- 14.1. The shortlisted bidders shall be subjected to supply chain management screening process and only successful bidders who are cleared during screening shall be considered for appointment.

- 14.2. The department is not obliged to accept or consider any bid in full or in part or any responses or submissions in relation thereto and may reject any bid.
- 14.3. The Department reserves the right to cancel and/or terminate the tender process at any stage, including after the Closing Date and/or after presentations have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- 14.4. The department reserves the right to negotiate pricing proposals with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s).
- 14.5. **The department reserves the right to award the bid to one or more service providers, wholly or in part or not to award.**
- 14.6. **The department further reserves the right to reject all or individual items of this bid and/or award all or individual items of this bid.**
- 14.7. **The department may, on reasonable and justifiable grounds, award the bid to a company that did not score the highest number of points.**
- 14.8. The appointment of the successful bidder shall be subject to the conclusion of a Service Level Agreement (SLA) between the department and the successful bidder governing all rights and obligations related to the required services.
- 14.9. The contract shall be concluded between Limpopo Department of Health and the successful service provider(s).
- 14.10. The contract period will be in terms of the acceptance letter.
- 14.11. Bidders shall be notified about the decision of the Department by means of publication in the Provincial Tender Bulletin and the LDoH website.
- 14.12. The outcome of the successful bidders shall be published in the Provincial Tender Bulletin and the LDoH website.
- 14.13. **Awarding of the bid shall be subject to the Service Provider(s) acceptance of National Treasury General Conditions of Contract (GCC).**

15. CONTRACT ADMINISTRATION

- 15.1. The successful bidder must report to supply chain management contract unit immediately when unforeseeable circumstances will adversely affect the execution of the contract.

- 15.2. Full particulars of such circumstances as well as the period of delay must be furnished.
- 15.3. The administration of the bid and contract i.e. evaluation, award, distribution of contract circulars, contract price adjustments etc., shall be the sole responsibility of the Supply Chain Management Unit.

16. RISK MANAGEMENT ON PRICING AND AWARDING

- 16.1. All prices quoted by suppliers shall be assessed to ensure that bidders did not underquote. **(Bidders perceived to have underquoted in terms of market prices may not be considered).**
- 16.2. Bidders to take note that the department shall complete the process of evaluation and award in a period of 30 days, therefore their prices should consider inflationary fluctuations.

17. PRICING STRUCTURE AND SCHEDULE

Prices quoted must be furnished on the basis of supply and delivery of general office furniture.

18. PRICE ADJUSTMENTS

- 18.1. **The cost component of the contract price should constitute the cost of material (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.**
- 18.2. **Bidders must submit the cost breakdown of the bid price of each item with their bid. Failure to submit the cost breakdown will result in the bid being firm for the duration of the contract. Should the cost breakdown be the same for all item on the bid, please indicate it clearly in the bid document by submitting the cost components with a bid.**
- 18.3. **Bidders must take note that prices shall be firm for the first 12 months of the contract, and thereafter the department shall apply price adjustment based on the cost components breakdown provided. The adjustment shall be automatically applied - *bidders need not apply for such price adjustments.***

<i>Cost Component</i>	<i>% Contribution</i>	<i>Indices</i>
<i>Imported raw material/ Finished product</i>		<i>Supplier/ Manufacturer invoice(s) and remittance advice.</i>
<i>Local Raw Material</i>		<i>STATS SA P0142.1 (PPI) Table 1</i>

<i>Labour</i>		<i>STATS SA P0141 (CPI) Table E or Labour agreement</i>
<i>Transport</i>		<i>STATS SA P0141 (CPI) Table E</i>

<i>Housing and Utilities</i>		<i>STATS SA P0141 (CPI) Table E</i>
<i>Miscellaneous goods and services</i>		<i>STATS SA P0141 (CPI) Table E</i>
<i>Other</i>		<i>STATS SA P0141 (CPI) Table E</i>
<i>Total</i>	<i>100%</i>	

11.4 Percentage weighted contribution- List % weighted contribution for each cost elements must add up to 100%.

11.5 Indices- List measurable indices/ factors that contribute to cost escalation.

19. ENQUIRIES

All enquiries regarding the bid may be directed to the following:

Physical Address	Technical Enquiries	Bidding Process:
18 College Avenue Polokwane 0699	Mr. Matshete S Contact : (015) 293 6669 / (063) 692 9554 Email:Sello.Matshete@dhdsd.limpopo.gov.za	Ms. T.O Simango / Ms. N.M Motene Contact : (015) 293 6352 / (015)293 6350 Contact : (071) 861 9937 / (063) 692 9368 Email:Tintswalolo.simango@dhdsd.limpopo.gov.za Email. Ntlama.Maphahlele@dhdsd.limpopo.gov.za

DESCRIPTION	QTY	UNIT OF MEASURES	UNIT PRICE (EXC. OF VAT)	TOTAL PRICE (EXC. OF VAT)
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