

Schedule 10: Local Content Declaration / Annexure C

[Drafters Note: If Local Content is not required for this tender, then delete all text related to it on this schedule(s) and insert "Not Used" under the page heading

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

Preamble

This declaration is based on and replaces Municipal Bid Document 6.2 (MBD 6.2).

The amendments made to the MBD 6.2 document have been necessary to clarify this standard document as it relates to local production and content in the Electrical and Telecom Cable sector.

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 and 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)].

Documents listed herein are downloadable from the dti's official website, <http://www.thedti.gov.za>.

This schedule must be completed by tenderers and returned with their tender at the closing date and time for this tender.

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, organs of state must advertise such bids with the specific bidding condition that only locally produced goods with a stipulated minimum threshold for local production and content will be considered.
- 1.3 Where necessary, for tenders 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 Nedbank at close of business on the date of advertisement of the bid as required 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 at no cost.

- 1.6 A bid may be disqualified/declared non-responsive if this Declaration Certificate and Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation.

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS (Cont'd)

2. 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:

Description of services, works or goods Stipulated minimum threshold

Cement Sector 100% |

3. Does any portion of the services, works or goods offered for Items as detailed in Annexure C have any imported content?

(Tick applicable box)

| | | | |
|-----|--------------------------|----|--------------------------|
| YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

3.1 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 above General Conditions must be the rate(s) published by Nedbank at close of business on the date of advertisement of the bid.

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: Tenderers must submit proof of the Nedbank rate(s) of exchange used.

4. 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 CCT provide directives in this regard.

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 Municipality / Municipal Entity):
.....

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.thedti.gov.za/industrial_development/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 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;
- (c) The local content percentages (%) 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 2 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 3.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Municipality /Municipal Entity 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 / Municipal / Municipal Entity 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: _____

Annex C

Local Content Declaration - Summary Schedule

| | | | | |
|------|---------------------------|---|----|-----|
| (C1) | Tender No. | 214S/2021/22 | | |
| (C2) | Tender description: | GRAVE PREPERATION, GRAVE MARKING, MEMORIAL WORK AND NICHE WALL SERVICES FOR THE CITY OF CAPE TOWN | | |
| (C3) | Designated product(s) | CEMENT SECTOR | | |
| (C4) | Tender Authority: | CITY OF CAPE TOWN | | |
| (C5) | Tenderer Entity name: | | | |
| (C6) | Tender Exchange Rate: | Pula | EU | GBP |
| (C7) | Specified local content % | 100% | | |

Note: VAT to be excluded from all calculations

Calculation of local content

| Tender item no's | List of items | Tender price per UoM (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 | CONCRETE GRAVE MARKER (SECTION A) | | | | | | |
| | | | | | | | |

Tender summary

| Anticipated Annual Tender Qty (m) | Total Tender value | Total exempted imported content | Total Imported content |
|-----------------------------------|--------------------|---------------------------------|------------------------|
| (C16) | (C17) | (C18) | (C19) |
| | | | |
| | | | |

TENDER NO:

| | | Calculation of local content | | | | | | Tender summary | | | |
|------------------|---------------|---------------------------------|-------------------------|---|----------------|-------------|----------------------------|-----------------------------------|--------------------|---------------------------------|------------------------|
| Tender item no's | List of items | Tender price per UoM (excl VAT) | Exempted imported value | Tender value net of exempted imported content | Imported value | Local value | Local content % (per item) | Anticipated Annual Tender Qty (m) | Total Tender value | Total exempted imported content | Total Imported content |
| (C8) | (C9) | (C10) | (C11) | (C12) | (C13) | (C14) | (C15) | (C16) | (C17) | (C18) | (C19) |

| | | |
|---|---|---|
| (C20) Total tender value | R | |
| (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 | | |

Signature of tenderer from Annex B

Date: _____