



in the footprints ...

NELSON MANDELA MUSEUM

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29 August 2023

RFQ 43 of 2023: SUPPLY, INSTALLATION, CONFIGURATION & INSTALLATION OF A CLOUD-HOSTED PABX SOLUTION FOR THE NELSON MANDELA MUSEUM AT QUNU HERITAGE & YOUTH CENTRE FOR A PERIOD OF TWO (2) YEARS

The Nelson Mandela Museum (NMM) invites quotations from accredited service providers that are registered with the Central Supplier Database (CSD) for the supply, installation, configuration, and maintenance of a cloud-hosted PABX solution the Qunu Heritage & Youth Centre, as per the specification below:

ID	Office Name	Delivery address	Required Lines
1	Qunu Youth & Heritage	Qunu A/A	28

The Nelson Mandela Museum is looking for a telephone system that will integrate all its sites and make it possible to transfer calls from any office within all the Nelson Mandela Museum.

The service provider must include cabling if there will be any. The supplier will be given an opportunity to visit the site should they require them to perform an assessment, however, the request must be communicated with the contact persons on this document.

Calling Features

- Call identity/On-call waiting
- Call Forwarding – redirect the call to the mobile number or softphone
- Remote Office – have extension forwarded to your mobile/concurrent ringing

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- Caller ID-based forwarding – follow me based on the number calling and calling party
 - Follow Me: Have one of your office numbers/extensions ring for a period of time and if unanswered forward to a second number and then a third and so forth OR all ring the call concurrently.
 - Caller ID Based Forwarding: Follow Me Based on the number called and calling party.
 - Inbound Number Tagging: Tag an inbound caller ID for easy reception management for multiple companies.
 - Call Hold: Easily put a call on hold while you answer another call.
 - Call Transfer: Attended Transfer (alert forwarding party before transfer) & Blind Transfer (transfer the call directly).
 - Call Conferencing: Join a conference room by dialing a feature code or get transferred in.
 - Call Waiting: Be notified when someone else is trying to call if you are already on a call. The system should be able to keep a minimum of 5 or more calls on hold if the receptionist attends to other calls.
 - Do Not Disturb: Callers go directly to voicemail or call forward when you do not want to be disturbed.
 - Call Logs: Access detailed call records by extension or account.
 - FAX to Email
 - Must have a PC/mobile phone softphone application that can forward/used as an extended office phone via PC/mobile devices for selected users and can be scalable to accommodate the users as and when requested.
- **VOICEMAIL FEATURES**
 - Password Protected Voicemail: Prevent unauthorized access to voicemail.
 - Voicemail Greeting Options: Unavailable / Personal Message.
 - Voicemail to Email: Receive voice messages attached to an email as a wav file (or audio file).
 - Digital receptionist – Interactive Voice Response (IVR).

- Day and Night Mode Schedule: Create different greetings according to the time of day and day of the week.
- Custom Greetings: Upload third-party professional greetings to use as Digital Receptionist greetings.

- **HUNT LISTS / RING GROUPS**

- Ring groups: Simultaneously ring a set of phones based on a DID.
- Hunt lists: Set a linear line of ring groups (1 extension or many) for a period, before transferring to a second and third ring group, etc.

- **CALL RESTRICTIONS**

- Block outgoing calls to specified numbers.
- Pin Code phone access.

- **QUEUE MANAGER**

- Ability to view call queues on a portal.
- Ability to view missed calls, dropped calls, and unanswered calls.

- **MEDIA MANAGEMENT**

- Custom Music-on-Hold.
- Custom Digital Receptionist Recordings.
- Custom voicemail messages.

- **CALL RECORDING**

- Ad hoc call recording.

- **ONLINE PORTAL**
 - Online Management Portal for reporting, administration, and management of the Cloud Hosted PABX system.
 - Ability to create users on the portal with specific security access to certain aspects of the system such as reporting and administration of specific areas/divisions/regions.
 - Manage and record voice prompts.
 - Set and change working hours
 - Add new devices in minutes
 - Control hunt groups and call queues
 - View incoming and outgoing detailed call records
- **EXTENSION MANAGER**
 - Access, search, and download call recordings.
 - Personal profile editing.
 - Detailed call analytics.
- **REPORT MANAGEMENT**
 - Secure call recording storage.
 - Archiving call recordings.
- **Real-time inbound and outbound call details records.**
 - Outbound call source listed by extension.
 - Outbound call source lists for virtual extensions
 - Ability to view reports of the entire organization per department/division missed calls, dropped calls, and unanswered calls.

- Download and analyze call records
 - See at a glance which users are online and using the phone (Operator Panel)
 - Manage user access levels
 - Call Forwarding and Call restricting
 - Extension manager
- **CALLING PLANS AND RATES**
 - Local
 - International - Destination dependent
 - Cellular
 - Organisational(NMM) calls to be zero-rated.

The pricing schedule **MUST** show the total cost for Qunu Heritage & Youth Centre site.

RETURNABLE DOCUMENTS

Service providers are required to submit all the returnable documents together with their quotations. ***Failure to provide all the Compulsory Returnable Documents at the closing date and time of this RFQ will result in a respondent's disqualification. Respondents are therefore urged to ensure that all these Documents are returned with their Proposals. Failure to submit the Supporting documents for functionality scoring will result in a scoring of zero.***

COMPULSORY RETURNABLE DOCUMENTS

- Duly signed & completed **SBD 1** Invitation to BID
- **SBD 2** Tax Clearance Requirements
- Duly signed & completed **SBD 3** Pricing Schedule
- Duly signed & completed **SBD 4** Declaration of Interests form.

(1) Points for this shall be awarded for:

APPLICABLE PREFERENCE POINTS ALLOCATION SYSTEM

- Only quotations from service providers with a minimum threshold of 90% for only locally produced or locally manufactured cables, will be considered.
- Bidders must clearly indicate in their bids the quantities of material and products to be supplied and the level of local content for each product

LOCAL CONTENT

Specific goals verification documents as stipulated below must be submitted on or before the closing date and time *(failure to submit on or before the closing date will result in an automatic score of zero for preference)*

ESSENTIAL SUPPORTING DOCUMENTS

- Reference Letters
- Methodology

SUPPORTING RETURNABLE DOCUMENTS (for functionality scoring)

- Duly signed & completed SBD 6.1 Preference points claim form
- Duly signed & completed SBD 6.2 Local Content Declaration Form
- Duly signed & completed SBD 7.2 Contract Form (Rendering Services).
- General Conditions of Contract
- Duly signed & completed SBD 8 Declaration of Bidder's Past Supply Chain Management Practices.
- Duly signed & completed SBD 9 Certificate of Independent Bid Determination.
- Proof of CSD registration
- ICASA registration

(a) Price; and

(b) Specific Goals.

(c) Where 80 points will be allocated for price and 20 points allocated for specific goals

(2) The following specific goals are applicable to all procurements of a transaction value above R2 000 and up to R50 000 000

a. The NMM will utilize the following preference criteria ;

- i. Service providers within the OR Tambo region & Eastern Cape
- ii. Historically Disadvantaged Individuals (Women, Youth, and People living with disabilities)
- iii. SMMEs

b.

Category		Sub-categories	Specific goals points	Verification documents
Local Supplier	5	OR Tambo supplier	5	CIPC Registration Certificate (CK) or Proof of residence
		Eastern Cape Supplier	4	
		Anywhere in South Africa	3	
		Non-South African	0	
Women-owned supplier	4	Black African Women	4	CIPC Registration Certificate (CK) and CSD Report
		Non-Black African Women	2	

Criteria	Weight	Value
Reference Letters	30	6 letters and more = 30 points

Value: 1=Poor; 2=Average; 3=Good; 4=Very good; 5=Excellent

The received quotations will be evaluated using the 80/20 system (80 for Price and 20 for specific goals). Functionality will be scored at a maximum of 100 points whereby the bidder must obtain a minimum of 65 points to qualify for the financial evaluation according to the criteria captured in the table below:

EVALUATION CRITERIA

Youth Owned Supplier	4	Youth Owned (< 35-year-old persons)		CIPC Registration
		Non-Youth Ownership (> 35-year-old persons)	2	
	3	People living with disabilities	3	CSD Report
		SME – Owned by people with disability	4	
Small Micro, Medium & Enterprises	4	SME – Black owned	3	Sworn Affidavit (BBBEE Affidavit)
		SME – Other	2	
People living with disabilities	3			CSD Report
Youth Owned	4			CSD Report

Criteria	Weight	Value
Signed reference letters on the recommending company's letterhead NB: Reference letters should not be older than five years Submission of purchase orders or appointment letters WILL NOT be considered.		5 letters = 25 points
		4 letters = 20 points
		3 letters = 15 points
		2 letters = 10 points
		1 letter = 5 points
		Failure to submit/Irrelevant letter(s) = 0
Project Methodology The bidder must demonstrate how they will supply, deliver, install, configure, and maintain the PABX solution by a clear project plan outlining timeframes from the delivery date and a methodology for implementation of services (time frames to be included). The service provider is also required to outline the methodology for logging calls for support purposes	30	Excellent – 30- points
		Good = 20 points
		Average = 15 points
		Poor = 5 points
		Did not Submit = 0 points
SKILLS AND EXPERTISE	20	Project Management Certificate = 10 points
		CCIE/CCNP/CCNA Routing and Switching Certificate = 10 Points
		Did not Submit = 0 points
Original Equipment Manufacturer (OEM) letter or Certificate as reseller or distributor or Partner	20	Valid OEM Certificate = 20 points
		No OEM Certificate = 0 points

Criteria	Weight	Value
Total	100	

QUOTATION SUBMISSIONS

- All quotations and accompanying documents must be forwarded to: supplychain@nelsonmandelamuseum.org.za
- NO FAXED OR HAND-DELIVERED QUOTATIONS SHALL BE ACCEPTED.
- Closing date for the submission of quotations is **13 September 2023@12H00**

ENQUIRIES

All communications and inquiries/requests for clarification relating to this proposal should be directed to the contact person:

	Ms. M Mputa
	Tel: 047 501 9504
	Email: mihlali@nelsonmandelamuseum.org.za
	Supply Chain Specialist
	Mr. W. Quzu
	Tel: 047 501 9524
	Email: wandile@nelsonmandelamuseum.org.za
	ICT Specialist

NB: The NMM reserves the right to amend, modify or withdraw this RFQ at any time, without prior notice and without liability to compensate and/or reimburse any party.



Dr. Vuyani Booi
 Chief Executive Officer



in the footsteps ...

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SBD 1

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NELSON MANDELA MUSEUM

BID NUMBER:	CLOSING DATE:	CLOSING TIME:	
DESCRIPTION			

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).

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

CORNER NELSON MANDELA DRIVE & OWEN STREET

MTHATHA

EASTERN CAPE

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

TCS PIN:

☐ Yes

☐ No

OR

CSD No:

B-BBEE STATUS
LEVEL SWORN
AFFIDAVIT

☐ Yes

☐ No

B-BBEE STATUS LEVEL VERIFICATION
CERTIFICATE
(TICK APPLICABLE BOX)

IF YES, WHO WAS THE CERTIFICATE
ISSUED BY?

AN ACCOUNTING OFFICER AS
CONTEMPLATED IN THE CLOSE
CORPORATION ACT (CCA) AND NAME
THE APPLICABLE IN THE TICK BOX

☐

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION
ACT (CCA)

☐

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN
ACCREDITATION SYSTEM (SANAS)

☐

A REGISTERED AUDITOR

NAME:

[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?		(IF YES ENCLOSE PROOF)		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		(IF YES ANSWER PART B.3 BELOW)	
☐ Yes ☐ No		☐ Yes ☐ No		☐ Yes ☐ No		☐ Yes ☐ No	
SIGNATURE OF BIDDER		DATE					
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)		TOTAL BID PRICE (ALL INCLUSIVE)					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:					
DEPARTMENT/ PUBLIC ENTITY		CONTACT PERSON		TELEPHONE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS		E-MAIL ADDRESS					

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 ONLINE
1.3.	BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
1.4.	WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
1.5.	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 LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.
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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA .
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / 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.
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1.	IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES
	☐ NO
3.2.	DOES THE BIDDER HAVE A BRANCH IN THE RSA? ☐ YES
	☐ NO
3.3.	DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES
	☐ NO
3.4.	DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES
	☐ NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.

2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.

3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.

4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.

5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.

6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.



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SBD 3.3

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:

BID NO.:

CLOSING TIME 12:00

CLOSING DATE

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL TAXES INCLUDED)
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1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE
----	---------------------	-------------	------------

Handwriting practice lines for the letter 'R'. The page contains six rows of dashed lines on a solid background. Each row begins with a solid 'R' followed by a dashed 'R' for tracing. The first row is labeled 'R' at the end. The second row is labeled 'R' at the end. The third row is labeled 'R' at the end. The fourth row is labeled 'R' at the end. The fifth row is labeled 'R' at the end. The sixth row is labeled 'R' at the end.

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE	RATE	AMOUNT

TOTAL: R.....

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

5.2 Other expenses, for example accommodation (specify, e.g. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE	RATE	AMOUNT

TOTAL: R.....

6. Period required for commencement with project after acceptance of bid

.....

7. Estimated man-days for completion of project

.....

8. Are the rates quoted firm for the full period of contract?
*YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

[DELETE IF NOT APPLICABLE]

1. PURPOSE OF THE FORM

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.

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.

Full Name	Identity Number	Name of Institution State

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:

.....

3 DECLARATION

I, the undersigned, 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

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.

Position

Name of bidder

SBD4



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SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- 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).

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

POINTS	
PRICE	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

- (a) "tender" means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) "price" means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) "rand value" means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) "tender for income-generating contracts" means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) "the Act" means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{cc} 80/20 & \text{or} \\ P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{max} - P_{min}} \right) & \text{or} \\ P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{max} - P_{min}} \right) & \end{array}$$

80/10

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{min} = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) & \text{or} & P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) \end{array}$$

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

[illegible]

4.3.	Name of company/firm.....
4.4.	Company registration number:
4.5.	TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium
One-person business/sole propriety
Close corporation

Public Company
Personal Liability Company
(Pty) Limited
Non-Profit Company
State Owned Company
[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

- (i) Bidding documents, viz
- Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;

2. The following documents shall be deemed to form and be read and construed as part of this agreement:
1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

CONTRACT FORM - RENDERING OF SERVICES

SBD 7.2

NELSON MANDELA MUSEUM
 Bhunga Building, Owen Street, Mthatha, South Africa | P O Box 52808, Mthatha, 5099 South Africa
 Telephone: +27 (0) 47 501 9500 | Facsimile: +27 (0) 047 532 3345
 Email: info@nelsonmandelamuseum.org.za | www.nelsonmandelamuseum.org.za



in the footprints

- Declaration of bidder's past SCM practices;
- Certificate of Independent Bid Determination;
- Special Conditions of Contract;
- (ii) General Conditions of Contract; and
- (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

SBD 7.2

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

2. An official order indicating service delivery instructions is forthcoming.

3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorised to sign this contract.

SIGNED AT

'NO'

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

A large, empty rectangular box intended for an official stamp or seal.

WITNESSES

1

2

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audit afteram partem rule was applied).	☐	☐
	The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	☐	☐

4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		

SBD 8

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME).....
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND
CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN
AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

Position

Signature

Name of Bidder

Date

J5365bW



in the footprints ...

NELSON MANDELA MUSEUM

Bhunga Building, Owen Street, Mthatha, South Africa | P.O. Box 52808, Mthatha, 5099, South Africa

Telephone: +27 (0) 47 501 9500 | Facsimile: +27 (0) 047 532 3345

Email: info@nelsonmandelamuseum.org.za | www.mandelamuseum.org.za



SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

' Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

- (a) has been requested to submit a bid in response to this bid invitation;
- (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

SBD 9

6. 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 consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. 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.

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.

SBD 9

10. 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.

Signature	_____
Date	_____
Name of Bidder	_____

JS914w 2

SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- 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).

1.2 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

- (a) "tender" means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) "price" means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) "rand value" means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) "tender for income-generating contracts" means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) "the Act" means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

$$\begin{aligned}
 &80/20 \quad \text{or} \quad 90/10 \\
 &P_s = 80 \left(1 - \frac{P_{min}}{P_t - P_{min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_{min}}{P_t - P_{min}} \right)
 \end{aligned}$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) & \text{or} & P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) \end{array}$$

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium
One-person business/sole propriety
Close corporation
Public Company
Personal Liability Company
(Pty) Limited
Non-Profit Company
State Owned Company
[TICK APPLICABLE BOX]

The specific goals allocated points in terms of this tender					
Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)		

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

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, 2011, 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, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) 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 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:

Description of services, works or goods	Stipulated minimum threshold
_____	_____ %
_____	_____ %
_____	_____ %

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

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.thdli.gov.za/industrialdevelopment/lip.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 13 of the Preferential Procurement Regulations, 2011 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

Note: VAT to be excluded from all calculations

(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 %	

Pula

EU

GBP

[illegible]

Signature of tenderer from Annex B

(C22) Total Tender value net of exempt imported content

(C23) Total Imported content

(C24) Total local content

(C25) Average local content % of tender

Date: _____



Annex D

Imported Content Declaration - Supporting Schedule to Annex C

(021) Tender No.
 (022) Tender description
 (023) Designated Products
 (024) Tender Authority
 (025) Tendering Entity name
 (026) Tender Reference name

F-11

F-11 H 3.10

F-11 H 3.10

NOTE: VAT is excluded from all calculations

A. Exempted imported content

Tender Item no's	Description of imported content	Local supplier	Overseas supplier	Foreign currency value as per Invoice	Tender rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred costs & duties	Total landed cost incl VAT
(027)	(028)	(029)	(030)	(031)	(032)	(033)	(034)	(035)	(036)
(037) Total exempt imported value									

Summary

Tender Qty	Exempted imported value
(037)	(038)

Total exempt imported value
 (039)

B. Imported directly by the Tenderer

Tender Item no's	Description of imported content	Unit of measure	Overseas supplier	Foreign currency value as per Invoice	Tender rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred costs & duties	Total landed cost incl VAT
(039)	(040)	(041)	(042)	(043)	(044)	(045)	(046)	(047)	(048)
(049) Total imported value by tenderer									

Summary

Tender Qty	Total imported value
(039)	(050)

C. Imported by a 3rd party and supplied to the Tenderer

Description of imported content	Unit of measure	Local supplier	Overseas supplier	Foreign currency value as per Invoice	Tender rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred costs & duties	Total landed cost incl VAT
(051)	(052)	(053)	(054)	(055)	(056)	(057)	(058)	(059)	(060)
(061) Total imported value by 3rd party									

Summary

Quantity imported	Total imported value
(051)	(062)

D. Other foreign currency payments

Type of payment	Local supplier making the payment	Overseas beneficiary	Foreign currency value paid	Tender rate of Exchange
(063)	(064)	(065)	(066)	(067)

Summary

Local value of payments
(068)

Signature of Tenderer from Annex A

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

(070) Total of imported content & foreign currency payments - (050), (062) & (069) above

Date

This total must correspond with Annex C - E.24

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

[illegible]

(£10) 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.}

(E19) Total local content

This total must correspond with Annex C - C23

Signature of tenderer from Annex B

Case:



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**

C25. Average local content percentage of tender
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.
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).

ANNEX D

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**

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. South African Revenue Service (SARS). by tenderer disclosed in the commercial invoice accepted by the
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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SATS 1286:2011
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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SATS 1286:2011
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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Edition 1

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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 forward).

NOTE The product should contain no less than the level of local content as determined by the relevant national legislation (see forward) 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:

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

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 (those 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 (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

SATS 1286:2011
Edition 1

Bibliography

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

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