



## REQUEST FOR QUOTATIONS (RFQ)

|                                                                                                               |                                                                         |                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>You are hereby invited to submit Quotation for the requirements of</b></p> <p><b>SAFCOL SOC LTD</b></p> |                                                                         |                                                                                                                                                                                                                                                                                                                                                    |
| <b>RFQ number:</b>                                                                                            | <b>RFQ202/07/07/2024</b>                                                |                                                                                                                                                                                                                                                                                                                                                    |
| <b>RFQ Issue Date</b>                                                                                         | <b>01/08/2024</b>                                                       |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Closing date and Time</b>                                                                                  | <b>06/08/2024 At 12:00PM</b>                                            |                                                                                                                                                                                                                                                                                                                                                    |
| <b>COMPULSORY/ NON<br/>COMPULSORY BRIEFING<br/>SESSION</b>                                                    | <b>None</b>                                                             |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Briefing Session Date and<br/>Time: (IF APPLICABLE)</b>                                                    | <b>None</b>                                                             |                                                                                                                                                                                                                                                                                                                                                    |
| <b>RFQ validity period:</b>                                                                                   | <b>60 days (commencing from the RFQ Closing Date)</b>                   |                                                                                                                                                                                                                                                                                                                                                    |
| <b>RFQ Description:</b>                                                                                       | <b>EXTERNAL INVESTIGATION FOR SAFCOL FIRES ON<br/>BERLIN PLANTATION</b> |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Technical/Specification queries must be<br/>emailed to :</b>                                               |                                                                         | <p><a href="mailto:LindiweB@safcol.co.za"><b>LindiweB@safcol.co.za</b></a></p> <p>Please use the RFQ Number on the subject<br/>of the email when submitting your query</p>                                                                                                                                                                         |
|                                                                                                               |                                                                         | <b>013 754 2700 / 060 960 6579</b>                                                                                                                                                                                                                                                                                                                 |
| <b>RFQ responses must be emailed to :</b>                                                                     |                                                                         | <p><a href="mailto:RFQHighveld@safcol.co.za"><b>RFQHighveld@safcol.co.za</b></a></p> <p>PLEASE USE THE RFQ NUMBER AND<br/>DESCRIPTION ON THE SUBJECT LINE OF THE<br/>EMAIL WHEN RESPONDING TO THIS RFQ</p> <p>Submissions not sent to<br/><a href="mailto:RFQHighveld@safcol.co.za"><b>RFQHighveld@safcol.co.za</b></a> will not be considered</p> |

NAME OF SERVICE PROVIDER: \_\_\_\_\_

TOTAL PRICE (INCL VAT): \_\_\_\_\_

**CONDITIONS OF THIS RFQ**

- Service providers must complete in full the RFQ document and ensure that quotation is on the **company letterhead**.
- Quotations must be e-mailed to the address provided herein All service providers must submit their B-BBEE Verification Certificates from Verification Agencies accredited by the South African Accreditation System (SANAS) OR an EME/ QSE sworn affidavit **signed by the EME representative and attested by a Commissioner of Oaths**
- Late and incomplete submissions will not be accepted.
- Any bidder who has reasons to believe that the RFQ specification is based on a specific brand must inform SAFCOL before RFQ closing date.
- All SBD documents must be always signed and sent back with the quotation
- Service Providers bidding as a Joint Venture - Consolidated BEE certificate in cases of Joint Venture

**SPECIAL CONDITIONS OF THIS RFQ**

- Accepted RFQ's will be communicated by way of an official purchase order or a promisory note signed by a duly authorised official . Accordingly no goods; services or works must be prepared or delivered before an official purchase order or a promisory note is received by the respondent, .
- All prices quoted must be firm and be inclusive of Value Added Tax( VAT), where applicable
- The lowest or any offer will not necessarily be accepted and SAFCOL reserves the right to accept any offer either in full or in part.
- The offer shall remain binding and open for acceptance by SAFCOL during the validity period indicated and calculated from the closing time and date of this RFQ.
- SAFCOL reserves the right not to make an appointment for this RFQ.

#### **PROTECTION OF PERSONAL INFORMATION**

- In responding to this RFQ , SAFCOL acknowledges that it may obtain and have access to personal data of the respondents. SAFCOL agrees that is shall only process the information disclosed by bidders in their response to this RFQ for the purpose of evaluating and subsequent award of business and in accordance with any applicable law.
- Furthermore, SAFCOL will not otherwise modify, amend or alter any personal data submitted by Respondents or disclose or permit the disclosure of any personal data to any Third Party without the prior written consent from the Respondents. Similarly, SAFCOL requires Respondents to process any process any personal information disclosed by SAFCOL in the bidding process in the same manner

#### **REASONS FOR DISQUALIFICATION**

Service providers will be disqualified for the following:

1. Non compliance tax status at the time of award, verification of tax compliance status will be verified with Central Supplier Database(CSD) or through SARS's e-Filing. Service providers will be given 7 working days to rectify their tax compliance status with SARS. If the tax status is still non-compliant after 7 working days, the service provider will be disqualified from further evaluation.
2. Submitted information that is fraudulent; factually untrue or inaccurate for example membership that do not exist; B-BBEE credentials; experience etc.
3. Service providers who made false declarations on the Standard Bidding Documents or misrepresented facts and or;
4. Service providers who are listed on the National Treasury's Database of restricted suppliers and defaulters
5. Failure to quote in line with the specification

I hereby accept the above-mentioned conditions

**This RFQ is subject to the SAFCOL general conditions of the RFQ, and SAFCOL's general conditions of purchase , if applicable, any other special conditions of contract (SCC).**

**NAME OF BIDDER\_(COMPANY\_NAME)..... SIGNATURE.....**

**CAPACITY..... DATE.....**

## **TERMS OF REFERENCE/SCOPE OF WORK**

### **External Investigation Specifications for SAFCOL fires on Berlin plantation**

1. Determine Origin and Cause of fires that occurred on SAFCOL plantations.
  2. Analyze all evidence and other information to determine probable origin and cause of fire.
  3. Identify and interview all potential witnesses and obtain sworn, written affidavits.
  4. All potential evidence such as: Photographs (taken immediately after fire and during investigation), Aerial photographs, Satellite imagery, Videos and films (Taken during fire), Telephone records (before and during fire), Aircraft logs and reports, FPA call center recordings, information on aerial and ground resources used, camera detection images, maps and internal reports and logs must be gathered and used in the investigation. This information will remain the property of SAFCOL.
  5. Prepare and maintain reports of investigation results and records, and submit to SAFCOL Fire Management.
  6. Testify in court when needed and/or be available for all cases in for which investigations were carried out.
  7. Adhere to Safety rules and procedures of SAFCOL.
  8. PPE (Visible vest, long pants and leather boots for protection against natural elements) must be worn when infield investigations are performed and if HAZMAT (Hazardous material spillage is suspected or observed necessary steps must be taken to ensure appropriate PPE is used and safety of all must be taken into consideration.
  9. Must adhere to current South African National Covid19 regulations.
  10. Use of own vehicle and must be roadworthy.
  11. Quotation must include the following:
    - 11.1 Travel rate (per km)
    - 11.2 Possible airfare and vehicle rental
    - 11.3 Maximum Accommodation Rate per night
    - 11.4 Hourly labor rate for field visit and investigations
    - 11.5 Cost for writing of Investigation Report
  12. Fire Investigator must be certified to perform Wild Land and Forest Fire investigations with 10 years' experience and must be able to provide track record of at least 5 previous fire investigations.
  13. Investigators must be registered with **NAOFI (National Association of Fire Investigators)**.
  14. Liaise with Fire Management on availability of dates to conduct fire investigations.
- From time of fire investigation instruction sent, completed reports must be

**Delivery Address**

South African Forestry Company SOC Limited (SAFCOL)  
Berlin Plantation  
Kaapschehoop road  
Ngodwana  
1209

**RETURNABLE DOCUMENTS**

- Fully completed and signed RFQ
- Official Quotation on the company letter head
- Latest Tax Clearance
- Latest BBBEE certificate- SANAS Accredited or sworn affidavit for EME/QSE
- CSD Report or (MAAA number )
- ID copies of company directors

**I, the undersigned, for and on behalf of the Service Provider, hereby confirm that I/we understand the information as stated above and that I/we will comply with all of the above.**

.....  
**Name (print)**

.....  
**Signature**

.....  
**Capacity**

.....  
**Date**

## **Evaluation Criteria**

---

Quotations will be evaluated in accordance with SAFCOL Supply Chain Management Policy and Preferential Procurement Policy Framework Regulations of 2022; the bid evaluation process shall be carried out in the following phases namely:

Phase 1: Administrative Compliance Evaluation

Phase 2: Functionality Evaluation

Phase 3: Price and Specific Goals Evaluation

### **Phase 1: Administrative Compliance requirements**

1. Completion in full of the Request for Proposal document
2. Completion of all SBD Forms( Declaration Forms)
3. Proof that tax matters with SARS are in order( SARS Pin Number/ Tax Clearance Certificate)
4. Proof of company registration documents( e.g Pty;Trust; CC etc)
5. Original or copy of B-BBEE Level of contribution Certificate or Sworn Affidavit signed by the deponent and the Commissioner of Oath (Failure to attach certificate will lead to non-allocation of points)
6. Registration with National Treasury Central Supplier Database (CSD), if not registered on CSD, successful bidder must register within 7 working days of award
7. ID copies of company directors

## **Phase 2: Functionality Evaluation**

| DESCRIPTION OF CRITERIA                                                                                                                                                                                                                                                                                    | METHOD OF EVALUATION                             | POINTS ALLOCATION |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-------------------|
| <b><u>Local Content (100)</u></b><br>The minimum threshold for local content and production is: <ol style="list-style-type: none"> <li>1. PPE – 100%</li> <li>2. Labour -100%</li> </ol> <b><u>Note:</u></b> Bidders must fully complete the SBD 6.2 and Annexure C to claim the points for local content. | No SBD 6.2 and Annexure C completed              | 0                 |
|                                                                                                                                                                                                                                                                                                            | Fully completed SBD 6.2 and Annexure C documents | 100               |
|                                                                                                                                                                                                                                                                                                            | <b>Total Points</b>                              | <b>100</b>        |
|                                                                                                                                                                                                                                                                                                            | <b>Minimum</b>                                   | <b>100</b>        |

### **Phase 3: Price and Specific Goals Evaluation**

Only bids that meet the requirement will be evaluated further in terms of price and specific goals evaluation, as follows:

| CRITERIA       | POINTS            |
|----------------|-------------------|
| Price          | 80                |
| Specific Goals | 20                |
| <b>TOTAL</b>   | <b>100 points</b> |

### **SPECIFIC GOALS FOR THIS RFQ AND POINTS THAT MAY BE CLAIMED ARE INDICATED AS PER TABLE BELOW:**

| Criteria                           | Points    |
|------------------------------------|-----------|
| <b>(80/20 system)</b>              |           |
| 51% and above Black Owned entities | 20        |
| <b>Total Points</b>                | <b>20</b> |

**DOCUMENTS REQUIREMENT FOR VERIFICATION OF POINTS ALLOCATION: -**

| No. | Procurement Requirement                       | Required Proof Documents                                                                                                                                                                                                          |
|-----|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.1 | 51% and above Black Owned entities            | <ul style="list-style-type: none"> <li>• CIPC registration documents</li> <li>• B-BBEE certificate/sworn affidavit</li> <li>• South African Identification Document</li> </ul>                                                    |
| 2.2 | 30% and above Black Women Owned               | <ul style="list-style-type: none"> <li>• CIPC registration documents</li> <li>• B-BBEE certificate/sworn affidavit</li> <li>• South African Identification Document</li> </ul>                                                    |
| 2.3 | Atleast 51% Owned By People With Disabilities | <ul style="list-style-type: none"> <li>• Letter from the Doctor confirming Disability</li> <li>• South African Identification Document</li> </ul>                                                                                 |
| 2.4 | Atleast 51% Black Youth Owned                 | <ul style="list-style-type: none"> <li>• CIPC registration documents</li> <li>• B-BBEE certificate/sworn affidavit</li> <li>• South African Identification Document</li> </ul>                                                    |
| 2.5 | Implementation of RDP goals (Locality) Points | <ul style="list-style-type: none"> <li>• Proof of residence in a form of a Municipal Bill or letter from recognized council confirming business address of the bidder</li> <li>• South African Identification Document</li> </ul> |

## **SAFCOL SUPPLIER CODE OF CONDUCT**

**Click on the following link to access the SAFCOL Supplier Code of Conduct and confirm as indicated below:**

**<chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.safcol.co.za/wp-content/uploads/2023/12/SCM-DOC-001-SUPPLIER-CODE-OF-CONDUCT.pdf>**

**I confirm that I have read and understood SAFCOL supplier code conduct and that I will adhere to all the conditions contained therein.**

**NAME OF BIDDER\_(COMPANY\_NAME)..... SIGNATURE.....**

**CAPACITY..... DATE.....**

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> 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.

2.2

| Full Name | Identity Number | Name of State institution |
|-----------|-----------------|---------------------------|
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |

---

<sup>1</sup> 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.

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,  
(name)..... in submitting  
the accompanying bid, do hereby make the following statements that I certify to be  
true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> 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.

---

<sup>2</sup> 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.

- 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

**SBD4**

bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

|           |                |
|-----------|----------------|
| .....     | .....          |
| Signature | Date           |
| .....     | .....          |
| Position  | Name of bidder |

## 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

### 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 **80/20** preference point system.
- b) The **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                                            | 80         |
| SPECIFIC GOALS                                   | 20         |
| <b>Total Points for PRICE and SPECIFIC GOALS</b> | <b>100</b> |

- 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 PREFERENCE POINT SYSTEMS

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

**80/20**

$$Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration  
Pmin = 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 points is allocated for price on the following basis:

**80/20**

$$Ps = 80 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration  
Pt = Price of tender under consideration  
Pmax = 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 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 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 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 80/20 preference point system.

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

***(Note to organs of state: Where the 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.)***

| The specific goals allocated points in terms of this tender | Number of points allocated<br>(80/20 system)<br>(To be completed by the organ of state) | Number of points claimed<br>(80/20 system)<br>(To be completed by the tenderer) |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| 51% and above Black Owned entities                          | 20                                                                                      |                                                                                 |

**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]

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](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.**

1.6 A bid may be disqualified if –

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

## **2. Definitions**

- 2.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility(close corporation, partnership or individual).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

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

| <u>Description of services, works or goods</u> | <u>Stipulated minimum threshold</u> |
|------------------------------------------------|-------------------------------------|
| _____                                          | _____ %                             |
| _____                                          | _____ %                             |
| _____                                          | _____ %                             |

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

(Tick applicable box)

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

- 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](http://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):

| <b>Currency</b> | <b>Rates of exchange</b> |
|-----------------|--------------------------|
| 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 | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

- 5.1. If yes, provide the following particulars:

(a) Full name of auditor: .....

- (b) Practice number: .....
- (c) Telephone and cell number: .....
- (d) Email address: .....

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

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

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

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

**IN RESPECT OF BID NO. ....**

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

.....  
NB

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

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

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

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

(b) I have satisfied myself that:

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

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

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

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

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

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

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 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:** \_\_\_\_\_

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

**Note:** VAT to be excluded from all calculations

Pula  EU  GBP

| Calculation of local content |               |                               |                         |                                               |                |             |                            | Tender summary                                          |                    |                                 |                        |
|------------------------------|---------------|-------------------------------|-------------------------|-----------------------------------------------|----------------|-------------|----------------------------|---------------------------------------------------------|--------------------|---------------------------------|------------------------|
| Tender item no's             | List of items | Tender price- each (excl VAT) | Exempted imported value | Tender value net of exempted imported content | Imported value | Local value | Local content % (per item) | Tender Qty                                              | Total tender value | Total exempted imported content | Total Imported content |
| (C8)                         | (C9)          | (C10)                         | (C11)                   | (C12)                                         | (C13)          | (C14)       | (C15)                      | (C16)                                                   | (C17)              | (C18)                           | (C19)                  |
|                              |               |                               |                         |                                               |                |             |                            |                                                         |                    |                                 |                        |
|                              |               |                               |                         |                                               |                |             |                            |                                                         |                    |                                 |                        |
|                              |               |                               |                         |                                               |                |             |                            |                                                         |                    |                                 |                        |
|                              |               |                               |                         |                                               |                |             |                            |                                                         |                    |                                 |                        |
|                              |               |                               |                         |                                               |                |             |                            |                                                         |                    |                                 |                        |
|                              |               |                               |                         |                                               |                |             |                            |                                                         |                    |                                 |                        |
|                              |               |                               |                         |                                               |                |             |                            |                                                         |                    |                                 |                        |
|                              |               |                               |                         |                                               |                |             |                            |                                                         |                    |                                 |                        |
|                              |               |                               |                         |                                               |                |             |                            | (C20) Total tender value                                | R 0                |                                 |                        |
|                              |               |                               |                         |                                               |                |             |                            | (C21) Total Exempt imported content                     |                    | R 0                             |                        |
|                              |               |                               |                         |                                               |                |             |                            | (C22) Total Tender value net of exempt imported content |                    | R 0                             |                        |
|                              |               |                               |                         |                                               |                |             |                            | (C23) Total Imported content                            |                    | R 0                             |                        |
|                              |               |                               |                         |                                               |                |             |                            | (C24) Total local content                               |                    | R 0                             |                        |
|                              |               |                               |                         |                                               |                |             |                            | (C25) Average local content % of tender                 |                    |                                 |                        |

Signature of tenderer from Annex B \_\_\_\_\_

Date: \_\_\_\_\_