



**agriculture
& rural development**

Department:
agriculture
& rural development
PROVINCE OF KWAZULU-NATAL

**KWAZULU-NATAL DEPARTMENT OF AGRICULTURE AND RURAL
DEVELOPMENT**

Quotation No: R/S/1920/1827

SUPPLY, DELIVER AND ERECT FENCING PASSAGE GARDEN PROJECT

NAME OF BIDDER: _____

COMPULSORY SITE BRIEFING DETAILS	
DATE	17 FEBRUARY 2020
MEETING VENUE	AUDITORIUM
MEETING ADDRESS	1 CEDARA ROAD ,
MEETING TIME	
START TIME	11:00 AM

1. PRE-QUALIFICATION CRITERIA

REQUIREMENT-CIDB Grading: 1 SQ/GB / ME / CE

Evaluation will be in terms of the 80/20 preference point system

For more information, please contact the following official:

**For: Technical Enquiries:
BO MSIBI
031 783 4127**

**For: Quotation/SCM enquiries:
Mandla Ngcamu
033 343 8493**

CLOSING DATE: 24 FEBRUARY 2020 TIME: 11:00 AM



agriculture & rural development

Department:
agriculture
& rural development
PROVINCE OF KWAZULU-NATAL

INVITATION OF QUOTATION ABOVE R30,000.00

THIS FORM SHOULD BE COMPLETED IN DETAIL AND SHOULD BE ACCOMPANIED BY A **VALID TAX COMPLIANCE STATUS PIN AND VALID BBBEE VERIFICATION CERTIFICATE/AFFIDAVIT**

QUOTATION NUMBER: R/S/1920/1827	VALIDITY PERIOD OF QUOTATION..... Days (To be completed by the Supplier)
CLOSING DATE: 24 FEBRUARY 2020	CLOSING TIME:11H00
DESCRIPTION(SPECIFICATION/S) OF ITEMS/ SERVICE REQUIRED: Supply , deliver and Erect fencing - Passage Garden Project	COMPANY NAME: TEL NO: FAX NO: CONTACT PERSON: CSD REG NUMBER MAAA.....
DOES OFFER COMPLY WITH SPECIFICATION?	YES/NO (DELETE WHICH EVER IS NOT APPLICABLE)
DOES ARTICLE COMPLY WITH SABS SPECIFICATION? HAS IT BEEN INSPECTED BY SABS?	YES/NO YES/NO (DELETE WHICH EVER IS NOT APPLICABLE)
DELIVERY PERIOD AFTER INITIAL ORDER?	
IS THE PRICE FIRM	
WHERE ARE THE STOCK HELD? (PHYSICAL ADDRESS , PLEASE)	
QUOTATION PRICE INCLUDING VAT (VAT TO BE ADDED BY REGISTERED VAT VENDORS ONLY)	TOTAL: R
COMPANY OFFICIAL STAMP (COMPULSORY) SIGNATURE OF BIDDER DATE
NUMBER OF PAGES SUBMITTED BACK TO THE DEPARTMENT BY THE SUPPLIER(Supplier to complete)

NB: QUOTATION FOR THE ATTENTION OF: Mandla Ngcamu
TELEPHONE NUMBER: 033 343 8493

NB:
THE ATTACHED SBD4 & SBD9 FORMS MUST BE COMPLETED IN FULL.
THIS REQUEST FOR QUOTATION (RFQ) MUST BE COMPLETED AND RETURNED WITH ALL YOUR QUOTATION DOCUMENTS.

QUOTATIONS MUST BE DEPOSITED IN THE BID BOX SITUATED AT: THE DEPARTMENT OF AGRICULTURE & RURAL DEVELOPMENT: SCM OFFICES: 4 PIN OAK AVENUE , HILTON QUARRY

COMPANY NAME : _____
 ADDRESS : _____
 CONTACT PERSON : _____
 CONTACT NUMBER : _____
 FAX NUMBER : _____

LINE NO.	DESCRIPTION OR SPECIFICATION OF ITEM (Please be very specific and clear)	REQU IRED QUAN TITY	UNIT PRICE EXCL. VAT		TOTAL PRICE	
			R	C	R	C
1.	TO SUPPLY, DELIVER AND CONSTRUCT FENCING – 0.3KMS FOR PASSAGE GARDEN PROJECT AT KWAMASHU					
* LABOUR (IF APPLICABLE)						
*DELIVERY (IF APPLICABLE)						
TOTAL						
*ONLY APPLICABLE TO VAT REGISTERED SUPPLIERS 15% VAT						
TOTAL PRICE						

*VAT Registration No. (Supplier)

When Required (Requester) : 2 August 2019
 Where Required (Requester): Passage garden– as per GPS co-ordinates
 S 29° 45' 12.76''E 30 °5' 32.25''
 Contact details of requester: Mrs Bukeka Msibi
 TEL : 031 783 4127

COMPANY STAMP



PRICES ARE VALID FOR 30 60 90 DAYS

Mark one Box (X)

SIGNATURE
 DATE

DBNN - DSD - QINK Cluster - Passage Project

1 centimeter = 6 meters

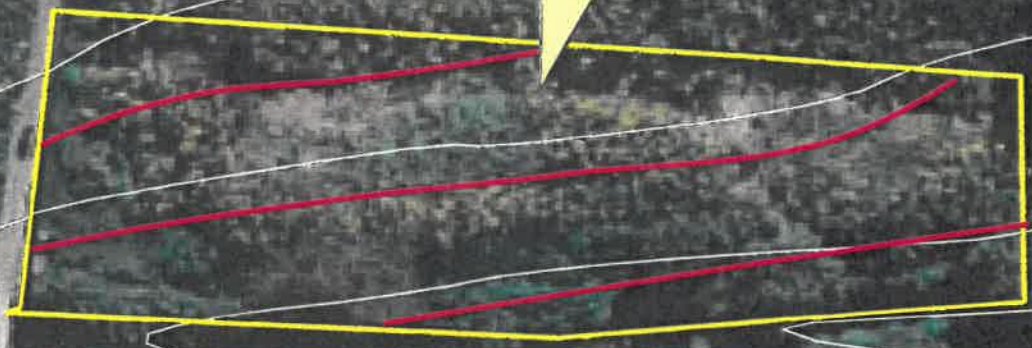
Co-ordinates: 29 45 12.76 S
30 57 32.25 E

Contour Interval = 2 m

Dated: 20/5/2016



Area = 0.15 Ha
Perimeter = 208 m
Slope = 16.5 %



NOTE: The steepness of the project and the erosion danger is to high



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PROVINCE OF KWAZULU-NATAL

MESH FENCING/ PREMANUFACTURED HINGED JOINT

>>> SUPPLY AND ERECTION <<<

BID DOCUMENT

Project: Passage Project

Passage Project

TABLE OF CONTENTS:

No.	Description	Pages	Read / Complete
1.	Project Particulars and Specification	1-2	Read
2.	Bill of Quantities	4	Complete
3.	Drawing A1	5	Read
4.	Map of fence layout	6	Read

Appointment of a Service Provider to SUPPLY
AND ERECT

0.21

kms of hinged joint
fence at

Passage Project

1. Background:

The fence is to be erected approximately

70

km from

DBNN

2. Specific Objective:

Supply, deliver and fully erect a hinged joint fence of

0.208

km.

The fence must be erected in accordance with the specification in the attached drawing, Drawing A1.

3. Scope of Objectives:

Supply and erect a 1.2m hinged joint fence with 3 strands of double twist barbed wire above.

The following services are required:

- 3.1 Supply: - of the specified materials listed in the Bill Of Quantities, Appendix 1.
- 3.2 Delivery: - of all materials to **Project site**
- 3.3 Erection:
 - according to the attached map, showing the fence layout.
 - according to the Departmental Specifications in the attached drawing, Drawing A1.
 - providing all equipment required for erection
 - sourcing of at least 50% unskilled labour from the local community.
- 3.4 Inspection and reporting:
 - Weekly inspection reports of progress must be submitted on Monday morning to the contact person.
 - On site inspections will be conducted by Departmental staff to check all completed work before any payments can be made
 - The contractor is responsible to check that the tendered distance is correct. Failure to check the distance before starting the installation will result in the contractor not being paid for any excess/extra material that the contractor has purchased. The contractor will only be paid for materials that have been used. Where the tendered distance is lower than the required distance the contractor must not exceed the tender amount prior to receiving authorization in the form of a variation order.
 - Accurate distances of all erected fences are to be kept by the service provider as only work that has been done will be paid for. Any fencing installed over the order amount will not be paid for unless prior permission has been obtained to exceed the order amount.
 - Site meetings and project steering committee meetings to be held when necessary and minutes to be kept by the SP

4. Deliverables:

- 4.1 Fencing materials according to the Bill of Quantities in Appendix 1.
- 4.2 Construction of the fence according to the specifications provided in Drawing A1. If Drawing A1 was not attached to the tender documents it is the contractor's responsibility to obtain the drawing before submitting the tender. Failure to erect the fence according to the Departmental specification will result in the contractor having to re-install the fence at the contractor's own expense.
- 4.3 Weekly written progress reports to the Local Agricultural Manager, outlining progress, daily activities and quantities of materials used.
- 4.4 Submission of full closeout report including materials used, job opportunities created in EPWP format for the duration of the project.
- 4.5 Attendance of steering committee meetings and the provision of minutes if called for.
- 4.6 Any excess material **STRICTLY** to be left with the project beneficiaries.

5. Competence and Expertise:

It is essential that the work be carried out by fully competent personnel with proven experience in fencing and Project Management.

- 5.1 Competency:
 - bidders are required to provide an implementation plan including time frames from start to finish.
 - failure to provide a program will invalidate the bid.
- 5.2 Labour:
 - * skilled and semi-skilled labour only to be provided by the contractor. At least 50% unskilled labour is to be sourced from the local community.
- 5.3 Site supervision
 - * Project Manager/Technician on site to supervise work done, quality control and certify work for payment. Estimated time for payment is 30 days
- 5.4 Bid Format:
 - All documents in the bid document are to be completed. All quotations and claims must include VAT.

6. Validity Period for Bid:

Bids shall remain valid for a period of 90 days from the date that the bid closes.

7. Compulsory Pre-Bid Tender Meeting:

A compulsory pre-bid site meeting will be held with prospective bidders. Failure to attend this meeting will invalidate the bid.

8. Site Hand Over to the Contractor:

The contractor will be introduced to the project participants following the awarding of the tender. The site will be handed over to the contractor who will control the site for the duration of the project. The contractor will be responsible for the administration, control and security for the site. It is up to the contractor to arrange insurance as the contractor is responsible for and theft or damage that occurs on site and will have to pay.

9. Water and Electricity:

There is no piped water and electricity on site. The contractor shall make the necessary arrangements for the provision of any water and electricity. Any cost to acquire water and electricity must be added to the bid amount as no extra funding will be received.

10. Housing of Contractors Employees:

No housing is available for the contractors employees and the contractor shall make arrangements to and from site. It is up to the contractor to arrange any short term accommodation with the project participants. The contractor is responsible for any financial expenses for housing employees on site.

11. Specification:

Refer to Bill of Quantities and Drawings .

- Spacing of wooden poles: 5.0m:
10% maximum deviation (0.5m) from the specified spacings will be allowed.
- **Boxes: Box length to be 1.05m (half a pole length).**
- **Compaction :** Normal manual force against the poles must be absorbed.
- **Straining:** The hinged joint section & barbed wire to be strained. If the fence is pulled down, it must recover to it's original position. Fence is to be strained using appropriate straining equipment.
- **Exposed Surfaces :** All exposed surfaces where poles have been sawed off are to be painted with creosote.

12. Timetable/Timing:

The contractor must be on site and commence construction no later than 1 week after on order has been issued. Where more than 1 payment is required, the contractor must indicate the number of part payments that will be required in the tender documents. Claims for work that has been completed and verified can be submitted on a monthly basis. No more than 1 claim per month will be accepted.

13. Management Arrangements and Reporting Requirements:

G. Naidoo is the Local Manager. Any matters regarding the district staff or any complaints should be directed to him/her.

14. Evaluation Criteria:

The following minimum CIDB designations are required:

Farm fencing (barbed/razor wire/hinged joint) < 5km:	1SQ/CE/GB
Farm fencing (barbed/razor wire/hinged joint) 5 - 15km:	2SQ/CE/GB
Farm fencing (barbed/razor wire/hinged joint) > 15km:	3SQ/CE/GB

TABLE 1A: Minimum CIDB designation requirements per length of fencing bracket

Award of work to the successful bidder will be based on Price, Departmental Goals (i.e. preference points as per BBBEE certificate) and functionality.

15. Payment Schedule:

Claims for work that has been completed can be made according to the following payment schedule:

1 Site Establishment:	5%
2 Material delivered to site (with invoice)	Invoiced Amount
3 Completed sections of fence (per m)	pro rata tender amount (less 1+2+4)
4 Retention	5%

A 5% retention will be kept for 3 months after works have been completed to make sure that the standard of work that has been done is satisfactory.

16. Enquiries:

G. Naidoo	Local Manager	Contact Number	082-7772371
B. Jikijela	Project manager	Contact Number	082-8386792

APPENDIX 1: BILL OF QUANTITIES

FOR THE SUPPLY OF MATERIALS FOR AND ERECTION OF A 1.2m Hinged joint fence with 3 strands of barbed wire above (Total Height 1.7m)

Version 4.0 - September 2013

Project: Passage Project

Fence Perimeter = 208 m

District DBNN

Contact Person B. Jikijela

Contact Number 082-8386792

No.	Item Description	Quantity Required		Unit Price	Total Cost
General:					
1	Site establishment.	Sum	1		
2	Site Clearing: Removal of any existing fences. Bush clearing required.	Sum	1		
Materials:					
3	Fully Galvanized barbed wire 1.6mm diameter High Tensile double strand 845m per roll Galvanized Class A (fully galvanised steel)	1	Roll(s) of 845m length		
4	2.4m Standard Creosote Poles Pressure treated, SABS approved 100 - 125mmØ	86	Poles		
5	Hinged Joint Fence, 1.2m high (eg. Veldspan/Bonnox/or equivalent) Galvanized Class A (fully galvanised steel) Vertical wire apertures:150mm. Horizontal wires at 75/88/102/114/127/140mm. 100m rolls	3	Roll(s) of 100m length		
6	Galvanized Wire Staples 3.15 x 32mm 500g packs	9	Pack(s)		
7	Gate: 900 (w) x 1800 (h)mm pedestrian gate Hot dip galvanized finish 40 - 50mm diam pipe frame wall thickness of 1.6mm min Hinge eye bolts, include chain	1	Gate(s)		
8	Gate: 3600 (w) x 1800 (h)mm Vehicle farm gate Hot dip galvanized finish 40 - 50mm diam pipe frame wall thickness of 1.6mm min Hinge eye bolts, include chain	0	Gate(s)		
9	Gate: 2400 (w) x 1800mm (h) tractor gate (2 frames per gate, HDG finish, 40-50mm diam.pipe frame, wall thickness 1.6mm min - hinge eye bolts - include chain	2	Gate <u>frames</u>		
10	8 ga straining wire, 4mm diam, 5kg(50m) rolls Galvanized Class A (fully galvanised steel)	2	Roll(s)of 5kg		
11	12 ga binding wire, 2.5mm diam, 5kg (130m) roll Galvanized Class A (fully galvanised steel)	1	Roll of 5kg		
12	Erection Cost	Sum	1		
13	Transport Cost, including loading, delivery and off-loading	Sum	1		
SUB-TOTAL					
VAT					
TOTAL					

NOTE: This Bill of Quantities must be read in conjunction with DRAWING no. A1 Dated 22/10/2010

KINDLY COMPLETE PLEASE!!!

SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:

2.3 Position occupied in the Company (director, trustee, shareholder²):

2.4 Company Registration Number:

2.5 Tax Reference Number:

2.6 VAT Registration Number:

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

²"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

KINDLY COMPLETE PLEASE!!!

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:
Name of state institution at which you or the person connected to the bidder is employed :
Position occupied in the state institution:

Any other particulars:
.....
.....
.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:
.....
.....
.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:
.....
.....
.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

KINDLY COMPLETE PLEASE!!!

2.9.1 If so, furnish particulars.

.....

2.10 Are you, or any person connected with the bidder, YES/NO
 aware of any relationship (family, friend, other) between
 any other bidder and any person employed by the state
 who may be involved with the evaluation and or adjudication
 of this bid?

2.10.1 If so, furnish particulars.

.....

2.11 Do you or any of the directors / trustees / shareholders / members YES/NO
 of the company have any interest in any other related companies
 whether or not they are bidding for this contract?

2.11.1 If so, furnish particulars:

.....

3 Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	Personal Tax Reference Number	State Employee Number / Pearsal Number

KINDLY COMPLETE PLEASE!!!

4 DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

May 2011

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 *pe 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.

² 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.

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: _____ that:

(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

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.

³ 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.

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

.....
Position

.....
Name of Bidder

Js914w 2

OFFICIAL BRIEFING SESSION/SITE INSPECTION CERTIFICATE

N. B.: THIS FORM IS ONLY TO BE INCLUDED AND COMPLETED WHEN APPLICABLE TO THE BID.

Site/building/institution involved:

.....

Bid No:

Service:

THIS IS TO CERTIFY THAT (NAME):

ON BEHALF OF:

VISITED AND INSPECTED THE SITE ON..... (DATE)

AND IS THEREFORE FAMILIAR WITH THE CIRCUMSTANCES AND THE SCOPE OF THE SERVICE TO BE RENDERED.

.....
SIGNATURE OF BIDDER OR AUTHORISED REPRESENTATIVE
(PRINT NAME)

DATE:

.....
SIGNATURE OF DEPARTMENTAL REPRESENTATIVE
(PRINT NAME)

.....
DEPARTMENTAL STAMP;
(OPTIONAL)

DATE:

Local Content

SBD 6.2

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:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
<u>Fencing (wire products)</u>	<u>100</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.

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	<input type="checkbox"/>	NO	<input type="checkbox"/>
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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: _____

