

PA-36: DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

1. General Conditions

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

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

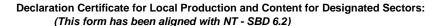
Where

x is the imported content in Rand

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

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by 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 this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;
- 2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

Description of services, works or goods	Stipulated minimum threshold
ALUMINIUM SOFA/COUCHES	100%
CUSHIONS	100%

 Does any portion of the goods or services offered have any imported content?
 (Tick applicable box)

YES	NO	

3..1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the 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.

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

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

LOCAL	CONTE	NT DECLA	RATION	BY C	HIEF	FINANG	CIAL	OFFI	CER	OR	OTHER
LEGALL	Y RESF	PONSIBLE	PERSON	NON	TANIN	ED IN	WRI	TING	BY	THE	CHIEF
EXECU 1	TIVE OR	SENIOR M	EMBER/P	ERSO	N WIT	H MAN	AGEN	IENT	RESP	PONS	IBILITY
(CLOSE	CORPO	RATION, P.	ARTNERS	SHIP O	R INDI	IVIDUAI	∟)				

IN F	RESP	ECT	OF	BID	NO
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Declaration Certificate for Local Production and Content for Designated Sectors: (This form has been aligned with NT - SBD 6.2)

IS	SSUED BY: (Procurement Authority / Name of Institution):	
 N	IB	
1	The obligation to complete, duly sign and submit this declarat transferred to an external authorized representative, auditor or any ot acting on behalf of the bidder.	
2	<u> </u>	ccessible on first complete the Declaration of the bid in a period of at
d o	the undersigned,lo hereby declare, in my capacity as	
(8	a) The facts contained herein are within my own personal knowledge.	
(I	b) I have satisfied myself that:	
	 (i) the goods/services/works to be delivered in terms of the above comply with the minimum local content requirements as specif and as measured in terms of SATS 1286:2011; and 	
(0	The local content percentage (%) indicated below has been calculated formula given in clause 3 of SATS 1286:2011, the rates of exchanged paragraph 4.1 above and the information contained in Declaration D are been consolidated in Declaration C:	e indicated in
	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





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incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE:	DATE:
WITNESS No. 1	DATE:
WITNESS No. 2	DATE: