PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

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DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

- ✓ 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).
- ✓ Preferential Procurement Regulations 2011 (Regulation 9) makes provision for the promotion of local production and content
- ✓ Regulation 9.1 prescribes that in the case of designated sectors, where in the award of bids, (bid in this document includes written price quotations, advertised competitive bids or proposals) 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.
- ✓ 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.
- ✓ The local content (LC) is expressed as a percentage of the bid price must be calculated in accordance with 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)

Price 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 12h00

- ✓ A bid may be disqualified if this Declaration Certificate and the Annexure C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation
- ✓ A bid may be disqualified if the bidder fails to declare that the Local Content Declaration Template (Annexures C, D and E) have been audited and certified as correct
- ✓ All bidders should not that the local content declaration should be item and not on the overall contract value
- ✓ Bidders should note that the Declarations D & 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
- ✓ Bidders must note that 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.

- ✓ Stipulated minimum threshold for designated sector: % **(PLEASE SEE "ADDENDUM A" ATTACHED)**

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER

OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE

OR SENIOR MEMBER OR SENIOR MEMBER / PERSON WITH MANAGEMENT RESPONSIBILITY

KINDLY NOTE THAT THE OBLIGATION TO COMPLETE, DULY SIGN AND SUBMIT THIS DECLARATION CANNOT BE TRANSFERRED TO AN EXTERNAL AUTHORISED REPRESENTATIVE, AUDITOR OR ANY OTHER THIRD PARTY ACTING ON BEHALF OF THE BIDDER

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

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

(b) I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local contents requirements in the bid, and as measured in terms of SATS 1286:2011 and

(c) I have satisfied myself that the declaration templates have been audited and certified as correct

(d) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286: 2011 and the information contained in Declaration D & 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	
Local content (%) as calculated in terms of SATS 1286 : 2011	

(e) I accept that Parliament has the right to request that the local content be verified in terms of the requirements of SATS 1286: 2011

(f) I understand that the awarding of this 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 is not verifiable as described in SATS 1286, may result in Parliament imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations 2017 promulgated under the Policy Framework Act (PPPFA) 2000

Signature …………………………………………………………**Date** ……………………………………………………………

Witness No. 1…………………………………………………… **Date**……………………………………………………………..

Witness No. 2 …………………………………………………… **Date**……………………………………………………………

Annexure C

Guidelines for completing Annexure C: Local Content Declaration

Summary Schedule

Note: The paragraph numbers correspond to the numbers in Annexure C.

C1. Tender Number

Supply the tender number that is specified on the specific tender documentation.

C2. Tender description

Supply the tender description that is specified on the specific tender documentation.

C3. Designated products

Supply the details of the products that are designated in terms of this tender (i.e. buses)

C4. Tender Authority

Supply the name of the tender authority.

C5. Tendering Entity name

Provide the tendering entity name (for example, Unibody Bus Builders (Pty) Ltd).

C6. Tender Exchange Rate

Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

C7. Specified local content %

Provide the specified minimum local content requirement for the tender (i.e. 80%), as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MDB) 6.2.

C8. Tender item number

Provide the tender item number(s) of the products that have a local content requirement as per the tender specification.

C9. List of items

Provide a list of the item(s) corresponding with the tender item number. This may be a short description or a brand name.

Calculation of local content

C10. Tender price

Provide the unit tender price of each item excluding VAT.

C11. Exempted imported content

Provide the ZAR value of the exempted imported content for each item, if applicable. These value(s) must correspond with the value(s) of column D16 on Annexure D.

C12. Tender value net of exempted imported content

Provide the net tender value of the item, if applicable, by deducting the exempted imported content (C11) from the tender price (C10).

C13. Imported value

Provide the ZAR value of the items' imported content.

C14. Local value

Provide the local value of the item by deducting the imported value (C13) from the net tender value (C12).

C15. Local content percentage (per item)

Provide the local content percentage of the item(s) by dividing the local value (C14) by the net tender value (C12) as per the local content formula in SATS 1286.

Tender Summary

C16. Tender quantity

Provide the tender quantity for each item number as per the tender specification.

C17. Total tender value

Provide the total tender value by multiplying the tender quantity (C16) by the tender price (C10).

C18. Total exempted imported content

Provide the total exempted imported content by multiplying the tender quantity (C16) by the exempted imported content (C11).

These values must correspond with the values of column D18 on Annexure D.

C19. Total imported content

Provide the total imported content of each item by multiplying the tender quantity (C16) by the imported value (C13).

C20. Total tender value

Total tender value is the sum of the values in column C17.

C21. Total exempted imported content

Total exempted imported content is the sum of the values in column C18

C18. This value must correspond with the value of D19 on Annexure D.

C22. Total tender value net of exempted imported content

The total tender value net of exempt imported content is the total tender value (C20) less the total exempted imported content (C21).

C23. Total imported content

Total imported content is the sum of the values in column C19. This value must correspond with the value of D53 on Annexure D.

C24. Total local content

Total local content is the total tender value net of exempted imported content (C22) less the total imported content (C23). This value must correspond with the value of E13 on Annexure E.

C25. Average local content percentage of tender

The average local content percentage of tender is calculated by dividing total local content (C24) by the total tender value net of exempted imported content (C22).

ANNEXURE D

Guidelines for completing Annexure D: "Imported Content Declaration –

Supporting Schedule to Annexure C"

Note: The paragraph numbers correspond to the numbers in Annexure D.

D1. Tender number

Supply the tender number that is specified on the specific tender documentation.

D2. Tender description

Supply the tender description that is specified on the specific tender documentation.

D3. Designated products

Supply the details of the products that are designated in terms of this tender (i.e. buses).

D4. Tender authority

Supply the name of the tender authority.

D5. Tendering entity name

Provide the tendering entity name (i.e. Unibody Bus Builders (Pty) Ltd).

D6. Tender exchange rate

Provide the exchange rate used for this tender, as per the Standard

Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

Table A. Exempted Imported Content

D7. Tender item number

Provide the tender item number(s) of the product(s) that have imported content.

D8. Description of imported content

Provide a list of the exempted imported product(s), if any, as specified in the tender.

D9. Local supplier

Provide the name of the local supplier(s) supplying the imported product(s).

D10. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the exempted imported product(s).

D11. Imported value as per commercial invoice

Provide the foreign currency value of the exempted imported product(s) disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

D12. Tender exchange rate

Provide the exchange rate used for this tender as per the Standard

Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D13. Local value of imports

Convert the value of the exempted imported content as per commercial

invoice (D11) into the ZAR value by using the tender exchange rate

(D12) disclosed in the tender documentation.

D14. Freight costs to port of entry

Provide the freight costs to the South African Port of the exempted imported item.

D15. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the exempted imported product(s) as stipulated in the SATS 1286:2011.

D16. Total landed costs excl VAT

Provide the total landed costs (excluding VAT) for each item imported by adding the corresponding item values in columns D13, D14 and

D15. These values must be transferred to column C11 on Annexure C.

D17. Tender quantity

Provide the tender quantity of the exempted imported products as per the tender specification.

D18. Exempted imported value

Provide the imported value for each of the exempted imported product(s) by multiplying the total landed cost (excl. VAT) (D16) by the tender quantity (D17). The values in column D18 must correspond with the values of column C18 of Annexure C.

D19. Total exempted imported value

The total exempted imported value is the sum of the values in column

D18. This total must correspond with the value of C21 on Annexure C.

Table B. Imported Directly by Tenderer

D20. Tender item numbers

Provide the tender item number(s) of the product(s) that have imported content.

D21. Description of imported content:

Provide a list of the product(s) imported directly by tender as specified in the tender documentation.

D22. Unit of measure

Provide the unit of measure for the product(s) imported directly by the tenderer.

D23. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the imported product(s).

D24. Imported value as per commercial Invoice

Provide the foreign currency value of the product(s) imported directly by tenderer disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

D25. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D26. Local value of imports

Convert the value of the product(s) imported directly by the tenderer as per commercial invoice (D24) into the ZAR value by using the tender exchange rate (D25) disclosed in the tender documentation.

D27. Freight costs to port of entry

Provide the freight costs to the South African Port of the product(s) imported directly by the tenderer.

D28. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the product(s) imported directly by the tenderer as stipulated in the SATS 1286:2011.

D29. Total landed costs excl VAT

Provide the total landed costs (excluding VAT) for each item imported directly by the tenderer by adding the corresponding item values in columns D26, D27 and D28.

D30. Tender quantity

Provide the tender quantity of the product(s) imported directly by the tenderer as per the tender specification.

D31. Total imported value

Provide the total imported value for each of the product(s) imported directly by the tenderer by multiplying the total landed cost (excl. VAT)

(D29) by the tender quantity (D30).

D32. Total imported value by tenderer

The total value of imports by the tenderer is the sum of the values in column D31.

Table C. Imported by Third Party and Supplied to the Tenderer

D33. Description of imported content

Provide a list of the product(s) imported by the third party and supplied to the tenderer as specified in the tender documentation.

D34. Unit of measure

Provide the unit of measure for the product(s) imported by the third party and supplied to tenderer as disclosed in the commercial invoice.

D35. Local supplier

Provide the name of the local supplier(s) supplying the imported product(s).

D36. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the imported products.

D37. Imported value as per commercial invoice

Provide the foreign currency value of the product(s) imported by the third party and supplied to the tenderer disclosed in the commercial invoice accepted by SARS.

D38. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D39. Local value of imports

Convert the value of the product(s) imported by the third party as per commercial invoice (D37) into the ZAR value by using the tender exchange rate (D38) disclosed in the tender documentation.

D40. Freight costs to port of entry

Provide the freight costs to the South African Port of the product(s) imported by third party and supplied to the tenderer.

D41. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the product(s) imported by third party and supplied to the tenderer as stipulated in the SATS 1286:2011.

D42. Total landed costs excluding VAT

Provide the total landed costs (excluding VAT) for each product imported by third party and supplied to the tenderer by adding the corresponding item values in columns D39, D40 and D41.

D43. Quantity imported

Provide the quantity of each product(s) imported by third party and supplied to the tenderer for the tender.

D44. Total imported value

Provide the total imported value of the product(s) imported by third party and supplied to the tenderer by multiplying the total landed cost

(D42) by the quantity imported (D43).

D45. Total imported value by third party

The total imported value from the third party is the sum of the values in column D44.

Table D. Other Foreign Currency Payments

D46. Type of payment

Provide the type of foreign currency payment. (i.e. royalty payment for use of patent, annual licence fee, etc).

D47. Local supplier making the payment

Provide the name of the local supplier making the payment.

D48. Overseas beneficiary

Provide the name of the overseas beneficiary.

D49. Foreign currency value paid

Provide the value of the listed payment(s) in their foreign currency.

D50. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D51. Local value of payments

Provide the local value of each payment by multiplying the foreign currency value paid (D49) by the tender rate of exchange (D50).

D52. Total of foreign currency payments declared by tenderer and/or third party

The total of foreign currency payments declared by tenderer and/or a third party is the sum of the values in column D51.

D53. Total of imported content and foreign currency payment

The total imported content and foreign currency payment is the sum of the values in column D32, D45 and D52. This value must correspond with the value of C23 on Annexure C.

ANNEXURE E

Guidelines to completing Annexure E: "Local Content Declaration-

Supporting Schedule to Annexure C"

The paragraph numbers correspond to the numbers in Annexure E

E1. Tender number

Supply the tender number that is specified on the specific tender documentation.

E2. Tender description

Supply the tender description that is specified on the specific tender documentation.

E3. Designated products

Supply the details of the products that are designated in terms of this tender (for example, buses/canned vegetables).

E4. Tender authority

Supply the name of the tender authority.

E5. Tendering entity name

Provide the tendering entity name (for example, Unibody Bus Builders (Pty) Ltd).

Local Goods, Services and Works

E6. Description of items purchased

Provide a description of the items purchased locally in the space provided.

E7. Local supplier

Provide the name of the local supplier that corresponds to the item listed in column E6.

E8. Value

Provide the total value of the item purchased in column E6.

E9. Total local products (Goods, Services and Works)

Total local products (goods, services and works) is the sum of the values in E8.

E10. Manpower costs:

Provide the total of all the labour costs accruing only to the tenderer (i.e. not the suppliers to tenderer).

E11. Factory overheads:

Provide the total of all the factory overheads including rental, depreciation and amortisation for local and imported capital goods, utility costs and consumables. (Consumables are goods used by individuals and businesses that must be replaced regularly because they wear out or are used up. Consumables can also be defined as the components of an end product that are used up or permanently altered in the process of manufacturing, such as basic chemicals.)

E12. Administration overheads and mark-up:

Provide the total of all the administration overheads, including marketing, insurance, financing, interest and mark-up costs.

E13. Total local content:

The total local content is the sum of the values of E9, E10, E11 and

E12. This total must correspond with C24 of Annexure C

LOCAL CONTENT ANNEXURE

ANNEX C

Local Content Declaration – Summary Schedule

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

Pula	EU

Note: VAT to be excluded from all calculations

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
(C21) Total Exempt imported content
(C22) Total tender value net of exempt imported content
(C23) Total exempt imported content
(C24) Total local content
(C25) Average local content % of tender

Signature of tenderer from Annex B

Date

ANNEX D

Imported Content Declaration – Supporting Schedule to Annex C

(D1) Tender No.
(D2) Tender Description
(D3) Designated product(s)
(D4) Tender Authority:
(D5) Tendering Entity name:
(D6) Tender Exchange Rate:

Note: VAT to be excluded from all calculations

Pula   EU: R9.00   GBP: R12.00

Calculation of local content   **Summary**

A.   Exempted imported content

Tend Item no's	Description of imported content	Local Supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local Value of imports	Freight costs to port of entry	All locally incurred landing csts 7 DUTIES	Total landed cost excl. VAT	Tender Qty	Exempted imported value
(D7)	(D8)	(D9)	(D10)	(D11)	(D12)	(D13)	(D14)	(D15)	(D16)	(D17)	(D18)

(D19) Total Exempt imported value

This total must correspond with Annex C – C21)

B.   Imported directly by the Tenderer

Calculation of local content

Tender Item no's	Description of imported content	Local Supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local Value of imports	Freight costs to port of entry	All locally incurred landing csts 7 DUTIES	Total landed cost excl. VAT	Tender Qty	Total imported value
(D20)	(D21)	(D22)	(D23)	(D24)	(D25)	(D26)	(D27)	(D28)	(D29)	(D30)	(D31)

(D32) Total imported value by tenderer

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

Calculation of local content

Tender Item no's	Description of imported content	Local Supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local Value of imports	Freight costs to port of entry	All locally incurred landing csts 7 DUTIES	Total landed cost excl. VAT	Tender Qty	Exempted imported value
(D33)	(D34)	(D35)	(D36)	(D37)	(D38)	(D39)	(D40)	(D41)	(D42)	(D43)	(D44)

(D45) Total Exempt imported value

Calculation of local content

D. Other foreign currency payments

Summary

Type of payment	Local supplier making the payment	Overseas beneficiary	Foreign currency value paid	Tender Rate of Exchange		Local value of payments
(D46)	(D47)	(D48)	(D49)	(D50)		(D51)

(D52) Total of foreign currency payments declared by tenderer and/or 3rd party

(D53 Total of imported content & foreign currency payments (D32), (D45) & (D52) above

Signature of tenderer from Annex B

Date

LOCAL CONTENT ANNEXURE

ANNEX E

Local Content Declaration – Supporting Schedule to Annex C

(E1) Tender No.	
(E2) Tender Description	
(E3) Designated product(s)	
(E4) Tender Authority:	
(E5) Tendering Entity name:	

Note: VAT to be excluded from all calculations

Local products (Goods, Services and Works	Description of items purchased (E6)	Local Suppliers (E7)	Value (E8)

(E9) Total local products (Goods, Services and Works

(E10) Manpower costs (Tenderer's manpower cost)

(E11) Factory overheads (Rental, depreciation & amortisation, utility costs, consumables, etc

(E12) Administration overheads and mark-up (Marketing, insurance, financing, interest etc.)

(E13) Total local content

Signature of tenderer from Annex B

Date

This total must correspond with Annex C –C24