REQUEST FOR PROPOSAL

FOR THE APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY AND DELIVER BOARDROOM CHAIRS FOR THE HOUSING DEVELOPMENT AGENCY HEAD OFFICE, 6-10 RIVEIRA OFFICE PARK, RIVIERA ROAD, KILLARNEY

RFP/JHB/2020/005

APPLICATIONS TO BE SUBMITTED BY
NOT LATER THAN
12:00 ON 10 JULY 2020
1. INTRODUCTION

The Housing Development Agency (HDA) is a National Public Development Agency established by an Act of Parliament (Act 23 of 2008). The HDA promotes sustainable communities by making well-located land and buildings available for the development of housing and human settlements. As an organ of state, the HDA is accountable through its Board, to the Minister of Human Settlements.

2. OVERALL OBJECTIVE

The objective of this bid is to appoint a service provider to supply and deliver boardroom chairs to the HDA that is durable, fit for purpose and ergonomically designed.

3. SCOPE OF WORK

The HDA seeks to appoint a suitable and reputable office furniture service provider to supply, deliver and assemble boardroom chairs. We require boardroom chairs of the highest quality with after sales services. The preferred supplier must have expert background knowledge.

Services to be rendered will include, but may not be limited, to:

- The supply, delivery and assembly of fifty (50) x black high back chairs with the following specs:

<table>
<thead>
<tr>
<th>Warranty</th>
<th>5 to 7 years</th>
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</thead>
<tbody>
<tr>
<td>Certification/Standardisation</td>
<td>Approved and meets the valid standard of ergonomics.</td>
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<tr>
<td></td>
<td>Quality office certification as per ISO 9001:2000 standards.</td>
</tr>
<tr>
<td>Mechanism</td>
<td>Seat depth adjustment (5.0cm) by means of sliding seat.</td>
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<td></td>
<td>Seat tilt adjustment (-1 or -4 degrees).</td>
</tr>
<tr>
<td></td>
<td>Infinite adjustment of the backrest counter pressure by means of side tension control, for body weight of approximately 125kg.</td>
</tr>
<tr>
<td>Armrests</td>
<td>T-armrest, height adjustable (10cm) and with adjustable (2.5cm) without the use of tools armrest pads made of soft polyurethane.</td>
</tr>
<tr>
<td>Seat</td>
<td>Ergonomically moulded upholstery, foam thickness: 4.0cm with range of 10cm thickness.</td>
</tr>
<tr>
<td>Backrest</td>
<td>High backrest, breathable, dampness regulative mesh material made of 100% polyester.</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Ergonomically formed, flexible plastic backrest frame. Lumbar support cushion to provide additional support and protection to the back vertebrae.</th>
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</thead>
<tbody>
<tr>
<td><strong>Safety gas unit</strong></td>
</tr>
<tr>
<td><strong>Castors</strong></td>
</tr>
<tr>
<td><strong>Dimensions <em>(cm)</em></strong></td>
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<tr>
<td></td>
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<tr>
<td><strong>Height</strong></td>
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<tr>
<td><strong>Width</strong></td>
</tr>
<tr>
<td><strong>Depth</strong></td>
</tr>
<tr>
<td><strong>Weight</strong></td>
</tr>
</tbody>
</table>

The service provider must ensure that the boardroom chairs are delivered to the HDA, Riviera Road Office Park with quoted cost being inclusive of assembly/installation and delivery.

### 4. DELIVERABLES

4.1 To stipulate minimum threshold for local production and content for office chairs.

4.2 To stipulate dimensions, materials, durability, weight and maximum weight bearing capacity.

4.3 The service provider to provide service and warranty on the maintenance and support.

4.4 All chairs to be supplied, delivered and assembled within a period of one month after the signing of the Service Level Agreement (SLA).

4.5 To provide evidence of track record in a similar assignment undertaken, including the value.

4.6 To provide contact names and contact details of two or more references who can provide an objective assessment of the projects previously undertaken.

4.7 The service provider will report directly to the Head:Corporate Support.

4.8 The service provider will be liable for any breakage or damage to furniture while delivering and assembling.

4.9 To provide experienced staff on furniture assembling.

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5. EVALUATION CRITERIA

5.1. Stage 1

5.1.1. Mandatory documents to be submitted in order to be eligible for evaluation.

➢ Bidders to provide company profile
➢ SBD Forms (SBD4, SBD6.1, SBD6.2, SBD8 and SBD9)

5.2. Stage 2

5.2.1. The stipulated minimum threshold percentage for local production and content for the various furniture items ranges between 65% and 100%.

5.2.2. Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content by using the following formula:

\[ LC = (1 - x/y) \times 100 \]

Where

• X is the important in Rand
• Y is the bid price in Rand excluding value added tax (VAT)

5.3. Stage 3

Functionality

In this stage, the evaluation of the bid shall include functionality whereby the bids will be evaluated in terms of the evaluation criteria in the bid document.

• The minimum qualifying score for functionality will be 70 points and bids that fail to achieve the minimum qualifying score will be eliminated. A document review and product inspection will be used to evaluate bidders.
• Only bids that achieved the minimum qualifying score/percentage for functionality will be evaluated further in accordance with the 80/20 preference point systems prescribed.

6. PRICING AND BROAD-BASED BLACK ECONOMIC (B-BBEE)

Each proposal, with a functionality score of more than the minimum required (70 points), will be on equal footing to proceed to this final round of evaluation.

The proposed price and B-BBEE compliance are the only aspects considered in this round. The final evaluation score is calculated on 80/20 principle. The proposal that scores the

RFP/JHB/2020/005
highest in this round will be awarded the tender, or it may be a lower scoring bid on justifiable grounds or no award at all.

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>WEIGHT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project cost</td>
<td>80</td>
</tr>
<tr>
<td>B-BBEE status level contributor</td>
<td>20</td>
</tr>
</tbody>
</table>

7. **PRICING**

7.1 Provide fixed price quotation for the duration of the contract.

7.2. Cost must be VAT inclusive and quoted in South African Rand.

7.3. Costing should be aligned with the project activities/project phases.

8. **EVALUATION CRITERIA LINKED TO NUMERIC VALUES**

Criteria to be considered in evaluating the bid – 80/20 in terms of the Preferential Procurement Policy Framework Act is applicable. *Table below will be applied to evaluate each bid*

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>WEIGHT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Company experience</strong></td>
<td></td>
</tr>
<tr>
<td>A detailed company profile and experience</td>
<td></td>
</tr>
<tr>
<td>• +10 years = 20 points</td>
<td>20</td>
</tr>
<tr>
<td>• 6-9 years = 15 points</td>
<td></td>
</tr>
<tr>
<td>• 2-5 years = 10 points</td>
<td></td>
</tr>
<tr>
<td>• Up to 1 year = 5 points</td>
<td></td>
</tr>
<tr>
<td><strong>References</strong></td>
<td></td>
</tr>
<tr>
<td>Reference letters from clients currently or previously supplied with office furniture (reference letters should not be older than 3 years).</td>
<td>20</td>
</tr>
<tr>
<td>• +5 reference letters = 20 points</td>
<td></td>
</tr>
<tr>
<td>• 2-4 reference letters = 10 points</td>
<td></td>
</tr>
<tr>
<td>• 0-1 reference letters = 5 points</td>
<td></td>
</tr>
<tr>
<td><strong>After sales</strong></td>
<td>20</td>
</tr>
<tr>
<td>After sales service guarantee the office chairs</td>
<td></td>
</tr>
<tr>
<td>• 5 years = 20 points</td>
<td></td>
</tr>
<tr>
<td>• 3 years = 15 points</td>
<td></td>
</tr>
<tr>
<td>• 2 years = 10 points</td>
<td></td>
</tr>
<tr>
<td>• 1 year = 5 points</td>
<td></td>
</tr>
<tr>
<td><strong>Response to the scope and deliverables</strong></td>
<td>40</td>
</tr>
<tr>
<td>Implementation plan, Costing and timeframes</td>
<td></td>
</tr>
<tr>
<td>• Dimensions, materials, durability, weight of item and maximum weight bearing capacity for each item is clearly defined and meets</td>
<td></td>
</tr>
</tbody>
</table>
with the HDA’s specified requirements. (20)

- Guaranteed delivery within the timeframe of one month. (10)
- Detailed delivery and assembly plan. (10)

| Total          | 100 |

The following criteria will be used for point’s allocation for price and B-BBEE compliance on an 80/20 point system:

**Table 1 – Price and B-BBEE**

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>SUB-CRITERIA</th>
<th>WEIGHTING/ POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>Detailed budget breakdown</td>
<td>80</td>
</tr>
<tr>
<td>B-BBEE (Status Level Verification Certificate)</td>
<td>B-BBEE Level Contributor</td>
<td>20</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

9. **GENERAL**

9.1. **Below are compulsory requirements for this service**

9.1.1. It is important to note that companies quote for the correct item listed on the attached schedule.

9.1.2. Kindly submit the following documents:

- CSD registration.
- Valid and Original or Certified B-BBEE Status Level Verification Certificates issued by the following agencies SANAS, IRBA or CCA.
- Price proposals for work to be done.

9.2. Further information regarding technical matters can be directed via email to: [Jeanelle.Lovedale@thehda.co.za](mailto:Jeanelle.Lovedale@thehda.co.za) on Tel: 011 544 1000.

9.3. Further information regarding supply chain matter and queries can be sent via email to [mxolisi.zondo@thehda.co.za](mailto:mxolisi.zondo@thehda.co.za) or on Tel: 011 544 1000
10. TERMS AND CONDITIONS.

10.1. HDA undertakes to pay all valid claims for work done to its satisfaction, within thirty (30) days of presentation of a substantiated invoice.

10.2. No payment will be made where there is an outstanding information/work by the service provider/s.

11. SUBMISSION OF QUOTATION

11.1. Proposals should be submitted on or before the 10th July 2020 by no later than 12h00 to:

    Attention: The Procurement Specialist

    Block a, Riviera Road Office Park

    6-10 Riviera Road, Killarney

    Johannesburg

11.2. The selection of the qualifying proposal will be at the HDA’s sole discretion. The HDA does not bind itself to accept any bid/proposal, and the HDA reserves the right not to appoint the service provider.
SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state\(^1\), 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 an advertised competitive bid, a limited bid, a proposal or written price quotation). 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/s 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, shareholder\(^2\), member):
..........................................................................................................................................

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:
..........................................................................................................................................

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.
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 attach 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:
.............................................................................................................................
.............................................................................................................................
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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

2.9.1 If so, furnish particulars:
.............................................................................................................................
.............................................................................................................................
2.10 Are you, or any person connected with the bidder, 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? YES/NO

2.10.1 If so, furnish particulars.

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

2.11.1 If so, furnish particulars:

........................................................................................................
........................................................................................................
........................................................................................................

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

<table>
<thead>
<tr>
<th>Full Name</th>
<th>Identity Number</th>
<th>Personal Income Tax Reference Number</th>
<th>State Employee Number / Personal Number</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>
4. Will any portion of the contract be sub-contracted? YES / NO

4.1 If so, furnish the following particulars of your sub-contractor(s):

<table>
<thead>
<tr>
<th>Full Name</th>
<th>Identity Number</th>
<th>Personal Income Tax Reference Number</th>
<th>State Employee Number / Personal Number</th>
</tr>
</thead>
<tbody>
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</table>

5. 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 SHOULD THIS DECLARATION PROVE TO BE FALSE.

........................................................................................................................................

........................................................................................................................................

Signature................................................................. Date..............................................................

........................................................................................................................................

Position....................................................................... Name of bidder.............................................

December 2015
SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution


1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:
   - the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
   - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2
   a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or
   b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (delete whichever is not applicable for this tender).

1.3 Points for this bid shall be awarded for:
   (a) Price; and
   (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

<table>
<thead>
<tr>
<th></th>
<th>POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRICE</td>
<td></td>
</tr>
<tr>
<td>B-BBEE STATUS LEVEL OF CONTRIBUTOR</td>
<td></td>
</tr>
<tr>
<td>Total points for Price and B-BBEE must not exceed</td>
<td>100</td>
</tr>
</tbody>
</table>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.
2. DEFINITIONS

(a) "B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

(b) "B-BBEE status level of contributor" means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(c) "bid" means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

(d) "Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(e) "EME" means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(f) "functionality" means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

(g) "prices" includes all applicable taxes less all unconditional discounts;

(h) "proof of B-BBEE status level of contributor" means:
   1) B-BBEE Status level certificate issued by an authorized body or person;
   2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
   3) Any other requirement prescribed in terms of the B-BBEE Act;

(i) "QSE" means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(j) "rand value" means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

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

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

80/20          90/10

\[
P_s = 80 \left( 1 - \frac{P_t - P_{\text{min}}}{P_{\text{min}}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\text{min}}}{P_{\text{min}}} \right)
\]

Where

\[
\begin{align*}
P_s & = \text{Points scored for price of bid under consideration} \\
P_t & = \text{Price of bid under consideration} \\
P_{\text{min}} & = \text{Price of lowest acceptable bid}
\end{align*}
\]

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:
5. **BID DECLARATION**

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. **B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

6.1 B-BBEE Status Level of Contributor: 

(Point claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. **SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?

(*Tick applicable box*)

- [ ] YES
- [ ] NO

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted?

ii) The name of the sub-contractor.

iii) The B-BBEE status level of the sub-contractor.

iv) Whether the sub-contractor is an EME or QSE

(*Tick applicable box*)

- [ ] YES
- [ ] NO

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

<table>
<thead>
<tr>
<th>Designated Group: An EME or QSE which is at last 51% owned by:</th>
<th>EME</th>
<th>QSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black people</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Black people who are youth</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black people who are women</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm: .................................................................

8.2 VAT registration number: ..............................................................

8.3 Company registration number: .........................................................

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

........................................................................................................
........................................................................................................
........................................................................................................
........................................................................................................
...........

8.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business: ...............  

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

<table>
<thead>
<tr>
<th>WITNESSES</th>
<th>SIGNATURE(S) OF BIDDERS(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
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<tr>
<td>2.</td>
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<tr>
<td>DATE:</td>
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<tr>
<td>ADDRESS</td>
<td></td>
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</tbody>
</table>
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:

\[ \text{LC} = [1 - x / y] \times 100 \]

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.

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:

<table>
<thead>
<tr>
<th>Description of services, works or goods</th>
<th>Stipulated minimum threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
</tbody>
</table>

3. 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](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):

<table>
<thead>
<tr>
<th>Currency</th>
<th>Rates of exchange</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Dollar</td>
<td></td>
</tr>
<tr>
<td>Pound Sterling</td>
<td></td>
</tr>
<tr>
<td>Euro</td>
<td></td>
</tr>
<tr>
<td>Yen</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

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 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):
........................................................................................................

2
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/industrial_development/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

(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:

<table>
<thead>
<tr>
<th>Bid price, excluding VAT (y)</th>
<th>R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imported content (x), as calculated in terms of SATS 1286:2011</td>
<td>R</td>
</tr>
<tr>
<td>Stipulated minimum threshold for local content (paragraph 3 above)</td>
<td></td>
</tr>
<tr>
<td>Local content %, as calculated in terms of SATS 1286:2011</td>
<td></td>
</tr>
</tbody>
</table>

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 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: _________
DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1. This Standard Bidding Document must form part of all bids invited.

2. It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

3. The bid of any bidder may be disregarded if that bidder, or any of its directors have-
   a. abused the institution’s supply chain management system;
   b. committed fraud or any other improper conduct in relation to such system; or
   c. failed to perform on any previous contract.

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

<table>
<thead>
<tr>
<th>Item</th>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audi alteram partem rule was applied).

The Database of Restricted Suppliers now resides on the National Treasury’s website ([www.treasury.gov.za](http://www.treasury.gov.za)) and can be accessed by clicking on its link at the bottom of the home page.

4.1.1 If so, furnish particulars:

<table>
<thead>
<tr>
<th>Item</th>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.2</td>
<td>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

The Register for Tender Defaulters can be accessed on the National Treasury’s website ([www.treasury.gov.za](http://www.treasury.gov.za)) by clicking on its link at the bottom of the home page.

4.2.1 If so, furnish particulars:

<table>
<thead>
<tr>
<th>Item</th>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.3</td>
<td>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Item</td>
<td>Question</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----</td>
<td>----</td>
</tr>
<tr>
<td>4.3.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.4</td>
<td>Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform or comply with the contract?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.4.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CERTIFICATION**

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

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

........................................................................................................... ...........................................................................................................
SIGNATURE                                                                 DATE

........................................................................................................... ...........................................................................................................
POSITION                                                                 NAME OF BIDDER
CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Standard Bidding Document (SBD) must form part of all bids\(^1\) 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 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:

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\(^1\) 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 (Name of Bidder) that:

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 consortium[^1] will not be construed as collusive bidding.

[^1]: 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.
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.

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