



RFQ / TENDER

Tender No: JHB 22103

Vendor No: 11001386

BOARD LIST
 BOARD LIST
 TRANSNET FREIGHT RAIL
 PROCUREMENT DEPARTMENT
 2000

Purchaser : Koketso Selowa
Telephone : 011 584 0688
Fax Number: 011 774 9129

Please quote reference:
 D05/6000621500

Deliver to:
 TFR Head Office
 Supply Chain Services
 2000 Johannesburg

Closing Date : 28.07.2016
Validity Date : 07.10.2016
RFQ No : 6000621500

PREVIEW COPY

RFQ:CRAC-JHB 22103 SUPPLY DELIVERY&INSTALLATION OF OFFICE CHAIRS

THE RFQ DOCUMENTS ARE OBTAINABLE FROM THE OFFICE OF TRANSNET FREIGHT RAIL, TENDER ADVISE CENTRE, GROUND FLOOR, INYANDA HOUSE 1, 21 WELLINGTON ROAD, PARKTOWN, DURING OFFICE HOURS 08:00 TO 15:00 AND RFQ DOCUMENT IS FOR FREE. RFQ CLOSING DATE: 28 JULY 2016

5. QUOTATION MUST BE FAXED TO: (011) 774 9129 / (011) 774 9186 OR EMAIL TO thuli.mathebula@transnet.net

FOR ANY TECHNICAL ENQUIRIES WITH REGARD TO THIS RFQ YOU CAN CONTACT: KOKETSO SELOWA AT 0115840688
 EMAIL: koketso.selowa@transnet.net

5.1 QUOTATION/S MUST BE SUBMITTED PUNCTUALLY AT 10:00 ON OR BEFORE CLOSING DATE AND LATE QUOTATIONS WILL NOT BE CONSIDERED.

5.2 IF POSTED:

21 WELLINGTON ROAD
 INYANDA HOUSE 1
 PARKTOWN
 2193

5.3 ,IF DELIVERED BY HAND:

TRANSNET FREIGHT RAIL-SUPPLY CHAIN SERVICES
 21 WELLINGTON ROAD
 INYANDA HOUSE 1
 PARKTOWN

6. CONDITIONS:

6.1 ANY PURCHASE ORDER PLACED AS A RESULT OF YOUR QUOTATION WILL BE SUBJECT TO THE STANDARD TERMS AND CONDITIONS OF CONTRACT, GENERAL TENDER CONDITIONS, AND CONDITIONS MENTIONED HEREIN.

DATE: SIGNATURE OF TENDERER(S):
 CONTACT PERSON: TEL No:

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6.2 TENDERERS MAY OFFER AN EARLIER VALIDITY DATE, BUT THEIR QUOTATION MAY, IN THAT EVENT, BE DISREGARDED FOR THIS REASON.

6.3 TENDERERS ARE REQUIRED TO OFFER ONLY FIRM PRICES. PRICES WHICH ARE QUOTED SUBJECT TO CONFIRMATION WILL NOT BE CONSIDERED.

6.4 BEST DELIVERY TIME MUST BE OFFERED.

6.5 DISCOUNT (TRADE DISCOUNT) CASH DISCOUNT (CONDITIONAL DISCOUNT) VALUE VALUE ADDED TAX (VAT) MUST BE SHOWN SEPARATELY.

6.6 TRANSNET RESERVES THE RIGHT TO NEGOTIATE PRICES AND COMMERCIAL ASPECTS AFTER THE CLOSING DATE OF THE QUOTATION.

6.7 DIRECT DELIVERY INTIMATES DELIVERY BEING EFFECTED INTO THE ACTUAL POINT OF SUPPLY AND SHOULD THEREFORE INCLUDE ANY TRANSPORTATION MODE DEEMED NECESSARY IN EXECUTING THIS METHOD OF DELIVERY BASIS IN ORDER TO MEET THE REQUIRED DELIVERY DATE.

7. EVALUATION CRITERIA:-

7.1. ADMINISTRATIVE RESPONSIVENESS ESSENTIAL:-

IT WILL BE TESTED BASED ON RETURNABLE DOCUMENTS SUBMITTED AND SIGNATURES ON THE BID DOCUMENTS.

7.2. SUBSTANTIVE RESPONSIVENESS MANDATORY :

7.2.1 ANNEXURE B-declaration Certificate for Local Production [SBD6.2]

7.2.2 ANNEXURE C local Content Declaration: Summary Schedule

7.2.3.PROVIDE PROOF REGISTRATION WITH NATIONAL TREASURY CENTRAL SUPPLIER DATABASE

7.3 Local Content

This RFQ is subject to regulation () of Preferential Procurement Procurement Policy Framework Act (Office Furniture)has been designated for local production and content. As such, Respondents will be required to meet a stipulated minimum threshold for local production Note issued by National Treasury. The stipulated minimum threshold is 65% .Failure to complete the local content declarations forms ;SBD6.2 Annexure B and Annexure C will lead to bid disqualification.

7.4. COMMERCIAL CATEGORY;Final weighted evaluation based on 80/20

preference point .

Price :80%

7.5.B-BBEE:20%

7.5.1. B-BBEE CERTIFICATE AND SCORECARD. (100% Black Owned Companies)

8. TAX CLEARANCE CERTIFICATES:

The Regulations in terms of the Public Finance Management Act, 1999: Framework for Supply Chain Management as published in Government Gazette No. 25767 dated 5 December 2003, Clause 9 (1) (d), stipulates that the accounting officer or accounting authority of an institution to

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which these regulations apply must reject any bid from a supplier who fails to provide written proof from the South African Revenue that the supplier either has no outstanding tax obligations or has made arrangements to meet outstanding tax obligations. Tenderers will be disqualified if a valid tax clearance certificate or written proof from the South African Revenue Service that supplier has made arrangements to meet outstanding tax obligations is not submitted with the tender.

COMPANY DETAILS:

NAME OF COMPANY: _____
CONTACT PERSON: _____
TEL. NO. _____ FAX NO: _____
REG. NO. _____

9. BROAD BASED BLACK ECONOMIC EMPOWERMENT (BBBEE):-

Transnet fully endorses and supports the Government's Broad-based Black Economic Empowerment Programme and it is strongly of the opinion that all South African Business Enterprises have an equal obligation to redress the imbalances of the past.

Transnet will therefore prefer to do business with local business enterprises who share these same values. Transnet will endeavour to do business with local business enterprises that possess a BBBEE "recognition level" of at least a level 5. Transnet urges Tenderers (large enterprises and QSE's - see below) to have themselves accredited by any one of the various Accreditation Agencies available, who do their BBBEE ratings in accordance with the latest Codes (i.e. those promulgated on 9 February 2007) and whose names appear on the present ABVA (Association of BEE Verification Agencies) - "List of Full Members" as displayed on the ABVA website (www.abva.co.za).

Although no agencies have, as yet, been accredited by SANAS (SA National Accreditation System), Transnet will, in the interim, accept rating certificates of tenderers who have been verified by any of the listed agencies.

Enterprises will be rated by such agency based on the following:

10. Large Enterprises (i.e. annual turnover >R35million:
" Rating level based on all seven elements of the BBBEE scorecard.

11. Qualifying Small Enterprises - (QSE) (i.e. annual turnover >R5million but <R35million:
" Rating based on any four elements of the BBBEE scorecard.

NB:

12. Emerging Micro Enterprise - (EME) (i.e. annual turnover <R5m) are exempted from being rated/verified:

- " Automatic rating of Level 1 BBBEE irrespective of race of ownership, i.e. 100% BBBEE recognition
- " Black ownership >50% or Black Women ownership >30% automatically qualifies as Level 3 BBBEE, i.e. 110% BBBEE recognition
- " EME's should provide certified documentary proof of annual turnover (i.e. audited financials) plus proof of Black ownership if Black ownership >50% or Black Women ownership >30% from the EME's Auditor/Accounting Officer.

13. In addition to the above, Tenderers who wish to enter into a Joint Venture or subcontract portions of the contract to BBBEE companies, must state in their tenders the percentage of the total contract value that will be allocated to such BBBEE companies, should they be successful in being awarded any business. A rating certificate in respect of such BBBEE JV-partners and / or sub-contractor/s, as well as a breakdown of the distribution of the aforementioned percentage must also be furnished

14. In view of the high emphasis which Transnet places on Broad-based Black Economic Empowerment, Transnet will allow certain preference points for BBBEE in the evaluation of all responses. Depending upon the value of the ensuing business award (i.e. below or in excess of R2m), the 80/20 or 90/10 point preference systems will be utilized where BBBEE will count out of 20 or 10 respectively in the evaluation process.

15. EACH RESPONDENT IS REQUIRED TO FURNISH PROOF OF THE ABOVE TO TRANSNET. FAILURE TO DO SO WILL RESULT IN A SCORE OF ZERO BEING ALLOCATED FOR B-BBEE.

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16. Turnover: Kindly indicate your company's annual turnover for the past year R _____

" If annual turnover <R5m, please attach certified confirmation from your Auditor/Accounting Officer

" If annual turnover >R5m please attach original or certified copy of accreditation certificate and detailed scorecard by an ABVA accreditation agency (registered as a "Full Member")

17. PAYMENT TERMS

The following payment terms will apply as from 1 October 2008.

" All suppliers will be paid 30 days from receipt of month end statement, i.e. payment term 30/55.

18. CONDITIONS:

The Service Provider shall adhere to the Terms and Condition of the contract issued with the Bid Documents, together with any Schedule of "Special Conditions" or otherwise which form part of the Bid documents. Should the respondent find any condition unacceptable, it should indicate which conditions are unacceptable and offer amendments/ alternatives by written submission on its company letterhead. Any such submission shall be subject for review by the Transnet's Legal Council who shall determine whether the proposed amendment(s)/alternative(s) are acceptable or otherwise, as the case may be.

TRANSNET INSISTS ON HONESTY AND INTEGRITY BEYOND REPROACH AT ALL TIMES AND WILL NOT TOLERATE ANY FORM OF IMPROPER INFLUENCING, BRIBERY, CORRUPTION, FRAUD, OR ANY OTHER UNETHICAL CONDUCT ON THE PART OF BIDDERS/ TRANSNET EMPLOYEES. IF, IN THE OPINION OF TRANSNET'S CHIEF OPERATING OFFICER, A TENDERER / CONTRACTOR / SUPPLIER HAS OR HAS CAUSED TO BE PROMISED, OFFERED OR GIVEN TO ANY TRANSNET EMPLOYEE, ANY BRIBE, COMMISSION, GIFT, LOAN, ADVANTAGE OR OTHER CONSIDERATION, TRANSNET SHALL BE ENTITLED TO REVOKE THE TENDER / CONTRACT BY FOLLOWING ITS INTERNAL POLICIES THAT GOVERN THE EXCLUSION PROCESS. IN SUCH AN EVENT TRANSNET WILL BE ENTITLED TO PLACE ANY TENDERER / CONTRACTOR / SUPPLIER WHO HAS CONTRAVENED THE PROVISIONS OF TRANSNET'S BUSINESS ETHICS ON ITS LIST OF EXCLUDED TENDERERS. THIS LIST WILL ALSO BE DISTRIBUTED TO ALL OTHER STATE OWNED ENTERPRISES AND GOVERNMENT DEPARTMENTS.

TRANSNET INVITES ITS SUPPLIERS TO REPORT ANY ALLEGATIONS OF FRAUD CORRUPTION OR OTHER UNETHICAL ACTIVITIES TO TRANSNET TIP-OFFS ANONYMOUS, AT ANY OF THE FOLLOWING ADDRESSES / CONTACT NUMBERS:-

TOLL-FREE ANONYMOUS HOTLINE - 0800 003 056

EMAIL - Transnet@tip-offs.com

FAX NUMBER - 0800 007 788

FREEPOST DN 298, UMHLANGA ROCKS, 4320

CONFIDENTIALITY IS QUARANTEED

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SCHEDULE OF REQUIREMENTS
PRICES TENDERED ARE TO BE "DIRECT" AND EXCLUDE VAT.

Item	Qty	Material	Description
00010	26		SUPPLY AND DELIVETY OF HIGH BACK CHAIRS

R.....
Each

Delivery Date: 05.08.2016

FULL DETAILS OF DESCRIPTION

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1. ADDITIONAL INFORMATION REQUIRED: (WHERE APPLICABLE)

1.1 THE FOLLOWING ADDITIONAL INFORMATION IS REQUIRED:

- (A) DISCOUNT:
- (B) SETTLEMENT DISCOUNT:
- (C) PRICE/S FIRM:
- (D) PRICE/S FIRM UNTIL THEREAFTER SUBJECT TO REVIEW.
- (E) PRICE/S NOT FIRM:
- (F) SABS MARK:
- (G) SABS PERMIT NO:
- (H) BRAND/MAKE/TYPE:
- (I) FULL NAME AND ADDRESS OF MANUFACTURER.:
.....
.....
.....

(J) FULL NAME AND ADDRESS OF INSPECTION POINT:

(K) COUNTRY OF ORIGIN:

Comply : _____ Does not Comply : _____ Not applicable : _____

Justification :

(L) SURPLUS MATERIAL:

TENDERERS MUST INDICATE IF THEY WILL BE PREPARED TO PURCHASE BACK FROM TRANSNET ANY SURPLUS MATERIAL WHICH MAY BECOME AVAILABLE FROM ANY RESULTING PURCHASE ORDER/CONTRACT ORIGINATED FROM THE QUOTATION SUBMITTED:
.....

(M) PAYMENT OVERSEAS:

ONLY IF TRANSNET LIMITED IS REQUESTED BY THE TENDERER TO EFFECT PAYMENT OVERSEAS DIRECT TO THE TENDERER'S PRINCIPAL/SUPPLIER THE FOLLOWING INFORMATION IS REQUIRED:

- * EXCHANGE RATE ON WHICH THE QUOTATION PRICE IS BASED: R1,00 (S.A. CURRENCY) BEING EQUAL TO (FOREIGN CURRENCY)
- * PERCENTAGE IN RELATION TO THE QUOTATION PRICE TO BE REMITTED OVERSEAS:
.....

* NAME OF COUNTRY TO WHICH PAYMENT IS TO BE MADE:
.....
.....

* APPLICABLE DATE OF EXCHANGE RATE:
.....

* BENEFICIARY'S NAME AND FULL ADDRESS:
.....
.....
.....

DATE:

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.....
* BENEFICIARY'S BANKERS AND FULL ADDRESS:
.....
.....
.....

* APPLICABLE ACCOUNT NUMBER:
.....

(N) DELIVERY DATE:

TENDERERS MUST FURNISH THEIR ACTUAL DELIVERY AND MANUFACTURING PERIOD HEREUNDER
NOTWITHSTANDING THE DELIVERY DATES SPECIFIED BY TRANSNET.

THE FOLLOWING MUST ALSO BE FURNISHED IN REGARD TO THE ABOVE:

1. PERIOD REQUIRED TO OBTAIN RAW MATERIAL.(DAYS)
2. MANUFACTURING PERIOD.(DAYS)
3. PERIOD TO TRANSPORT MATERIAL TO DESTINATION.(DAYS)

MATERIAL NO.	1.(PERIOD)	2.(PERIOD)	3.(PERIOD)
.....
.....
.....
.....
.....
.....

PREVIEW COPY

DATE:

SIGNATURE OF TENDERER(S):

Transnet SOC Ltd.
Registration
Number
1990/000900/30

13 Girton Road.
Parktown
2193

Private Bag X47
Johannesburg
2000
Tel: 011 584 0509
Fax: 011 774 9978



CHAIR SPECIFICATIONS

ITEM	DESCRIPTION	QTY
	<ul style="list-style-type: none">• midback fabric/ material• colour-black• 4x4 H/B S/T Chair PU arm&gas Black Vulcan Fabric• (wheels).• Arm rest• Adjustable type• High Back	26

PREVIEW COPY

Transnet SOC Ltd.
Registration
Number
1990/000900/30

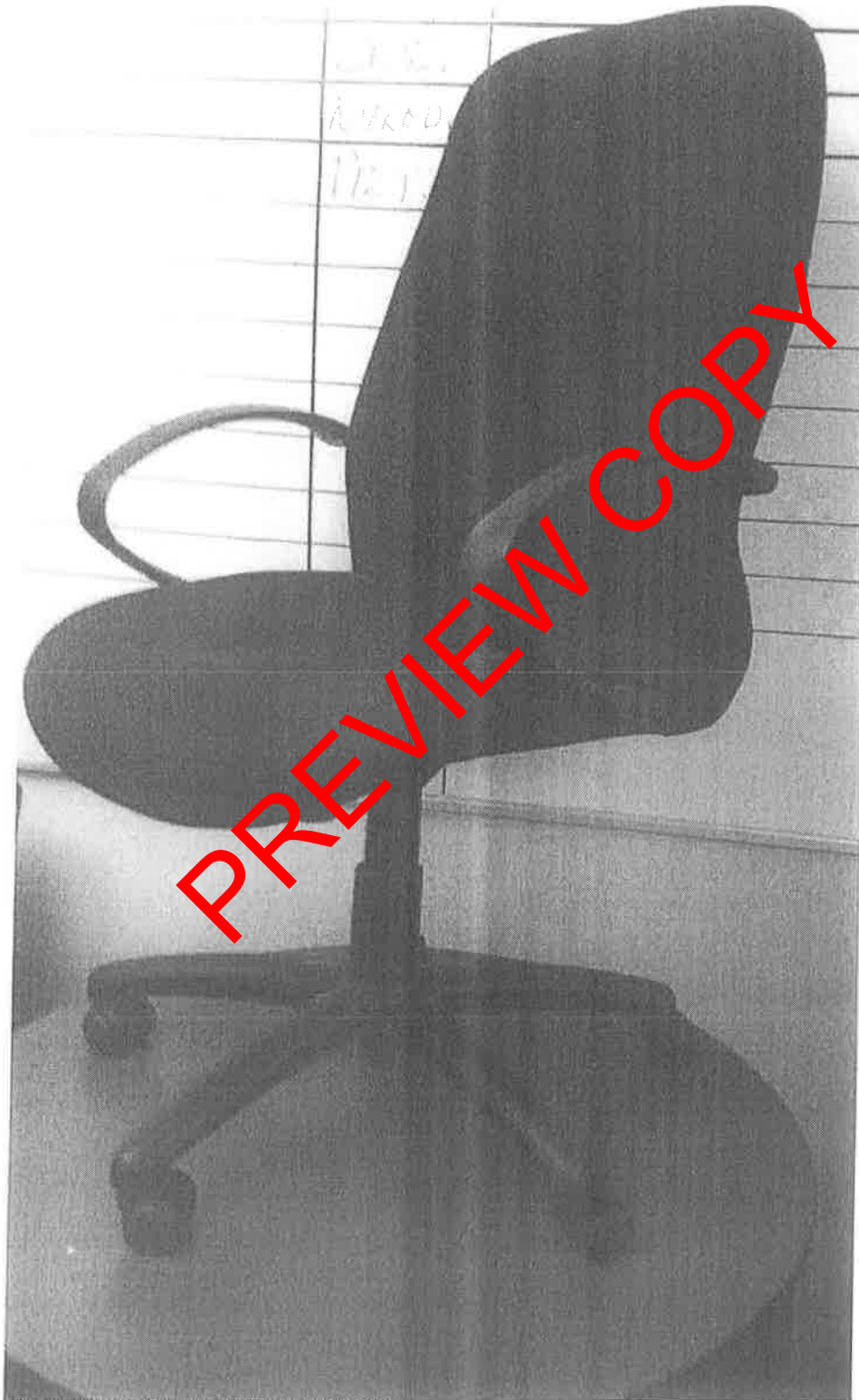
13 Girton Road.
Parktown
2193

Private Bag X47
Johannesburg
2000
Tel: 011 584 0509
Fax: 011 774 9978

TRANSNET



freight rail



Annex D

Imported Content Declaration - Supporting Schedule to Annex C

(D1) Tender No:
 (D2) Tender description:
 (D3) Designated Products: Furniture Products
 (D4) Tender Authority: Transnet Freight Rail, a division of Transnet
 (D5) Tendering Entity name:
 (D6) Tender Exchange Rate: R/£

Note: VAT to be excluded from all calculations

EU R 9,00 GBP R 12,00

A. Exempted imported content

Tender Item no's	Description of Imported content	Local supplier	Overseas Supplier	Calculation of imported content						Summary	
				Foreign currency value as per Commercial Invoice (D11)	Tender Exchange Rate (D12)	Local value of Imports (D13)	Freight costs to port of entry (D14)	All locally incurred landing costs & duties (D15)	Total landed cost excl VAT (D16)	Tender Qty (D17)	Exempted Imported value (D18)
(D7)	(D8)	(D9)	(D10)								
										(D19) Total exempt imported value	R 0

This total must correspond with Annex C - C 21

B. Imported directly by the Tenderer

Tender Item no's	Description of Imported content	Unit of measure	Overseas Supplier	Calculation of imported content						Summary	
				Foreign currency value as per Commercial Invoice (D24)	Tender Rate of Exchange (D25)	Local value of Imports (D26)	Freight costs to port of entry (D27)	All locally incurred landing costs & duties (D28)	Total landed cost excl VAT (D29)	Tender Qty (D30)	Total Imported value (D31)
(D20)	(D21)	(D22)	(D23)								
										(D32) Total imported value by tenderer	R 0

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

Description of Imported content	Unit of measure	Local supplier	Overseas Supplier	Calculation of imported content						Summary	
				Foreign currency value as per Commercial Invoice (D37)	Tender Rate of Exchange (D38)	Local value of Imports (D39)	Freight costs to port of entry (D40)	All locally incurred landing costs & duties (D41)	Total landed cost excl VAT (D42)	Quantity Imported (D43)	Total Imported value (D44)
(D33)	(D34)	(D35)	(D36)								
										(D45) Total imported value by 3rd party	R 0

D. Other foreign currency payments

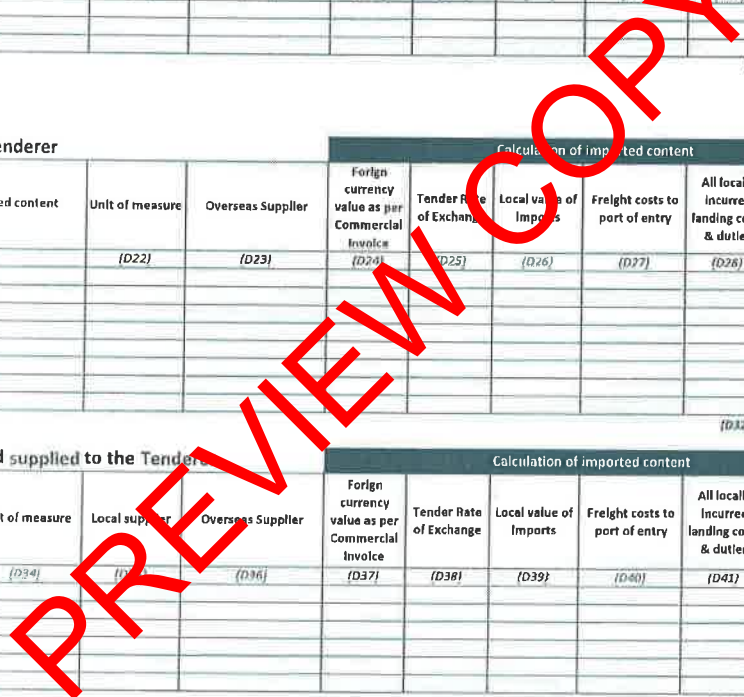
Type of payment (D46)	Local supplier making the payment (D47)	Overseas beneficiary (D48)	Calculation of foreign currency payments		Summary of payments	
			Foreign currency value paid (D49)	Tender Rate of Exchange (D50)	Local value of payments (D51)	
					(D52) Total of foreign currency payments declared by tenderer and/or 3rd party	

(D53) Total of imported content & foreign currency payments - (D32), (D45) & (D52) above R 0

This total must correspond with Annex C - C 23

Signature of Tenderer from Annex B

Date: _____



Annex E

Local Content Declaration - Supporting Schedule to Annex C

(E1) Tender No.
 (E2) Tender description:
 (E3) Designated products: Furniture Products
 (E4) Tender Authority: Transnet Freight Rail, a division of Transnet
 (E5) Tendering Entity name:

Note: VAT to be excluded from all calculations

Local Products (Goods, Services and Works)	Description of Items purchased	Local suppliers	Value
	(E6) High Back Chairs in black Fabric	(E7)	(E8)
	(E9) Total local products (Goods, Services and Works)		R 0
(E10) Manpower costs	(Tenderer's manpower cost)		R 0
(E11) Factory overheads	(Rental, depreciation & amortisation, utility costs, consumables etc.)		R 0
(E12) Administration overheads and mark-up	(Marketing, insurance, financing, interest etc.)		R 0
	(E13) Total local content		R 0

This total must correspond with Annex C - C24

Signature of tenderer from Annex B

Date:

Annex C

Local Content Declaration - Summary Schedule

(C1) Tender No. _____

(C2) Tender description: _____

(C3) Designated product(s): Furniture Products

(C4) Tender Authority: Transnet Freight Rail, a division of Transnet

(C5) Tendering Entity name: _____

(C6) Tender Exchange Rate: Pula _____ EU _____ GBP _____

(C7) Specified local content % _____

Note: VAT to be excluded from all calculations

Tender item no's	List of items	Calculation of local content				Tender summary					
		Tender price each (excl VAT)	Exempted imported value	Tender value net of exempted imported content	Imported 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)
1	High Back Chairs in black Fabric										

Signature of tenderer from Annex B _____

Date: _____

(C20) Total tender value R 0

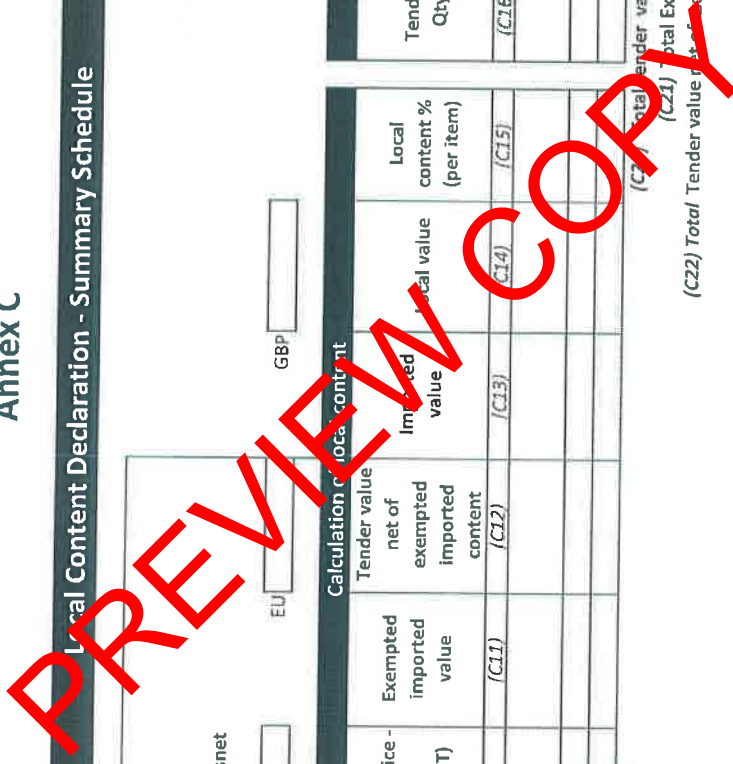
(C21) Total Exempt imported content R 0

(C22) Total Tender value net of exempt imported content R 0

(C23) Total Imported content R 0

(C24) Total local content R 0

(C25) Average local content % of tender _____



ANNEXURE F

LOCAL CONTENT LOCAL CONTENT BACKGROUND, DOCUMENTATION, EVALUATION DETAILS AND ADDITIONAL INSTRUCTIONS

1. LOCAL CONTENT EXPLAINED

- The Preferential Procurement Policy Framework Act makes provision for the Department of Trade and Industry (DTI) to designate sectors in line with national development and industrial policies for local production.
- This means 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
- The DTI has designated and determined the stipulated minimum threshold for Office Furniture for local production and content.
- The stipulated minimum threshold percentages for local production and content for the different categories of Office Furniture can be perused on the National Treasury practice note attached with the RFQ.
- **For further guidance with regard to the determination of "Local Content," Respondents must refer to the following documentation:**
- SABS approved technical specification number SATS 1286:2011
- Guidance on the calculation of Local Content [available on the DTI website: <http://www.thedti.gov.za>]

2. LOCAL CONTENT DOCUMENTATION

Mandatory Returnable Documents

The regulatory and mandatory RFQ Annexures, which must be completed by all Respondents in order to declare Local Content, are as follows:

- Annexure B – Declaration Certificate for Local Production and Content [SBD 6.2]
- Annexure C – Local Content Declaration: Summary Schedule

Failure to duly complete, declare, signed and submit all these Mandatory Returnable Documents at the Closing Date and time of this RFQ will result in a Respondent's disqualification.

Essential Returnable Documents

Annexures D and E are Supporting Schedules to Annexure C. They are named as follows:

- Annexure D – Imported Content Declaration: Supporting Schedule to Annexure C
- Annexure E – Local Content Declaration: Supporting Schedule to Annexure C

IMPORTANT NOTES:

- If certain items cannot be sourced/manufactured locally bidders should seek exemption for such items from the DTI.
- Such an exemption letter should be submitted with the proposal upon closing date.

3. LOCAL CONTENT EVALUATION

LOCAL CONTENT WILL BE EVALUATED AS THE FIRST STAGE AS A PRE-QUALIFICATION CRITERIA.

Mandatory Returnable Documents

- Annexure B – Declaration Certificate for Local Production and Content [SBD 6.2]
 - All sections of this document **MUST** be completed;
 - The document **MUST** be signed, witnessed and dated;
 - Bidders **MUST** clearly declare their Local Content Percentage commitment per item quoted.
- Annexure C – Local Content Declaration: Summary Schedule
 - All sections of the document **MUST** be completed;
 - The document **MUST** be signed and dated;
 - Bidders **MUST** clearly declare their Local Content Percentage commitment per item quoted.

Failure to duly complete, declare, signed and submit all these Mandatory Returnable Documents at the Closing Date and time of this RFQ will result in a Respondent's disqualification

4. ADDITIONAL INSTRUCTIONS: LOCAL CONTENT QUESTIONS

It is recommended that any clarification questions be submitted in writing by bidders and Transnet Freight Rail will respond to all bidders within 48 hours.

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:**

Description of services, works or goods	Stipulated minimum threshold
High Back Chairs in black Fabric	65%

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"/>
-----	--------------------------	----	--------------------------

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 bidder 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): **Transnet Freight Rail, a division of Transnet**

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
 - (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
Local content %, as calculated in terms of SATS 1286:2011	
Stipulated minimum threshold for local content (paragraph 4.1 above) High Back Chairs in black Fabric	65%

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:** _____