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**INVITATION TO QUOTE**

**REQUEST FOR QUOTATION FOR THE PROVISION OF EMPLOYEE  
WELLNESS SERVICES FOR THE PERIOD OF TWO (2) YEARS**

**CLOSING DATE AND TIME: 10 FEBRUARY 2023 at 11:00am**

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## **RFQ DOCUMENT INDEX PAGE**

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**Suppliers are to ensure that they have received all pages of this document, which consist of the following sub-documents:**

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**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE COUNCIL ON HIGHER EDUCATION**

RFQ NUMBER:	CHE/CS/02/01/2023	DATE OF ISSUE:	02 February 2023	CLOSING TIME:	<b>11:00am</b>
		CLOSING DATE	10 February 2023		
DESCRIPTION	<b>REQUEST FOR QUOTATION FOR THE PROVISION OF EMPLOYEE WELLNESS SERVICES FOR THE PERIOD OF TWO (2) YEARS</b>				
BRIEFING SESSION	<b>No Briefing Session</b>				

**BID RESPONSE DOCUMENTS MUST BE SUBMITTED TO THE FOLLOWING EMAIL ADDRESS:**

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT:  
 CHE Reception Area  
 1 Quintin Brand Street  
 Persequor Technopark  
 Brummeria  
 Pretoria East, 0020

Faxed/emailed Documents will not be accepted.

**BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO**

CONTACT PERSON	Dorah Motlhalifi	CONTACT PERSON	Mamapudi Mashiane
TELEPHONE NUMBER	012 349 3840	TELEPHONE NUMBER	012 349 3940
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	Motlhalifi.d@che.ac.za	E-MAIL ADDRESS	Mashiane.m@che.ac.za

**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**

**SUPPLIER INFORMATION**

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		<b>OR</b>	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX]		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX]	
	<input type="checkbox"/> Yes	<input type="checkbox"/> No		<input type="checkbox"/> Yes	<input type="checkbox"/> No

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

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<p>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES/WORKS OFFERED?</p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/> [IF YES ENCLOSE PROOF]</p>	<p>ARE YOU A FOREIGN BASED SUPPLIER FOR <b>THE GOODS /SERVICES/WORKS OFFERED?</b></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/> [IFYES, ANSWER THE QUESTIONNAIRE BELOW]</p>
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**QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

<p>IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTHAFRICA (RSA)?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>DOES THE ENTITY HAVE A BRANCH IN THE RSA?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?</p>	<p>YES NO</p>
<p>IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.**

**PART B**

**TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

- 1.1 Bids must be delivered by the stipulated time to the correct address. Late bids will not be accepted for consideration.
- 1.2 All bids must be submitted on the official forms provided- (not to be re-typed) as listed under – paragraph 3.1 [mandatory requirements] below.
- 1.3 This bid will be evaluated in terms of the preferential procurement policy framework act, 2000 and the preferential procurement regulations, 2017 under 80/20 preference points system and it includes functionality (if applicable). Thus, bidders who fail to obtain minimum score for functionality will not be evaluated further for price and preference.
- 1.4 This bid shall be governed by the general conditions of contract (GCC) which can be obtained from national treasury website:  
[ocpo.treasury.gov.za/Resource\\_Centre/Legislation/General%20Conditions%20of%20Contract](http://ocpo.treasury.gov.za/Resource_Centre/Legislation/General%20Conditions%20of%20Contract)
- 1.5 Bidders who wish to claim the preference points should complete SBD 6.1 form in full. (attached).
- 1.6 The bid must be submitted with the following standard bidding documents: SBD 4 and SBD 1
- 1.7 The bid must be accompanied by briefing session certificate as proof that they have attended the compulsory briefing session as indicated in part a above. (if applicable)
- 1.8 Copy of a BBBEE certificate issued by SANAS accredited verification agency or original certified affidavit.
- 1.9

**2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 Bidders must ensure compliance with their tax obligations.
- 2.2 Bidders are required to submit their unique personal identification number (pin) issued by SARS to enable the organ of state to verify the taxpayer’s profile and tax status.

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- 2.3 Application for tax compliance status (TCS) pin may be made via e-filing through the SARS website [www.sars.gov.za](http://www.sars.gov.za).
- 2.4 Bidders may also submit a printed TCS certificate together with the bid.
- 2.5 In bids where consortia / joint ventures / sub-contractors are involved; each party must submit a separate TCS CERTIFICATE / PIN / CSD Number.
- 2.6 Where no TCS pin is available but the bidder is registered on the central supplier database (CSD), a CSD number must be provided.

**SIGNATURE OF BIDDER:** .....

**CAPACITY UNDER WHICH THIS BID IS SIGNED:** .....

**DATE:** .....

## INTRODUCTION

### 1. PURPOSE OF THE REQUEST

CHE Corporate Services seeks to appoint a service provider that will render the service as per the attached specification.

#### 1.1.1. OBJECTIVES OF THE BID

Based on the fulfilment of the specification requirements and competitive price that will be submitted, CHE intends to select a preferred service provider for the services mentioned above.

### 2. ENQUIRIES

2.2.1. Should it be necessary for a supplier to obtain clarity on any matter arising from or referred to in this RFQ document, please refer your enquiries, in writing, to the contact person(s) listed below? CHE reserves the right to place responses to such queries on the website.

Ms. Dorah Motlhalifi	Telephone	<b>012 349 3915</b>
	E-mail	<b>Motlhalifi.d@che.ac.za</b>

### 3. RESPONSE FORMAT

Suppliers shall submit the response in accordance with the **response format specified below** together with a **formal quotation / proposal**; failure to do so may result in a disqualification of bidder's response.

#### 3.1 Mandatory documents

**Original, valid BBBEE certificate or a valid and certified copy or Sworn Affidavit** (scanned copy will be accepted) may be submitted. If a bidder responds as a Consortium or Joint Venture, an agreement of both parties must be submitted. The following schedules must be included in the response to quote.

- Schedule 1:** Pricing schedule **SBD 1**
- Schedule 2:** Declaration of Interest – **SBD 4**
- Schedule 3** **SBD 6.1** in terms of PPR of 2022

### 4. CHE's TERMS AND CONDITIONS OF REQUEST FOR QUOTATION (RFQ)

1. CHE's conditions of purchase shall apply.
2. No services must be rendered, or goods delivered before an official CHE Purchase Order form has been received or a service level agreement is signed.
3. Late and incomplete submissions will not be accepted.
4. The tax matter must be tax compliant as requested.
5. Responses to this RFQ must be submitted in a sealed envelope, clearly marked with the description and number of the RFQ.
6. CHE shall pay 30 days after receipt of an original invoice.
7. All invoices must be submitted to the Finance.

### 5. TAX CLEARANCE REQUIREMENTS

- a) Bidders are required to submit a csd report indicating bidders tax matters or csd number.
- b) Failure to be tax compliant or fix tax matter within seven (7) days after receiving notification will result in the disqualification of your response this RFQ.

**6. EVALUATION CRITERIA**

Will be evaluation on price and preferences.

This RFQ will be evaluated in terms of the 80/20 preference point system prescribed by the Preferential Procurement Regulations, 2017. The allocation of points will be as follows:

Price	80
Specific goal: Historically Disadvantaged Individual (HDI) 20 points.	20
<b>Total</b>	<b>100 points</b>

**7. PRICING REQUIREMENTS FOR QUOTATIONS.**

All prices must be quoted in South African Rand (ZAR) and the foreign currency amount applicable must be stated.

- a) The Supplier must indicate **clearly** which portion of the quoted price is linked to the exchange rate.
- b) The cost of delivery and other charges must be included in the total price quoted.
- c) Please note that CHE will require the successful bidder to obtain forward cover (where applicable) equal to this amount immediately upon receipt of a letter of acceptance, or an official purchase order.
- d) After CHE Procurement has received proof from the bidder's banker of the forward cover rate, an amendment to the purchase order will be processed which would reflect firm pricing.

**8. REASONS FOR DISQUALIFICATION**

CHE reserves the right to disqualify any bidder which does any one or more of the following,

- a. Suppliers who are not tax compliant within seven (7) days after sending the notification;
- b. Suppliers who submitted incomplete information and documentation according to the requirements of this RFQ;
- c. who submitted information that is fraudulent, factually untrue or inaccurate, for example memberships that do not exist, BEE credentials, experience, etc.;
- d. Supplier who received information not available to other vendors through fraudulent means; and/or
- e. Suppliers who do not comply with any other *requirements* as stipulated in this RFQ document.
- f. Suppliers who do not comply with the mandatory functional requirements Suppliers who fail to sign their RFQ response or does not complete SBDs
- g. CHE reserves the right to; cancel or reject any quote and not to award the RFQ to the lowest bidder or award parts of the RFQ to different bidders, or not to award the RFQ at all.

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**DECLARATION BY BIDDER**

the undersigned (NAME).....certify that:

- i. I have read and understood the conditions of this RFQ.
- ii. I have supplied the required information and the information submitted as part of this RFQ is true and correct.





## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:  
 .....  
 .....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

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<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.3.1 If so, furnish particulars:

.....  
.....

**3 DECLARATION**

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 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<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS

OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING

AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD

THIS DECLARATION PROVE TO BE FALSE.

<sup>2</sup> 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.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- 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 **To be completed by the organ of state**

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	80
<b>SPECIFIC GOALS</b> Historically Disadvantaged Individual (HDI) 20 points.	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

**2. DEFINITIONS**

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

**3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES**

**3.1. POINTS AWARDED FOR PRICE**

**3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS**

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

$$= \left( - \frac{\quad}{\quad} \right) \text{ or } = \left( - \frac{\quad}{\quad} \right)$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

**3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT**

**3.2.1. POINTS AWARDED FOR PRICE**

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

$$80/20 \quad \text{or} \quad 90/10$$

$$\frac{\text{Ps}}{\text{Pt}} \text{ or } \frac{\text{Ps}}{\text{Pmax}} = \left( + \frac{\text{Ps}}{\text{Pmax}} \right)$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmax = Price of highest acceptable tender

**4. POINTS AWARDED FOR SPECIFIC GOALS**

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
  - (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
 then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

*(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)*

*Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)*

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)


**DECLARATION WITH REGARD TO COMPANY/FIRM**

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
  - One-person business/sole propriety
  - Close corporation
  - Public Company
  - Personal Liability
  - Company (Pty) Limited
  - Non-Profit Company
  - State Owned Company
- [TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and

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directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

..... <b>SIGNATURE(S) OF TENDERER(S)</b>	
<b>SURNAME AND NAME:</b>	.....
<b>DATE:</b>	.....
<b>ADDRESS:</b>	.....
	.....
	.....
	.....



**SBD 6.2****DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT**

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 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

**1. General Conditions**

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9. (1) and 9. (3) make 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. Regulation 9.(3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 1.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 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.
- 1.5. 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.
- 1.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \left( \frac{x}{y} \right) \times 100$$

Where

x imported content

y bid price 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

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date, one week (7 calendar days) prior to the closing date of the bid as indicated in paragraph 4.1 below.

1.7. A bid will be disqualified if:

- the bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below; and
- this declaration certificate is not submitted as part of the bid documentation.

2. Definitions

2.1. **“bid”** includes advertised competitive bids, written price quotations 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, 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 for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

4. Does any portion of the services, works or goods offered have any imported content? YES / NO

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date 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:

<b>Currency</b>	<b>Rates of exchange</b>
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID No.** .....

**ISSUED BY:** (Procurement Authority / Name of Institution):

.....

NB 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.

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 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.
- (c) The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

Bid price, excluding VAT (y)	R
Imported content (x)	R
Stipulated minimum threshold for Local content (paragraph 3 above)	
Local content % , as calculated in terms of SATS 1286	

If the bid is for more than one product, a schedule of the local content by product shall be attached.

- (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.
- (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, 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 Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**CONTRACT FORM - RENDERING OF SERVICES**

**THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.**

**PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)**

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder’s past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract. NAME (PRINT).....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	.....
.	
2	.....
.	

