



2020

LOCAL CONTENT IN THE SOUTH AFRICAN TENDER ENVIRONMENT

Completing Standard Bidding Document 6.2 (SBD 6.2)
Annexures C, D and E as contained in Organ of State tenders

HowtoTender

Local Content

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1. History

Local Content or Designated Sectors exists to restore manufacturing capacity in South Africa.

If an Entity wants to supply goods to an Organ of State **and** those goods are part of the Designated Sectors, then that Entity will have to comply with the Local Content Rules and Regulations.

According to Regulation 3(c) of the Preferential Procurement Regulations, 2017, an Organ of State must determine whether the goods or services for which a tender is to be invited, are in a Designated Sector for local production and content envisaged in Regulation 8 of the Preferential Procurement Regulations 2017.

IMPORTANT

The calculation of the Local Content percentage is a principal that needs to be understood.

Once a bidder understands the principal of calculating the Local Content percentage in a tender the bidder will be able to calculate any product's Local Content percentage.

This manual is designed to teach the bidder the Local Content percentage principal.