



**INSTRUCTION NOTE:  
DESIGNATED PRODUCTS**



# 100 % LOCAL

## PRODUCTION AND CONTENT

### **STEEL CONSTRUCTION MATERIALS (100% LOCAL CONTENT THRESHOLD)**

Plates (>4.5mm thick and supplied in flat pieces)  
Sheets (<4.5mm thick and supplied in coils)  
Galvanised and Colour Coated Coils  
Wire Rod and Drawn Wire  
Sections (Channels, Angles, I-Beams and H-Beams)  
Reinforcing bars

As with effect from 1 February 2017 the South African Minister of Finance approved the instruction note in terms of regulation 9(2) instructing that if the following products are to be procured, they must have **100% South African production and content.**

### **STEEL VALUE ADDED PRODUCTS (100% LOCAL CONTENT THRESHOLD)**

<b>Fabricated Structural Steel</b>	Latticed steelwork, reinforcement steel, columns, beams, plategirders, rafters, bracing, cladding supports, steel stringers and treads, ladders, steel flooring, floor grating, hand railing and balustrading, scaffolding, ducting, gutters, launders, downpipes and trusses.
<b>Joining/ Connection Components</b>	Gussets, cleats, stiffeners, splices, cranks, kinks, doglegs, spacers, tabs, brackets.
<b>Frames</b>	Doors and windows.
<b>Roof Cladding</b>	Bare steel cladding, galvanised steel cladding, colour coated cladding.
<b>Fasteners</b>	Bolts, nuts, rivets and nails.
<b>Wire Products</b>	All fencing products; all barbed wire and mesh fencing, fabric/ mesh reinforcing, gabions, wire rope/ strand and chains, welding electrodes, nails/ tacks, springs and screws.
<b>Ducting and Structural Pipework</b>	Non-conveyancing tubing fabricated from steel sheeting and plate with structural supports.
<b>Gutters, Downpipes and Launders</b>	Fabricated materials made from sheeting associated with roof drainage systems.

**Note: Construction products manufactured from designated materials such as hot rolled coil (HRC) are deemed to be designated. These include: Guard Rails and Steel Posts, Steel Piles manufactured from HRC, Small and Large Bore piping etc. The dti can be contacted to assist if further clarification is needed. Contact Thandi Phela - Tphela@thedti.gov.za**

## **BID INVITATIONS**

According to the instruction note and Regulation 9(1), only locally manufactured products with the stipulated threshold of 100% for local production and content must be considered. This is in line with the national development and industrial policies for local production and MUST be included in bid invitations.

## **BID EVALUATIONS**

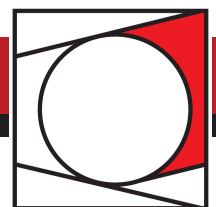
According to the instruction note, a two stage evaluation process must be followed to evaluate the bids received:

STAGE 1: Evaluation in terms of the minimum threshold (100%) for local production and content. The standard bidding documents (SBD 6.2 or MBD 6.2) must be completed in line with the requirements of the SABS approved technical specification number SATS 1286:2011 and the Guidance Document for the Calculation of Local Content together with the Local Content Declaration Templates. Only bids that meet the minimum 100% threshold in stage 1 must be evaluated further.

STAGE 2: Evaluation in terms of the 80/20 or 90/10 preference point systems as prescribed in the Preferential Procurement Regulation, 2011.

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