

## 10. SUB-CONTRACTING AS A CONDITION OF TENDER

- 10.1. Where the estimated value of the tender is above R 30 million, institutions must at procurement and tender planning stage identify tenders for possible subcontracting that can be used to advance designated groups
  - 10.2. Institutions must conduct market or industry research to identify level of transformation in the sector or commodity, role players and their B-BBEE status level and availability of EMEs or QSEs who may be eligible for subcontracting.
  - 10.3. An Institution must conduct a thorough analysis to satisfy itself that there are enough capable and qualified suppliers in the identified sector registered in the Central Supplier Database to fulfill the subcontracting requirements.
  - 10.4. When advertising a tender with subcontracting requirements, the list of subcontractors indicating the name of the supplier, and empowerment status in relation to subcontracting requirements must be annexed for interested tenderers to identify and negotiate with possible subcontractors.
  - 10.5. Tenderers must submit proof of subcontracting arrangement between the main tenderer and the subcontractor. Proof of subcontracting arrangement may include a subcontracting agreement between main tenderer and the subcontractor.
  - 10.6. Tenders that do not meet subcontracting requirements are considered as being not acceptable tenders and must be disqualified and may not be considered for further evaluation or award.
- 10.4 The report containing the list of the aforementioned subcontractors may be drawn by accessing the following link: [www.csd.gov.za/...](http://www.csd.gov.za/)

## 11. LOCAL PRODUCTION AND CONTENT