

ISBN 978-0-626-34272-2

SANS 1286:2017

Edition 1

SOUTH AFRICAN NATIONAL STANDARD

Local goods, services and works — Measurement and verification of local content

WARNING
This document references other
documents normatively.

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Table of changes

Change No.	Date	Scope

Foreword

This South African National Standard was prepared by National Committee SABS/TC 003, *Conformity assessment (CASCO)*, in accordance with procedures of the SABS, in compliance with annex 3 of the WTO/TBT agreement.

This document was approved for publication in April 2017.

Reference is made in 1.1, the note to 1.1 and 2.6 to the "relevant national legislation". In South Africa this means the Preferential Procurement Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

Reference is made in the note to 2.10 to a "national accreditation body". In South Africa this means the South African National Accreditation System (SANAS).

Reference is made in 5.1(a) to an "accredited verification body". In South Africa this means a body accredited by the South African National Accreditation System (SANAS).

Reference is made in 5.1(b) to an "independent, registered and qualified auditor". For the purposes of this document, this means a registered auditor approved by the Independent Regulatory Board for Auditors (IRBA) in terms of the Auditing Profession Act, 2005 (Act No. 26 of 2005), professional accounting practitioners registered with the South African Institute of Accounting, the South African Institute of Professional Accountants or the Association of Chartered Certified Accountants; and professional management accountants registered with the Chartered Institute of Management Accountants.

Reference is made in 5.1(c) to a "qualified technical industry specialist". In South Africa a qualified technical industry specialist may include qualified engineers, scientists or industry associations.

Annex A forms an integral part of this document.

Compliance with this document cannot confer immunity from legal obligations.

Introduction

Preferential procurement policies and their associated regulations, such as local content requirements, are mechanisms used by the government and organs of state in the adjudication of tenders, to give consideration to procuring locally manufactured products that comply with specified requirements. Governments may identify specific industries which are deemed to be of critical importance to the economic sustainability and industrial development of their country.

In order to calculate and verify local content, a standardized approach is essential, and this document specifies the approach used in South Africa. To achieve the goals of local content, a technical verification is required to substantiate the bill of materials of the designated product or service. The financial auditor then confirms the local content calculation as true to the manufacturing capabilities of the tenderer and his/her suppliers.

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