

Template Identifier	240-43921804	Rev	6
Document Identifier	240-148918142	Rev	3
Effective Date	01 September 2020		
Review Date	September 2023		

Section 1: Objective Criteria

The inclusion of objective criteria in an enquiry is not mandatory but a condition for contract award, and if included, this must align with the requirements of the PPPFA [clause 2(1)(f)] and be clearly stated in the enquiry together with the consequence of such objective criteria (i.e., if the tenderer does not meet objective criteria; it may lead to the second-ranked tenderer being recommended for award).

1.1 Designated Sectors

When applicable the following stipulated minimum threshold for Local Production and Content must be achieved in full by the tenderer

Commodity	Local Content Threshold
Steel Construction Material	100%
Electrical, Power and Telecom Cables	90%
Cement	100%
Transformers class 0	90%
Transformers 3B	0%

NOTE: SBD 6.2 Declaration Form and Annex C (Local Content Declaration-Summary Schedule) are therefore mandatory for Contract award.

1.2 NIPP: In line with DTI requirements on important content that is above \$5million, the National Industrial Participation Programme has to be applied in order to stimulate local manufacturing capability and job creation. International manufactures have to commit on minimum thirty percent local participation programme through formalized DTI NIPP obligations agreements. Companies with a NIPP obligation are required to sign this obligation agreement with the Department of Trade, Industry and Competition (the dtic) before the contract with Eskom Holdings SOC Ltd, as a purchasing entity, is signed.

Note: The above NIPP obligation will apply only if the foreign portion is equivalent or more than the stipulated minimum threshold of \$5 million.

Confidential

When downloaded from the document management system, this document is uncontrolled and the responsibility rests with the user to ensure it is in line with the authorised version on the system. No part of this document may be reproduced without the expressed consent of the copyright holder, Eskom Holdings SOC Ltd, Reg No 2002/015527/30.

Template Identifier	240-43921804	Rev	6
Document Identifier	240-148918142	Rev	3
Effective Date	01 September 2020		
Review Date	September 2023		

1.3 Subcontracting

Mandatory subcontracting on contracts above R30 million as a condition for contract award
If feasible to subcontract for a contract above R30 million, Eskom:

- a) must apply subcontracting to previously designated groups.
- b) must advertise the tender with a specific condition for contract award that the successful tenderer must subcontract a minimum of 30% of the value of the contract to:
 - i. An EME or QSE which is at least 51% owned by black people.
 - ii. An EME or QSE which is at least 51% owned by black people who are youth.
 - iii. An EME or QSE which is at least 51% owned by black people who are women.
 - iv. An EME or QSE which is at least 51% owned by black people with Disabilities.
 - v. An EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships.
 - vi. A cooperative which is at least 51% owned by black people.
 - vii. An EME or QSE which is at least 51% owned by black people who are military veterans;

Tender Returnable if the above element is a requirement;

- Proof of a sub-contract agreement/s must be submitted.
- CSD report of subcontractors
- Sub-contractor/s B-BBEE certificate / sworn affidavit must be submitted.

Subcontracting, in this instance, will be treated as a condition for contract award. A supplier awarded a contract may not subcontract more than 25% of the value of the contract to any other entity that does not have an equal or higher B-BBEE status level of a contributor than the supplier concerned unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

1.4 CIDB Skills Development

Continuation of Mandatory Requirements							
<p>a) Is there CIDB compulsory training?</p> <p>If Yes, what is the % of the Construction Skills Development Goal % (CSDG)</p>	<table border="1" style="margin: auto;"> <tr> <td style="padding: 5px;">YES</td> <td style="padding: 5px;">NO</td> </tr> <tr> <td style="text-align: center; padding: 5px;"><input checked="" type="checkbox"/></td> <td style="text-align: center; padding: 5px;"><input type="checkbox"/></td> </tr> </table>	YES	NO	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<table border="1" style="margin: auto;"> <tr> <td style="padding: 5px;">Minimum CSDG target 0.0025% of the local content</td> </tr> </table>	Minimum CSDG target 0.0025% of the local content
YES	NO						
<input checked="" type="checkbox"/>	<input type="checkbox"/>						
Minimum CSDG target 0.0025% of the local content							
<p><u>Skills Development</u></p> <p>Tenderers will be required to propose against the following training initiatives:</p>							
Category	Eskom Target	Tenderer Commitment					
Assembler	5						
Climber	5						
Steel erectors	5						

Confidential

When downloaded from the document management system, this document is uncontrolled and the responsibility rests with the user to ensure it is in line with the authorised version on the system. No part of this document may be reproduced without the expressed consent of the copyright holder, Eskom Holdings SOC Ltd, Reg No 2002/015527/30.

Template Identifier	240-43921804	Rev	6
Document Identifier	240-148918142	Rev	3
Effective Date	01 September 2020		
Review Date	September 2023		

Health and safety officer	5	
Environmental officer	5	
Rigger	5	
Concrete reinforcer	5	
Welding Artisans	5	
Mechanical Technologist	5	
Plumbers	5	
Civil Engineers	5	
Shutterhands	5	
Site supervisor	5	
Office administrator	5	
Electrical Engineers	5	
Structural Technologist	5	

Note: The skills development candidates shall be sourced from previously disadvantaged with preference given to local to site communities (ward / district municipality).

- The above targets for skills development shall be negotiated with the successful supplier prior to contract award.

Section 2: Other SDL&I Objectives in line with RDP Goals

Tenderers who complete and submit the undertaking as required, but who do not meet Eskom's targets, will not be disqualified. SD&L undertakings do not form part of scoring but commitments will form part of contractual obligations

1. **B-BBEE** - Suppliers will at a minimum be expected to maintain or improve their B-BBEE status for the duration of the contract.
2. **Job Opportunities**

Tenderer to also provide breakdown of jobs to be created and/ or retained in this table:

Category	Jobs to be retained	Jobs to be created Target	Jobs to be created Proposal
Management			
Expert Skills			
Skilled workers			
Semi-skilled			
Unskilled			
Total			

Confidential

When downloaded from the document management system, this document is uncontrolled and the responsibility rests with the user to ensure it is in line with the authorised version on the system. No part of this document may be reproduced without the expressed consent of the copyright holder, Eskom Holdings SOC Ltd, Reg No 2002/015527/30.

Template Identifier	240-43921804	Rev	6
Document Identifier	240-148918142	Rev	3
Effective Date	01 September 2020		
Review Date	September 2023		

Note:

- “*Local Community*”, “*Local Businesses*”, “*Local Stakeholder*” means the Ward and/or municipal area within which the Project works falls, or any of the feeder areas within the Project as agreed to between Eskom and the Contractor prior to contracting.
- Preference for the employment of all employees in all job categories, excluding the Contractor’s core component, will be provided to candidates from the *Local Community*. White collar personnel maybe sourced within the impacted local municipality or province.
- 60% % of Semi-skilled employees shall be sourced from the impacted district or metropolitan municipality/province or from the pool of previously trained employees from the Eskom SDL&I training programme.
- All *unskilled Workers* shall be recruited from the *Local Community*; 80 % of which should be sourced from the impacted ward and 20% to be sourced from the impacted municipality jurisdiction.

Section 3: SDI&L Penalty and Performance Security

Eskom will apply a penalty of 2.5% of the Contract Value for failure to meet SDL&I obligations.

One of the following options will apply for SDI&L performance security:

- For the duration of the contract, Eskom will retain 2% of every invoice (excluding VAT) as security for the fulfilment of all SDL&I Obligations. The retained amounts shall only be released to the Contractor upon fulfilment of all SDL&I obligations at the end of the contract.
- Alternatively the Contractor shall submit a bond equivalent to 2% of the Contract Value and shall only be released to the Contractor upon fulfilment of all SDL&I Obligations.

Section 4: Reporting and Monitoring

- The suppliers shall on a monthly/quarterly basis submit a report to Eskom in accordance with Data Collection Template on their compliance with the SDL&I obligations described above.
- Eskom shall review the SDL&I reports submitted by the suppliers within 60 (sixty) days of receipt of the reports and notify the suppliers in writing if their SDL&I obligations have not been met.
- Upon notification by Eskom that the suppliers have not met their SDL&I obligations, the suppliers shall be required to implement corrective measures to meet those SDL&I obligations before the commencement of the following report, failing which Retention clauses shall be invoked.
- Every contract shall be accompanied by the SDL&I Implementation Schedule which must be completed by the suppliers and returned to SDL&I representative for acceptance 28 days after contract award.

Confidential

When downloaded from the document management system, this document is uncontrolled and the responsibility rests with the user to ensure it is in line with the authorised version on the system. No part of this document may be reproduced without the expressed consent of the copyright holder, Eskom Holdings SOC Ltd, Reg No 2002/015527/30.

Template Identifier	240-43921804	Rev	6
Document Identifier	240-148918142	Rev	3
Effective Date	01 September 2020		
Review Date	September 2023		

Section 5: General Information on Validity of Sworn Affidavits

The following must be considered when it comes to validity of Affidavits;

Tenderers submitting B-BBEE Sworn Affidavits must ensure that the affidavits meet the following key pointers to ensure their validity:

- Name/s of deponent as they appear in the identity document and the identity number.
- Designation of the deponent as the **director, owner** or **member** must be indicated in order to know that person is duly authorised to depose of an affidavit. **(Mark the applicable option).**
- Name of enterprise as per enterprise registration documents issued by the CIPC, where applicable, and enterprise business address.
- Percentage of black ownership, black female ownership and designated group. In the case of specialised enterprises as per Statement 004, the percentage of black beneficiaries must be reflected. **(No blank spaces to be left).**
- Indicate total revenue for the year under review and whether it is based on **audited financial statements** or **management account**. **(Mark the applicable option).**
- Financial year end as per the **enterprise's registration documents**, which was used to determine the total revenue. **(Financial year end to be stipulated by day/month/year).**
- B-BBEE Status level. An enterprise can only have one status level. **(Tick applicable level)**
- Empowering supplier status must be indicated. For QSEs, the deponent must select the basis for the empowering supplier status.
- Date deponent signed and date of Commissioner of Oath must be the same. **(The sworn affidavit must be signed in the presence of the Commissioner of Oath. Furthermore the Commissioner must also sign and stamp)**
- Commissioner of Oath cannot be an employee or ex officio of the enterprise because, a person cannot by law, commission a sworn affidavit in which they have an interest.

Confidential

When downloaded from the document management system, this document is uncontrolled and the responsibility rests with the user to ensure it is in line with the authorised version on the system. No part of this document may be reproduced without the expressed consent of the copyright holder, Eskom Holdings SOC Ltd, Reg No 2002/015527/30.