

	<b>Supplier Development, Localisation, and Industrialisation (SDL&amp;I) Strategy</b>	Template Identifier	240-43921804	Rev	6
		Document Identifier	240-148918142	Rev	2
		Effective Date	01 September 2019		
		Review Date	September 2022		

<b>Business Unit</b>	Eskom Kusile Power Station – Group Capital Division
<b>Description/ Scope of Work</b>	Construction of miscellaneous buildings (P16A)
<b>Duration of the Project</b>	18 months.
<b>Budget</b>	Not Applicable
<b>Name of Buyer</b>	Dhiren Jingoo

## Section 1: Preference Point Scoring System

In accordance with Section 2(1)(d)(i) of PPPFA, that requires contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability. **The scorecard applicable is the 90/10 as stated below:**

B-BBEE Status Level of Contributor	Number of points (90/10 system)
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
<b>Non-compliant contributor</b>	<b>0</b>

To claim preference points as specific goals, a tenderer must submit the following documentation:

- Valid B-BBEE certificate issued by a SANAS accredited verification agency / sworn affidavit /CIPC affidavit
- Proof of ownership (CIPS documentation) and breakdown of Shareholding information
- Certified ID copies of shareholder(s)
- Proof of Disability (where applicable).

A tenderer failing to documentation for the allocation of preference points will not be disqualified, but-

may only score points out of 90/80 for price scores 0 points out of 10/20 for specific goals.

A tenderer may not be awarded points for specific goals if the tender documents indicate that the tenderer intends subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for.

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**Section 2: Objective Criteria** - May change award from the highest ranked tenderer to another tenderer in **accordance with the requirements of the PPPFA [clause 2(1)(f)]**:

**2.1 Designated Sectors:** It is applicable as the scope of work contains products/goods, material, components and parts that are designated which means that they have stipulated minimum threshold for Local Production and Content that must be complied with before the Contract is awarded or the Tenderer should obtain an exemption from the Department of Trade, Industry and Competition.

a) Is this Commodity or part of it a Designated Sector?

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

Please indicate below Designated Components:

Steel Products and Components for Construction	Joining components, fasteners, roof cladding, gutters, downpipes, launders, wire products, vertical cladding, etc.	100%
PPE	Reflector Vests, Jackets, Boots, Textiles, Clothing, Leather & Footwear, etc.	100%
Cement	Various Types as Designated	100%

**NOTE 1:**

**Required for eligibility for Contract Award through Objective Criterion:**

- (F1) - SBD 6.2 Declaration Form
- (F2) - Annexure C (Local Content Declaration-Summary Schedule
- (F3) - Annexure D-Imported Content Declaration – Supporting Schedule to Annexure C
- (F4) - Annexure E-Local Content Declaration- Supporting Schedule to Annexure C.

**NB: If the required input materials cannot be wholly sourced from South Africa, bidders should request and obtain a written exemption letter from the DTI. The exemption letter should then be submitted, and approvals obtained prior to Contract Award. The DTI together with the procuring organ of state and the winning bidder will consider the exemption on a case-by-case basis.**

## 2.2. CIDB Skills Development Goals (CSDG)

a) Is there CIDB compulsory training?

If yes, what is the % of the Construction Skills Development Goal % (CSDG)

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>0.25%</b>	

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If the answer above is Yes, it will then become a condition for Contract Award:

Skills Type	Number of learners	Intake	Outcome
Construction Supervisor	2	Civil Engineering Artisan	Certificate of Competence
Civil Engineering Artisan	2	Trade Test Preparation	Trade Test Certificate
Safety Officer in a Construction Environment	2	Qualified Safety officer	SACPCMP Registration
Plant Operator	4	Matric/N3	Certificate of Competence
Steel Fixer	5	N1/Grade 10	Steel Fixer Level 1
Concrete Hand	5	N1/Grade 10	Concrete Hand Level 1
Shutter Hand	5	N1/Grade 10	Shutter Hand Level 1
Steel Fixer	5	N1/Grade 10	Steel Fixer Level 1
<b>Total</b>	<b>30</b>		

**Note:**

The above-mentioned Skills are a guideline. The actual skills/trade type may be negotiated. However, expenditure of 0.25% of the Acceptable Contract Amount in accordance with the CIDB CSDG is a Condition for Contract Award.

The Tenderers are free to propose any other relevant Skills Development that will be feasible and benefit the previously disadvantaged communities. This may even include Workplace Integrated Learning (WIL) from the TVET Colleges around Nkangala District and Bronkhorstspuit Municipality Areas.

**2.3. Subcontracting and Local-to-site Procurement**

a) Minimum subcontracting requirement for this?

If Yes, what is the minimum percentage?

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>30%</b>	

Sub-contracting can only be concluded with one or more of the following entities:

- An EME or QSE which is at least 51% owned by black people;
- An EME or QSE which is at least 51% owned by black people who are youth;
- An EME or QSE which is at least 51% owned by black people who are women;
- An EME or QSE which is at least 51% owned by black people with disabilities;
- An EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
- A cooperative which is at least 51% owned by black people;
- An EME or QSE which is at least 51% owned by black people who are military veterans;

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Potential Subcontracting Opportunities:

- Small concrete work,
- Supply of aggregates,
- Plant Hire,
- Diesel Supply,
- Transport of Labour and Material,
- Cleaning Services,
- Medical Surveillance services, etc.

**Required for eligibility for Contract Award through Objective Criterion:**

- A signed Subcontracting Agreement by both the Main Tenderer and the Sub-Contractor or
- A letter of Intent to Subcontract signed by both Main Tenderer and the Sub-Contractor.

### Section 3: Contractual Requirements

#### 3.1. B-BBEE Requirements

##### 3.1.1. B-BBEE Certificate:

The Contractor is expected to submit a B-BBEE Certificate or Sworn Affidavit before Contract Award if not submitted for Tender Evaluation.

##### 3.1.2. Maintain and/or improve B-BBEE Status:

Awarded Contract is expected to maintain or improve their B-BBEE Recognition Level for the duration of the contract.

#### 3.3. Job Opportunities and Upskilling of Employees

Tenderer to indicate number of Jobs to be created and/or retained due to this contract.

Number of Jobs to be created	Number of Jobs to be retained

The Contractor should ensure that all its General Workers and Semi-Skilled Workers and at least 30% of the skilled workers are recruited from within Nkangala District and Bronkhorstspuit Local Municipality Areas.

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#### Section 4: SD&L Performance Guarantee

- The Contractor shall submit an SDL&I Performance Guarantee equivalent to 0.25% of the Contract Value and shall only be released to the Contractor upon fulfilment of all SDL&I Obligations.
- The reduction of the percentage and release of the Performance Guarantee in tranches, proportionate to SDL&I's obligations' fulfilment, may be negotiated as an incentive to commit to SDL&I Undertakings mentioned above or that may be suggested by the Contractor.

#### Section 5: Reporting and Monitoring

- The suppliers shall on a 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 30 (thirty) 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. This will be used as a reference document for monitoring, measuring, and reporting on the supplier's progress in delivering on their stated SDL&I commitments

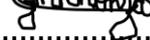
Compiled by:



.....  
**Davis Mposi**  
 Senior Advisor: SDL&I  
 Group Capital Division (GCD)

Date: 05 May 2023

Supported by:



.....  
**Gabriel Mkhonza**  
 Middle Manager: SDL&I  
 Group Capital Division (GCD)

Date: 05 May 2023

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