

## ANNEXURE NO. A.2

## WHAT IS REVERSE e-AUCTION

Reverse e-Auction, means an electronic evaluation of Price and Preference point as outlined in the PPPFA (The Regulation) and aims to achieve the most competitive and market related prices for clearly specified items.

Reverse E-Auction is not a negotiation tool and where market related price is not achieved at close of reverse e-auction, Eskom reserves the right to negotiate market related prices with the highest ranked supplier or cancel the tender, if the tenderer scoring the highest point does not agree to market related prices, Eskom may negotiate market related prices with the 2<sup>nd</sup> ranked tenderer or cancel the tender, if the tenderer scoring the second highest points does not agree to a market-related price, Eskom may negotiate a market related price with the tenderer scoring third highest points or cancel the tender, if market related price is still not achieved after negotiating with 3 tenderers, Eskom <u>must</u> cancel the tender.

Notwithstanding the above, Eskom reserves the right to award an order/contract to a supplier who may not be the highest scoring or highest ranked supplier, only in accordance with Section (2)(1)(f) of the PPPFA

Each tender that obtained minimum qualifying score for functionality, will be eligible to be evaluated further in terms of Price and Preference point system (80/20) or (90/10) as prescribed by PPPFA, using reverse e-auction and will receive login details from Eskom in order to participate.

Where applicable Eskom arranges clarification meeting in order to provide reverse e-auction training/awareness to all those in attendance. Tenderers will also be provided with a reverse e-auction training link in order to self-train.

A fully completed reverse e-auction training acknowledgment form (Annexure no A.1) it's a mandatory returnable before reverse e-auction login details/invitation could be provided to the Tenderer. Failure to submit Training acknowledgement form within the prescribe period will render the Tenderer non-responsive and will be disqualified from participating on the reverse e-auction.

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