

	Supplier Development, Localisation and Industrialisation (SDL&I) Strategy Setting Template	Template Identifier	240-43921804	Rev	6
		Document Identifier	240-148918142	Rev	3
		Effective Date	01 September 2020		
		Review Date	September 2023		

Business Unit	Limlanga Cluster
Description/ Scope of Work	The supply and delivery of various production working tools
Duration of the Project	60 Months
Name of Buyer	Olebogeng Mathye

Section 1: Specific Goals

A maximum of 20 points may be awarded to a tenderer for the specific goal specified for the tender. The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places. Subject to section 2(1)(f) of the Preferential Procurement Policy Framework Act, the contract must be awarded to the tenderer scoring the highest points.

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

NB: The following documents are required for scoring on specific goals:

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

Tenderer failing to provide documentation for the allocation for scoring on specific goals will not be disqualified, but'

- May only score point out of 90/80 for price
- Scores
- 0 points out of 10/20 for specific goals

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Section 2: Objective criteria

The inclusion of objective criteria is not mandatory but a condition for contract award. If the tenderer does not meet objective criteria; it may lead to the second-ranked tenderer being recommended for award.

2.1 Designated Sectors – NOT APPLICABLE

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

<p>a) Is this Commodity or part of it a Designated Sector?</p> <p>Please indicate below Designated Components</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Commodity</th> <th style="width: 33%;">Components</th> <th style="width: 33%;">Local Content Threshold</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Commodity	Components	Local Content Threshold				<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th style="width: 50%;">YES</th> <th style="width: 50%;">NO</th> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> </tr> </table>	YES	NO	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Commodity	Components	Local Content Threshold									
YES	NO										
<input type="checkbox"/>	<input checked="" type="checkbox"/>										

NOTE: SBD 6.2 Declaration Form and Annex C (Local Content Declaration-Summary Schedule) are therefore **mandatory** and must be tender returnables if applicable.

2.2 CIDB Skills Development - NOT APPLICABLE

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> <p>If the answer above is Yes, it will then be mandatory for the supplier to match Eskom's targets</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Criteria</th> <th style="width: 33%;">Eskom Target</th> <th style="width: 33%;">Tenderer Commitment</th> </tr> </thead> <tbody> <tr> <td>CSDG Percentage</td> <td>N/A</td> <td> </td> </tr> <tr> <td>Description</td> <td>N/A</td> <td> </td> </tr> </tbody> </table>	Criteria	Eskom Target	Tenderer Commitment	CSDG Percentage	N/A		Description	N/A		<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th style="width: 50%;">YES</th> <th style="width: 50%;">NO</th> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> </tr> <tr> <td colspan="2" style="text-align: center;">Not applicable</td> </tr> </table>	YES	NO	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Not applicable	
Criteria	Eskom Target	Tenderer Commitment														
CSDG Percentage	N/A															
Description	N/A															
YES	NO															
<input type="checkbox"/>	<input checked="" type="checkbox"/>															
Not applicable																

NOTE: Failure by the Contractor/Service Provider/Supplier to meet the CIDB CSDG mandatory % will render their tender non-responsive.

2.3 National Industrial Participation Programme – NOT APPLICABLE

Eskom will implement the NIPP requirement, where applicable. NIPP will only be applicable for contracts with an FGN component or content of USD 5 million or more.

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2.4 Mandatory Subcontracting will not apply for this tender.

Subcontracting is mandatory on contracts above R30 million and is a condition for contract award.

Tenderers shall subcontract a minimum of 30% of the contract value to the following designated groups groups:

- an EME or QSE which is minimum 51% owned by black people living in rural or underdeveloped area or townships.

NOTE 1: Tenderers shall submit the following mandatory returnable for Subcontracting:

- Subcontracting agreement signed by both, with subcontractors' company registration documents (CK and B-BBEE certificate or sworn affidavit and ID copies of members or owners) or
- Copies of sub-contracting contracts (agreements) or copies of letters from the tenderer to the sub-contractors, stating the intent to sub-contract. The Tenderer should sign both documents and the Sub-contractor(s) earmarked.

Potential scope to be subcontracted and/or outsourced:

- Deliveries to Eskom sites
- LPG Gas commodities
- Full set safety gear brush cutter
- Full set safety gear chain saw
- Petrol- or diesel-powered generators

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.

Section 3: SDL&I Objectives in line with Reconstruction and Development Programme (RDP) Goals

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

1. **BBBEE requirements:** *All tenderers are required at a minimum to maintain their BBBEE status throughout the contract period*

2. **Local Procurement Content**

“Local Procurement Content” refers to value added in South Africa by South African resources. Where a single contract involves a combination of local and imported goods and/or services, the tender response must be separated into its components as per the Price Schedule included with the tender documents. Local procurement content is total spending minus the imported component.

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Tenderers are required to submit their proposals in the table below.

Local Procurement Content	Eskom target	Tenderer Proposal
	100%	

3. Procurement spend on entities with a minimum 51% black ownership – 10% target set

The winning tenderer is encouraged to procure/spend on designated groups on the following paid invoices for both:

- the indirect expenses (**Training in handling power tools, transport to Eskom sites; PPE procurement; petrol/diesel; and other overheads**) on goods and services supplied to the supplier by designated groups; and
- direct spend on goods and services supplied by the subcontractors for the execution of the scope of work.

Activities, as a proportion of the local procurement content, which may be subcontracted to designated black owned enterprises must be submitted in a table below:

Procurement from Designated Group	Eskom Target	Tenderer Proposal
Black Women Owned	5%	
Black Youth Owned	3%	
Black Persons with Disability	2%	

4. Jobs. Tenderers are required to submit proposals for the type and number of jobs that will be created and retained in South Africa as a direct result of being awarded a contract.

Type of Jobs to be created	Number of Jobs to be created
Tenderer to propose	Tenderer's proposal
Type of Jobs to be retained	Number of Jobs to be retained
Tenderer to propose	Tenderers proposal

5. Skills development

Tenderers are required to submit proposals in a table below for developing the skills of unemployed candidates within the Cluster. Skills development is intended to address Eskom's core, scarce and critical skills and the scarce and critical skills. These skills are also included in a 2020 list of occupations in high demand as stipulated in the Government Gazette 43937. Candidates shall be

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from both Limpopo and Mpumalanga provinces, and their composition shall be representative of the population demographics of these provinces

Skill type / Occupation	Eskom target	Proposed Number of Candidates
Training in Cable Handling accessories	1	
Training in Diesel and/or Petrol Power Tools	1	
Training in Electrical Tools Handling	1	
Training in General tools handling	1	
First Aider levels 1 and 2 Course	1	
Fire Fighting Course	1	

The process of developing these skills shall involve the participation by tenderers directly and through their supply network. In certain cases, the SETA's accredited training providers can be approached to participate in developing critical and scarce skills.

Note: That these targets for skills development candidates categorically exclude Eskom employees and registered learners. The tenderers are required to take full responsibility for the total cost of developing the requisite skills, and Eskom shall not make any financial contribution towards the fulfilment of this obligation. Tenderers also are advised to approach their relevant SETAs to access grants, subsidies, and incentives as well as South African Revenue Services for tax rebates that are earmarked for skills development initiatives.

Section 4: SDL&I Penalty and Performance Security

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

Eskom will apply a penalty of 2.5% of the total accumulated task order values for failure to meet SDL&I obligations.

For the duration of the contract, Eskom will retain 2.5% 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:

- Eskom receives the SDL&I progress report/s from the contractor.
- Fulfilment of all SDL&I obligations by the contractor.
- Submission of an approved compliance report by SDL&I Department.

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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

Section 6: 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.

Name of tenderer: _____

Tenderer representative: _____

Representative
signature: _____

Date: _____

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