

The design, manufacture, testing and supply of OPGW
Hardware, ADSS Hardware and Miscellaneous items

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Date: 11 June 2026



Mandate

Our mandate is to achieve maximum and sustainable local development impact through leveraging Eskom's procurement spend in a manner that allows flexibility within the business in order to accommodate government local development initiatives and policies



SD&L measures impact along 5 key performance areas

Key performance areas	Definition
Skills development	Increasing the skill base (number and skill level) of South African workers in areas relevant to the energy sector and where there is a national scarcity of skills
Local content	Utilisation of Transmission spend to develop South African based manufacturers/suppliers by ensuring that local content in line with DTI designated commodities is adhered to and advanced
Industrialisation	Utilisation of Eskom and suppliers' spend to foster the establishment of new competitive industries in the Transmission sector
Employment and job creation	Creation of <u>new</u> jobs by suppliers as a direct result of Transmission business
Supplier development	Providing a platform to develop emerging suppliers, and further contribution to local developmental opportunities for national and international suppliers

Sector	Threshold
Steel	100%

Note: Suppliers must submit completed and duly signed Annexure C and SBD6.2 which is mandatory on contract award

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thdti.gov.za/industrial_development/ip.jsp. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
 do hereby declare, in my capacity as
 of (name of bidder
 entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

SATS 1286.2011

Annex C

Local Content Declaration - Summary Schedule

(C1)	Tender No.
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(C2)	Tender description:
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(C3)	Designated product(s)
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(C4)	Tender Authority:
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(C5)	Tendering Entity name:
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(C6)	Tender Exchange Rate:
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(C7)	Specified local content %
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Note: VAT to be excluded from all calculations

Pula

EU

GBP

Calculation of local content

Tender summary

(C20) Total tender value	R 0
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Signature of tenderer from Annex B

(C21) Total Exempt imported content	R 0
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(C22) Total Tender value net of exempt imported content	R 0
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(C23) Total Imported content	R 0
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(C24) Total local content	R 0
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Date:

(C25) Average local content % of tender

- ☐ Ms Cathrine Matidza: CMatidza@thedti.gov.za
- ☐ Ms Mamosai Seleka: Mseleka@thedti.gov.za
- ☐ Ms Rendani Raluthaga: RRaluthaga@thedti.gov.za
- ☐ Ms Miyelani Masinga: MMasinga@thedti.gov.za
- ☐ Ms Girilly Mahlambi: Gmahlambi@thedti.gov.za
- ☐ Mr Raphael Kitiaka: MRKitiaka@thedti.gov.za

- The 90:10 OR 80:20 rule will apply in this project:
- B-BBEE = 10 /20
- Price = 90 /80

Preference Points B-BBEE

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- The certificate must be valid.
- Verification Agency must be SANAS accredited.
- There should be a logo of SANAS on the certificate.
- QSEs and EMEs – Sworn affidavit is acceptable

Key Elements of B-BBEE Sworn Affidavits

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

- a) Name/s of deponent as they appear in the identity document and the identity number.
- b) Designation of the deponent as the director, owner or member must be indicated in order to know that person is duly authorized to depose of an affidavit. (Underline or circle Whichever is applicable).**
- c) Name of enterprise as per enterprise registration documents issued by the CIPC, where applicable, and enterprise business address.
- d) 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).**
- e) Indicate total revenue for the year under review and whether it is based on audited financial statements or management account. (Underline the applicable option).**
- f) 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**).
- g) B-BBEE Status level. An enterprise can only have one status level.
- h) Empowering supplier status must be indicated. For QSEs, the deponent must select the basis for the empowering supplier status.
- i) 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).**
- j) 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
- K) Sworn Affidavits attested / signed by a Commissioner of Oaths as a true copy **stamp** will not be accepted

National Industrial Participation Programme

In line with DTI requirements on important content that are above \$5million, the National Industrial Participation Programme has to be applied in order to stimulate local manufacturing capability and job creation. International manufactures of Optical Ground Wire (OPGW), All-dielectric self-supporting cable (ADSS), Duct cable to commit on minimum thirty percent local participation programme through formalized DTI NIPP obligations agreements. Therefore, in line with NIPP requirements, once the contract is awarded, the international company has to complete SBD 5 form as an undertaking to DTI.

Note: The above NIPP obligation will apply only if the foreign portion is equivalent or more than the stipulated minimum threshold of \$5 million. Suppliers will be encouraged to indicate or declare how much local manufacturing / procurement spend amounts to in this transaction. In an event where the foreign content does not exceed the NIPP threshold of \$5 million, the normal SDL&I targets of skills development, Subcontracting and job creation will be applied.

Mandatory Subcontracting as condition of award

Mandatory subcontracting of a minimum of 30% shall be applicable as a condition for contract award.

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.

NTCSA Target	Tenderer Proposal
EME level -1/2 and QSE level - 1/2 30%	

1. **BBBEE requirements:** All tenderers must at a minimum maintain their BBBEE status throughout the contract period.
2. **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

Type of Jobs to be retained	Number of Jobs to be retained

1. Skills development

Tenderers are required to submit proposals in a table below for developing the skills of unemployed candidates in the country. Skills develop

ent is intended to address NTCSA'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 from all provinces in the country, and their composition shall be representative of the population demographics of South Africa

Category	NTCSA Target	Supplier 's proposal
Assemblers	7	
Administrators	3	
Tester or Inspector	5	
Welder	5	

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 NTCSA employees and registered learners. The tenderers are required to take full responsibility for the total cost of developing the requisite skills, and NTCSA 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

- Implementation schedule to be submitted within a month of contract signing.
- Quarterly or monthly reports on progress of implementation of SD&L to be submitted to the PM.
- SDL&I penalty (2.5% retention / Performance Bond)

QUESTIONS

