
TENDER PRICING SCHEDULE

Panel for Executive Search and Specialised Skills Sourcing

Pricing Principles (Applies to Both Panels)

- Prices must be quoted **exclusive of VAT**.
- Pricing must be **fixed for the duration of the contract**, unless otherwise approved by Eskom in writing.
- Eskom reserves the right to **negotiate fees per assignment**, depending on role complexity, urgency, and market conditions.
- No payment shall be made for unsuccessful placements.

SECTION A: EXECUTIVE SEARCH FIRMS – PRICING SCHEDULE

Payment Structure

Executive Search assignments will be paid in **three (3) tranches**, linked to clearly defined deliverables.

Market-Related Fee Structure (Indicative)

The South African market norm for Executive Search services typically ranges between: **20% – 35% of the placed candidate's Total Cost to Company (CTC)**, depending on role complexity, seniority, and scarcity.

Bidders are required to propose a **percentage within this range**.

Executive Search – Tranche-Based Payment Model

Tranche	Milestone / Deliverable	% of Total Fee
Tranche 1	Approval of sourcing strategy, role briefing, and commencement of search	30%
Tranche 2	Presentation of a compliant shortlist of suitably qualified candidates	30%
Tranche 3	Successful placement and candidate commencement of employment	40%
TOTAL		100%

Notes

- Tranche 1 and 2 are payable only upon **formal Eskom acceptance** of deliverables.

- Tranche 3 is payable only once the candidate has **commenced employment**.
- Replacement guarantees must apply as per the evaluation criteria.

Executive Search – Pricing Table (To Be Completed by Bidder)

Item	Description	Bidder Response
1	Percentage fee quoted on Total CTC	___ %
2	Minimum fee (if applicable)	R _____
3	Replacement guarantee period	___ months
4	International search surcharge (if any)	___ % / N/A

Basis of Payment (Applicable to Executive Search Panel)

Payment to the Service Provider shall be made **per successful candidate placed**, based on the criteria specified in the **Tranche Based Payment Schedule** below.

The **total placement fee** shall be calculated as a **percentage of the final Total Cost of Employment (TCOE)** package offered to and accepted by the successful candidate.

Indicative Market Rate (Executive Search):

The market-related fee for Executive Search services is typically **up to 35% of the Total Cost of Employment (TCOE)**.

Bidders are required to submit a competitive percentage **not exceeding this indicative rate**.

2. Executive Search – Progress Payment Schedule

The placement fee shall be paid in **three (3) separate tranche payments**, collectively totalling **100% of the agreed placement fee**.

Progress Payment 1 – Initiation of Assignment

- **One third (1/3)** of the **estimated TCOE placement fee**, plus VAT.
- Eskom shall confirm **in writing** the estimated TCOE for the position for purposes of determining the first progress payment.
- Payable upon:
 - Formal confirmation of assignment by Eskom; and
 - Attendance at, and conclusion of, a briefing session with Eskom.
- The responsible Eskom Executive shall confirm **in writing** that the briefing has been concluded.

- Payment shall be made **upon presentation of an acceptable invoice.**
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Progress Payment 2 – Delivery of Shortlist

- **One third (1/3)** of the **estimated TCOE placement fee**, plus VAT.
 - Payable upon:
 - Delivery of a **shortlist of at least five (5) suitably qualified candidates** for the identified position;
 - Shortlisted candidates meeting the requirements as specified in the **Scope of Work**;
 - Any deviation from the required number of shortlisted candidates must be **agreed in writing** between Eskom and the Service Provider.
 - The responsible Eskom Executive shall confirm **in writing** that the shortlist has been received and meets the agreed criteria.
 - Payment shall be made **upon presentation of an acceptable invoice.**
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Progress Payment 3 – Successful Placement

- Payable upon the **successful candidate commencing employment** at Eskom, as confirmed in writing by the receiving Eskom Line Manager.
- The final payment shall be calculated as:
 - The **final one third (1/3)** of the **actual TCOE-based placement fee**, plus VAT;
 - The first and second progress payments shall be **offset against the final amount** to determine the final value payable.
- Payment shall be made **upon presentation of an acceptable invoice.**

SECTION B: CONTINGENCY RECRUITMENT AGENCIES – PRICING SCHEDULE

Payment Structure

Contingency Recruitment Agencies will be paid **only upon the successful placement** of a candidate.

Market-Related Fee Structure (Indicative)

Market norms for contingency recruitment services in South Africa typically range between: **12% – 20% of the placed candidate's Total Cost to Company (CTC)**, depending on skill scarcity, turnaround time, and role complexity.

Bidders must quote a **percentage within this range.**

Contingency Recruitment – Success Fee Model

Payment Event	Trigger	% Payable
Successful placement	Candidate commences employment with Eskom	100%

Notes

- No fees are payable for shortlisting, interviews, or unsuccessful candidates.
- Replacement guarantees must apply as per the bidder's submission.
- Contingency agencies may, from time to time, be allocated Senior Management or Executive-level roles at Eskom's discretion, using the same success-based fee model unless otherwise agreed in writing.

Contingency Recruitment – Pricing Table (To Be Completed by Bidder)

Item	Description	Bidder Response
1	Percentage fee quoted on Total CTC	___ %
2	Replacement guarantee period	___ months
3	Maximum time to replacement (if applicable)	___ days

SECTION C: GENERAL COMMERCIAL CONDITIONS

- Eskom reserves the right to **benchmark and negotiate fees** against market conditions.
- Eskom may appoint a Service Provider to **one or both panels**, but pricing will be applied **per panel category**.
- No additional costs (advertising, travel, assessments) will be payable unless **explicitly approved in writing** by Eskom.
- Pricing does not guarantee volume of work

ANNEXURE D

DIRECT EXPENSES, EXCLUSIONS, GUARANTEE PERIOD AND POST-PLACEMENT SUPPORT

Applicable To: Executive Search Firms and Contingency Recruitment Agencies

1. Direct Expenses and Exclusions

1.1 Direct Expenses

Direct expenses are defined as **out-of-pocket costs** incurred by the Service Provider **at Eskom's request** and **in support of the interview and selection process**.

The following **direct expenses are excluded** from the placement fee (retainer, progress payments, or success fee) and **shall be payable by Eskom**, subject to prior written approval:

- **Travel and accommodation expenses** associated with candidate attendance at interviews, assessments, or other selection activities requested by Eskom;
- **Video-conferencing costs** incurred for interviews where such arrangements are required;
- **Meals** incurred by candidates during Eskom-requested interview or assessment activities;
- **Advertising costs** where Eskom requires, in writing, that a vacancy be advertised (e.g. national or specialist media platforms).

Invoices relating to the above expenses **must be submitted separately** and **must not be included** in the placement fee, retainer, or trench payments.

1.2 Approval of Direct Expenses

- Decisions relating to **travel, accommodation, meals, and video-conferencing arrangements** shall be **agreed upfront** between Eskom and the Service Provider;
- Decisions relating to **advertising of positions** shall likewise be agreed **in writing** prior to any placement of advertisements;
- The Service Provider shall obtain **prior written approval** from the designated Eskom Contract Manager **before incurring any direct expenses**;
- Eskom shall not be liable for any expenses incurred **without such prior written approval**.

2. Psychometric Assessments

- **All psychometric assessment costs shall be for Eskom's account.**
- Where Eskom requires the Service Provider to facilitate or conduct psychometric assessments, such assessments shall:
 - Be conducted **in consultation with the Eskom Psychometric Assessment Centre**;
 - Be subject to **prior written agreement** on the scope and cost of the assessments;
 - Be charged at a rate that is **equal to or lower than Eskom's prevailing psychometric assessment rates**.
- Applicable rates may be obtained from the **Eskom Psychometric Assessment Centre**.

No psychometric assessment costs shall be incurred without Eskom's **prior written approval**.

3. Guarantee Period

- The Employer (Eskom) and the Consultant (Service Provider) agree to a **guarantee period of twelve (12) months**, calculated from the successful candidate's commencement date.
 - Should the placed candidate exit Eskom's employ within the guarantee period:
 - The Service Provider shall **re-initiate the search process** in accordance with the approved Scope of Work;
 - The replacement search shall be conducted **at no additional placement fee cost** to Eskom;
 - Eskom shall remain liable only for **approved direct expenses**, as defined in Section 1 of this Annexure.
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4. Post-Placement Support

- The Employer and the Consultant agree to a **post-placement support period of three (3) months**, commencing from the start date of the successful candidate.
 - Post-placement support shall include, but not be limited to:
 - Ongoing engagement with the placed candidate;
 - Engagement with the Hiring Manager to address integration issues;
 - Early identification and resolution of potential retention risks.
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5. General Conditions

- All costs and conditions outlined in this Annexure are subject to Eskom's **Procurement Policies and Contract Management requirements**.
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