

	SDL&I Bidders Document	Document Identifier	240-148918142	Rev	4
		Effective Date	01 April 2023		
		Review Date	April 2026		

Business Unit	Central East Cluster
Description/ Scope of Work	Sub Transmission Projects - Civil
Duration of the Project	48 months

Section 1: Specific Goals

A maximum of 10/20 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 (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

NB: The following documents are required to claim preference points,

- **Valid** BBBEE certificate issued by a SANAS accredited verification agency **or** a **valid** sworn affidavit **or** a **valid** BBBEE Certificate issued by CIPC for EME companies or for joint ventures a **valid** BBBEE certificate issued by a SANAS accredited verification agency in the **name of the joint venture**

NB: Supporting documents may be requested during evaluation (This list is not exhaustive):

- Proof of ownership / shareholding (CIPC registration documentation) inclusive of shareholding breakdown
- ID copies of shareholder(s) or owner(s) of the business
- Proof of Disability of owner(s) of the business (where applicable)

Tenderer failing to provide documentation for the allocation of preference points 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

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

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

YES	NO
☒	☐

Please indicate below Designated Components

Commodity	Components	Local Content Threshold
Substation Steel Structures	Fabricated Steel	100%
Electrical Cable	Housewire Flat twin and earth Surface cable 1.5mmsq to 16mmsq, 2 to 27C	90%
Cement	Cem I Cem II Cem III Cem IV Cem V Masonry Cement	100%
Plastic Pipes	PVC Pipes HDPE Pipes PP Pipes GRP Pipes	100%
Steel Value-added Products	Fabricated Structural Steel	100%
Steel Value-added Products	Joining/Connecting Components	100%
Steel Value-added Products	Frames	100%
Steel Value-added Products	Roof and Cladding	100%
Steel Value-added Products	Fasteners	100%
Steel Value-added Products	Wire Products	100%
Primary Steel Products	Plates (>4.5mm thick, supplied in flat pieces)	100%
Primary Steel Products	Channel Sections (Angle, I-beam, H-beam)	100%

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NOTE: SBD 6.2 Declaration Form and Annex C (Local Content Declaration-Summary Schedule) is a tender returnable at mini tender stage and is mandatory prior to task order award.

2.2 CIDB Skills Development

Continuation of Mandatory Requirements

a) Is there CIDB compulsory training?

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

YES	NO
☒	☐
See note below	

Note: If any mini tender is above R20 million in value and a contract period of 12 months or longer, and for CIDB grades 7 to 9, CIDB Skills Development will be incorporated into the mini tender returnables.

If the answer above is Yes, it will then be mandatory for the supplier to match Eskom's targets

Criteria	Eskom Target	Tenderer Commitment
CSDG Percentage	See note above	
Description	See note above	

2.3 National Industrial Participation Programme – Not Applicable

2.4 Mandatory Subcontracting as condition of award

Subcontracting is mandatory on mini tenders above R30 million if feasible and will become a condition for task order award.

If feasible tenderers shall subcontract a minimum of 30% of the contract value to any of the following designated groups:

- 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 area or townships;
- a cooperative which is at least 51% owned by black people;
- a EME or QSE which is at least 51% owned by black people who are military veterans

This is a panel contract that will require mini tenders to be issued per project. In the event where the project value is more than R30 million and subcontracting is feasible, mandatory subcontracting will be applicable. This will be assessed per project and will be indicated in the enquiry for that specific project. Tenderers will be required to submit a letter of intent for subcontracting. It will not be a mandatory requirement at tender stage, but it will have to be submitted prior to contract award.

NOTE 1: Tenderers shall submit the following returnables for Subcontracting at Mini Tender Stage:

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- Subcontracting agreement signed by both parties with subcontractors' company registration documents or
- Copies of signed letters from the tenderer to the sub-contractors stating the intent to sub-contract and
- Subcontractor's B-BBEE SANAS accredited certificate or sworn affidavit

Potential scope to be subcontracted and/or outsourced:

- Security Services
- Toilet Hire
- Office hire / Container hire
- Accommodation
- Tools
- Bush Clearing
- Site Cleaning Services
- Staff Transportation
- Fencing and gate installation

Subcontracting, in this instance, will be treated as a condition for task order 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. Transformation – BBBEE Improvement or Retention Plan

Transformation remains an area of focus, where Eskom continuously strives to align itself with national transformation imperatives to unlock growth, drive industrialization, create employment and contribute to skills development.

Eskom encourages its suppliers to constantly strive to improve their B-BBEE rating. Whereas Tenderer/s will be allocated points in terms of a preference point system based on specific goals, Eskom also requests that tenderer/s submits their B-BBEE improvement or retention plan within 30 days of signing the contract.

Tenderer/s are therefore requested to indicate the extent to which they will maintain (only if the respondent is a Level 1) or may improve/maintain their B-BBEE status over the contract period if their B-BBEE status is level 2 or 3. Tenderer/s with a B-BBEE status level 4 at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of B-BBEE Level 3 by the end of

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the first year of the contract and thereafter improve their B-BBEE status level or migrate by one level higher.

Tenderer/s with a B-BBEE recognition status of Level 5 to Level 8 or non-compliant at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of Level 4 by the end of the first year of the contract and thereafter improve at least one B-BBEE Level higher of each year from the second year of the contract.

Tenderer/s are requested to submit their B-BBEE Improvement Plan as an essential document within 30 days of signing the contract.

NB: A valid B-BBEE certificate or Sworn Affidavit is a condition for contract award, if your company's annual Total Revenue is R10 Million or less you qualify as an Exempted Micro Enterprise therefore you can submit Sworn Affidavit. If your annual Total Revenue is R50 Million or less, you qualify as Qualifying Small Enterprise and must comply with all of the elements of QSE score card relevant to your sector unless an entity is at least 51% Black owned you are required to obtain a Sworn affidavit. If your Annual Total Revenue is above R50m you need to submit a Valid B-BBEE certificate

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.

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

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

- the indirect expenses (e.g. overheads) on goods and services supplied to the contractor/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.

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Procurement from Designated Group	Eskom Target	Tenderer Proposal
Black Owned	4.0%	
Black Women Owned	3.0%	
Black Youth Owned	2.0%	
Black Persons with Disability	1.0%	

- 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.

Jobs to be created	Jobs to be retained

5. Skills development

Tenderers are required to submit proposals in a table below for developing the skills of unemployed candidates in the country. 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 must be from Free State and Kwa Zulu Natal, and their composition shall be representative of the population demographics of South Africa.

Proposal for skills development will be requested at mini tender stage.

Below is a list of skills that will be applicable at mini tender stage:

Skill type / Occupation
N1 Civil or Electrical Engineering (FET or TVET)
N2 Civil or Electrical Engineering (FET or TVET)
N3 Civil or Electrical Engineering (FET or TVET)
N4 Civil or Electrical Engineering (FET or TVET)
N5 Civil or Electrical Engineering (FET or TVET)
N6 Civil or Electrical Engineering (FET or TVET)
Learners license / Drivers license

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.

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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 Contract Value 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.

Section 5: Reporting and Monitoring

- The suppliers shall on a yearly 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).**

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- 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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