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| **Business Unit** | Lethabo Power Station | |
| **Description/ Scope of Work** | Supply and delivery of Steel for a five-year period for Stock Replenishment. | |
| **Duration of the Project** | Five (5) years | Budget: R215 227 260.07 excluding VAT and CPA |
| **Name of Buyer** | Mkateko Maluleke | PR No: 1074867811 |

**Section 1: Pre-qualification Criteria**

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| Failure to meet Pre-qualification at tender stage will lead to disqualification |
| |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | * 1. **Minimum BBBEE status level of contributor?** |  |  | | If *Yes,* what is the BBBEE status and/or level required |  | |  |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | * 1. **Is there BBBEE category targeted for this enquiry?** |  |  | | If *Yes,* BBBEE category |  | |   Tender Returnable if the above elements are requirements;   * Valid original or certified copy of sworn affidavit in the case of EME’s must be submitted (affidavit must be completed fully), or * Valid Copy B-BBEE Certificate issued by CIPC for EME’s. OR * Valid original or certified copy of the B-BBEE certificate / sworn affidavit in the case of QSE’s must be submitted, or * Valid original or certified copy of the B-BBEE certificate issued by SANAS Accredited Verification Agency for Generic Entities must be submitted, or * For JV’s only valid original or certified copy B-BBEE Certificate issued by a SANAS Accredited Verification Agency will be accepted and the certificate should be in the name of the JV.  |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | * 1. **Minimum subcontracting requirement for this?** |  |  | | If *Yes,* what is the minimum percentage? |  | |   Tender Returnable if the above element is a requirement;   * Letter of intent or any other requested document indicating commitment and the percentage required must be submitted as a tender returnable. * Sub-contracting can only be concluded with the following entities:   + 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 |

**Section 2: Mandatory Requirement for Tender Submission**

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| When applicate the following stipulated minimum threshold for Local Production and Content must be achieved in full by the tenderer**sminimum threshold for Local Production and Content must be achieved in full by the tenderer at tender stage** |
| **2.1 Local Content Designation**   |  |  |  |  |  | | --- | --- | --- | --- | --- | |  | | **YES** | | **NO** | | 1. **Is this Commodity or part of it a Designated Sector?** | |  | |  | | **Please indicate below Designated Components;** | |  | | | | **Commodity** | **Components** | | **Local Content Threshold** | | | | **Plates** | **>4.5mm thick and supplied in flat pieces)** | | **100%** | | | | **Steel Conveyance Pipes** | **Spiral submerged arc welding (500mm -3500mm) bare and galvanized.**  **Spiral submerged arc welding (500mm -3500mm) galvanized, lined and coated** | | **100%**  **80%** | | | | **Steel pipes and fittings** | **Bare, galvanized and forged fitting (flanges).**  **Galvanized and coated.**  **Galvanized, lined and coated** | | **100%**  **80%**  **80%** | | | | **Sheets** | **>4.5mm thick and supplied in coils** | | **100%** | | | | **Sections** | **Channels, Angles, I-Beams and H Beams** | | **100%** | | |   **NOTE 1: SBD 6.2 Declaration Form and Annexure C (Local Content Declaration-Summary Schedule) is therefore mandatory and must be a tender returnable**.  If the quantity of materials and/or products cannot be wholly sourced in South Africa, **the DTI,** in consultation with the procuring entity, will grant exemption on a case-by-case basis. **Bidder should request and obtain written exemption from the Department of Trade and Industry (DTI).** Such exemption applications should be submitted, and approvals should be obtained prior to the closure of the bid(s) concerned. **The DTI** in consultation with the procuring organ of state and the local industry will consider the exemption application on a case-by-case basis. Bidder should refer to national treasury Designated Sector Instruction Number 12 of 2016/2017 Paragraph 4.2.  **NB: A tender that fails to meet the minimum stipulated threshold for local production and content will be disqualified.** |

**Section 3: Mandatory Compliance for Contract Award**

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| **The following requirements are mandatory compliance for contract award and submissions can be clarified during evaluations or negotiated before contract is awarded** |
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| **3.1 CIDB Skills Development**   |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | 1. **Is there CIDB compulsory training?** |  |  | | If *Yes,* what is the% of the Construction Skills Development Goal % (CSDG) |  | | |  |  | |   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 | N/A |  | | Description |  |  |   **3.2. BBBEE Compliance**   |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | **Is there minimum BBBEE level targeted?** |  |  | | If *Yes,* what is the BBBEE status targeted for this transaction (contractor/s will be required to submit plans to achieve the target level if not met at contract award) |  | |   **3.3. Subcontracting Requirements**   |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | **Is there a requirement for subcontracting?** |  |  | | If *Yes,* what is the targeted subcontracting percentage |  | |   **3.4. National Industrial Participation Programme (NIPP)**  **Is the contract in excess of US$5 million?**   |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | |  |  |  | | If *Yes,* fill in the table below: |  | |  |  |  | | --- | --- | | Bid / Enquiry Number |  | | Description of the goods |  | | Date on the letter of intent to award the contract; |  |   **3.5. 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 spend minus the imported component.   |  |  |  | | --- | --- | --- | | **Local Procurement Content** | **Eskom Target** | **Tenderer Proposal** | | 100% |  | |  |  |  | |

**Section 4: Mandatory Compliance for Contract Award ……………cont.**

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| **The following requirements are mandatory compliance for contract award and submissions can be clarified during evaluations or negotiated before contract is awarded** |
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| **SDLI undertakings**  ***Note: The undertakings shall be sourced from previously disadvantaged Communities around Sedibeng and Fezile Dabi District Municipalities***  **4.2. Enterprise Development**   |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | Are there specific ED requirements?  (This ED intervention can either be separate or additional to subcontracting requirements, but duplication should be avoided) |  |  |   If Yes, the main contractor is required propose development in the following areas or against the following Eskom’s targets:   |  |  | | --- | --- | | **Eskom’s Target** | **Tenderer Proposal** | | The bidder to identify and incubate a Small Measured Entity from the above-mentioned District Municipalities. Assistance could be in the form of **business support/ equipment/finance** |  |   A detailed ED plan that shows impact to the beneficiary should be submitted to the employer for approval prior to contract award. The ED implementation plan should include the following:   Clear objective.   Priority interventions   Key performance indicators; and   A concise implementation plan with clearly articulated milestones  In addition, they will expected to draft an ED proposal within eight weeks of contract award stage. ED agreement must be signed with the beneficiary and sent to Eskom for review and acceptance. Progress will be monitored throughout the duration of the contract |

**Section 5: SDL&I Penalty and Performance Security**

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| Eskom will apply a penalty of 2.5% of the Contract Value for failure to meet SDL&I obligations.  **One of the following options will apply for SDL&I performance security:**   * 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 fulfilment of all SDL&I obligations at the end of the contract. * Alternatively the Contractor shall submit a bond equivalent to 2.5% of the Contract Value and shall only be released to the Contractor upon fulfilment of all SDL&I Obligations. * Panels- Eskom will apply 2.5% retention on every invoice (excluding VAT) after all cumulative task orders awarded to the Contractor/Service Provider that have reached a stipulated threshold as security for the fulfilment of the SDL&I obligations. |

**Section 5: Reporting and Monitoring**

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| * The suppliers shall on a monthly/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 60 (sixty) 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 30 days after contract award. |

**Section 6: Market Research**

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| The following information demonstrates market analysis and assisted in arriving at BBBEE targets above: | |
| Current Suppliers Providing the Services  Central Supplier Database | Potential Suppliers  Central Supplier Database |
| The following information demonstrates market analysis and assisted in arriving at Subcontracting targets above: | |
| Potential Subcontractors  Central Supplier Database | |

**Section 7: General Information on Validity of Sworn Affidavits**

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| 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. |

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| Compiled by: | Reviewed by: |  |  |
| **……………………………………………**  **Candy Mhlahlo** | **……………………………………………**  **David Pule** |  |  |
| **Officer**  **Supplier Development, Localization and Industrialization** | **Manager**  **Supplier Development, Localization and Industrialization** |  |  |
| Date: 30/09/2022 | Date: |  |  |