

	Supplier Development, Localisation and Industrialisation (SDL&I) Strategy Setting Template	Template Identifier	240-148918142	Rev	1
		Document Identifier	N/A	Rev	N/A
		Effective Date	01 September 2019		
		Review Date	September 2022		

Business Unit	Generation (Camden Power Station)	
Description/ Scope of Work	Ash Water Return Lining Project	
Duration of the Project	12 Months	
Name of Buyer		PR No:

Section 1: Pre-qualification Criteria

Failure to meet Pre-qualification at tender stage will lead to disqualification

1.1 Minimum BBBEE status level of contributor?

If Yes, what is the BBBEE status and/or level required

YES	NO
☒	☐
1-4	

1.2 Is there BBBEE category targeted for this enquiry?

If Yes, BBBEE category

YES	NO
☐	☒

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.

1.3 Minimum subcontracting requirement for this?

If Yes, what is the minimum percentage?

YES	NO
☐	☒

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

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Section 2: Mandatory Requirement for Tender Submission

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

2.1 Local Content Designation

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

YES	NO
☐	☒

Please indicate below Designated Components:

Commodity	Components	Local Content Threshold

NOTE 1: SBD 6.2 Declaration Form and Annex C (Local Content Declaration-Summary Schedule) is therefore **mandatory** and must be a tender returnable. Forms must be completed in full and signed.

Section 3: Mandatory Compliance for Contract Award

The following requirements are mandatory compliance for contract award and submissions can be clarified during evaluations or negotiated before contract is awarded

3.1 CIDB Skills Development

- a) Is there CIDB compulsory training?

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

YES	NO
☒	☐

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	N/A	

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Mandatory Compliance for Contract Award continues.....

3.2 BBBEE Compliance

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)

YES	NO
☐	☒

3.3 Subcontracting Requirements

Is there a requirement for subcontracting?

If Yes, what is the targeted subcontracting percentage

YES	NO
☒	☐
5%	

3.4 Enterprise Development

Are there specific ED requirements?
(This ED intervention can either be separate or additional to
subcontracting requirements, but duplication should be
avoided)

YES	NO
☐	☒

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
N/A	

3.5 Skills Development

Are there Skills Development targets?

YES	NO
☐	☒

If Yes, the contractors are required to propose skills development against Eskom's targets:

Eskom's Target			
Category	Number	Entry Level	Output
Suppliers Commitments			
Category	Number	Entry Level	Output

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Section 4: SDL&I Penalty and Performance Security

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

- 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: CIDB

CIDB Development Program

Potentially Emerging (PE)

In an event that a potentially emerging contractor becomes a successful bidder the following will have to be considered:

- Project/s successfully completed over the last two financial years.
- The best annual turnover of the last two financial years
- The potential of the contractor to develop and qualify to be registered to the higher grading.

In ensuring that the contractor executes the work successfully, the following will have to be explored:

- Ensuring that Financial Management and other support is provided to enable the contractor to successfully execute the contract.
- Raising red flag (early warning) where there's potential risk
- Utilization of Progress Meetings/ Reports to close gaps that might be identifies.
- Ensuring that the Contractor is paid on time to avoid cash flow problems.

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NB the above-mentioned will be underpinned by a Programme of action that will be tailored to support and develop the successful bidder who happens to be potentially emerging. Amongst others, the Programme will entail identifying gaps that may undermine development objectives. Since access to funding is one of the major challenges faced by emerging contractors, early payment will be among the pillars of the developmental agenda. A kickoff meeting has been earmarked as the first step towards implementation of the Programme. The role of this will be to set the scene on how the rolling out of the Programme should happen. It will be addressing issues such as reporting frequency, raising of early warnings and risk mitigating interventions.

Section 7: 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.

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