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Business Unit	Kusile Power Station Project
Description/ Scope of Work	Kusile 60Y ADF Early Works.
Duration of the Project	08 Months
Name of Buyer	Mluleki Sishi

Section 1: Mandatory Compliance

This Package contains equipment, construction components/parts, plant, etc. that has been designated therefore the following stipulated minimum threshold for Local Production and Content must be achieved in full by the tenderer:

1.1. Designated Sector (Local Production and Content)

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

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>


Please indicate below Designated Components

Commodity	Components	Local Content Threshold
Steel Products and Components for Construction	Reinforcement steel (rebar)	100%
Plastic Pipes	High density polyethylene (HDPE) pipes	100%
PPE	Reflector Vests, Jackets, Boots, Textiles, Clothing, Leather & Footwear, etc.	100%
Bagged and Bulk Cement		
Cement type	Description	Local Content Threshold
Cem I	Pure Portland cement with a 95-100% clinker.	100%
Cem II	Portland cement containing varying additions of secondary materials, i.e., fly ash, pozzolana, slag, silica fume, or limestone	100%
Cem III	Blast furnace cement, 50% OPC, 50% blast furnace slag	100%
Cem IV	Pozzolanic cement, OPC and fly ash	100%
Cem V	Composite cement: slag and ash cement. Blended cements with more than one blending material	100%

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Masonry cement	Mixture of Portland cement and plasticizing materials such as limestone to improve setting time	100%
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NOTE 1: The Declaration Certificate for Local Production and Content (SBD / MBD 6.2) together with the Annex C (Local Content Declaration: Summary Schedule) MUST be completed, duly signed, and submitted by the bidder at the closing date and time of the bid.

NOTE 2: Application for exemptions:

If the required input materials cannot be wholly sourced from South Africa, bidders should request and obtain a written exemption letter from the DTI. The exemption letter should then be submitted, and approvals obtained prior to the closure of the bid(s). The DTI together with the procuring organ of state and the winning bidder will consider the exemption on a case-by-case basis.


1.2. Preference Point Scoring System:

B-BBEE Status Level of Contribution	Qualification on the Generic Scorecard	B-BBEE Recognition	80 points for Price & 20 Points for B-BBEE Level for Tenders between from above R300 to R10 million	90 points for Price & 10 Points for B-BBEE Level for Tenders between from above R10 million
Level One	≥100 points	135%	20	10
Level Two	≥95 but <100 points	125%	18	9
Level Three	≥90 but < 95 points	110%	16	8
Level Four	≥80 but < 90 points	100%	12	5
Level Five	≥75 but < 80 points	80%	8	4
Level Six	≥70 but < 75 points	60%	6	3
Level Seven	≥55 but < 70 points	50%	4	2
Level Eight	≥40 but < 55 points	10%	2	1
Non-compliant Contributor	<40 points	0%	0	0

Tenderers who fail to submit a valid B-BBEE Certificate will not be disqualified, but will score ZERO

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Section 2. Mandatory for Contract Award (Non-Evaluation Criteria)

2.1 CIDB Skills Development Mandatory Requirements for Contract Award

a) Is there CIDB compulsory training?

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

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>
0.25% of Contract Value	

If the answer above is Yes, it will then become a condition for Contract Award:

Skills Type	Number of learners	Intake	Outcome
Plant Operator	10	N3/Matric	Certificate of Competence
Steel Fixer	10	N1/Grade 10	Steel Fixer Level 1
Concrete Hand	10	N1/Grade 10	Concrete Hand Level 1
Shutter Hand	10	N1/Grade 10	Shutter Hand Level 1
Safety Officer	5	N6/Diploma/Degree	Qualification towards SACPCMP
Total	45		

Note 1: The above-mentioned Skills are a guideline. The actual skills/trade type will be negotiated. However, expenditure of 0.25% of the Acceptable Contract Amount in accordance with the CIDB CSDG is a Condition for Contract Award.

The Tenderers are free to propose any other relevant Skills Development that will be feasible and benefit the previously disadvantaged communities. This may even include Workplace Integrated Learning (WIL) from the Nkangala TVET Colleges around Nkangala District Municipality.

2.2. Best Practice Standards in terms of the Standard for Indirect Targeting for Enterprise Development as per regulation 22A of CIDB


The implementation date for Public Entities or Clients implementing Strategic Integrated Projects (SIPs) gazette in terms of the Infrastructure Development Act No. 23 of 2014, as amended, from which the different classes of construction works (Civil Engineering and General Building) with a minimum tender grade and minimum project duration became subject to an Assessment of Compliance with the Standard for Indirect Targeting for Enterprise Development through construction works contracts is 01 April 2021, as published in Government Notice No. 43726.

The Kusile Power Station's Ash Dump Facility (ADF) River Diversion Floodplain Project falls within this compliance requirement as the class of construction in question is Civil Engineering (CE) and the tender value (grade 9) exceeds the minimum tender grade (grade 7) and minimum project duration (6 months) as specified.

The aim of this best practice Standard for Indirect Targeting for Enterprise Development is to promote enterprise development by providing for a minimum Contract Participation Goal (CPG) of 5% of the total project value to be undertaken by joint-venture partners or to be sub-contracted to developing contractors that are also to be beneficiaries of enterprise development and support from the main contractor. In this instance, Eskom will ensure

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that at least ensure that 5% of the Contract Amount is subcontracted to CIDB registered contractors that are also to be beneficiaries of enterprise development and support from the main contractor. This will not be an evaluation criterion but rather a condition of contract.

Enterprise Development (ED)

The Contractor shall perform a needs analysis on all targeted enterprises and provide internal mentorship that improves the targeted enterprises performance in at least two developmental areas, such developmental areas should be guided by the requirements of the CIDB Best Practice Contractor Recognition Scheme as well as the NCDP exit requirements for accreditation of contractors. The developmental areas are listed in the GN.

The Contractor shall appoint an Enterprise Development Co-Coordinator who shall:

- Develop a project specific enterprise development plan to improve the targeted enterprise's performance in the identified developmental areas which allocate resources and monitors progress in relation to improved performance; and
- Submits to the employer's representative a monthly ED report that documents all mentoring activities that have taken place during that month and progress made in improving the targeted enterprise's performance in the development area, countersigned by the targeted enterprise.
-

Section 3: Contractual Requirements

3.1. B-BBEE Contribution Status Level

The Contractor is expected to retain/maintain the B-BBEE Contribution Status Level that it obtained at Contract Award.

Section 4 SDL&I Performance Guarantee Bond

4.1. SDL&I Bond


The Contractor shall submit a Performance Guarantee Bond equivalent to 2.5% of the Contract Value and shall only be released to the Contractor upon fulfilment of all SDL&I Obligations.

Section 5: Reporting and Monitoring

- The suppliers shall on a 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 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

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Section 5: Market Research

The following information demonstrates market analysis and assists in arriving at the targets above.

The secondary market research has revealed that there are enough suppliers in the South African Construction Industry that are meeting the CIDB requirements for the project. The source of information is the Construction Industry Development Board (CIDB)'s database. However, there are few Black Owned Suppliers, and this Project may be used to entrench transformation of that sector.

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