



# 3

**NEC3 ENGINEERING AND CONSTRUCTION  
CONTRACT AND NEC 3 TERM SERVICE CONTRACT**

**SECTION THREE – SDL&I  
REQUIREMENTS**

The Establishment of an Enabling Agreement with a maximum Panel of 30 Contractors for the Provision of Supervision, Labour, Equipment, Material (except the “Big Five” material: Meters, Poles/Cross Arms, Transformers, Cable & Conductor), Transport (as it will be required and authorised) for Electrification of Low Value New Household and Infills Connections (Below R3 000 000,00 per project) for a period of two (2) years and a further six (6) months for the close out of projects, for the Distribution Division in the KwaZulu-Natal Operating Unit, Central East Cluster on an as and when required.

**ENQUIRY NUMBER : KZN157**


**TENDERER NAME:.....**

**TENDER CLOSING DATE: 12 NOVEMBER 2024 at 10:00 AM**

**SDL& I Check List**

**(This check list can be used for guidance on submission of documents for     SDL& I)**

	<b>Documents to complete /sign and submit</b>	<b>Tick Box</b>
1	SDL&I Bidders Document	
2	Valid B-BBEE certificate issued by a SANAS accredited verification agency / Valid sworn affidavit / BBBEE Certificate issued by CIPC for EME companies	
3	CIPC Registration Document	
4	Identity Documents of shareholder(s)	
5	Shares Certificate where applicable	
6	Latest Financial Statements corresponding to the financial date reflected on the sworn affidavit	
7	SBD 6.2	
8	Annexure C	
9	Annexure D	
10	Annexure E	
11	Proof of sub-contracting agreement/s	N/a
12	Sub-contractor/s valid B-BBEE certificate issued by a SANAS accredited verification agency / valid sworn affidavit / BBBEE Certificate issued by CIPC for EME companies	N/a

	<b>SDL&amp;I Bidders Document</b>	<b>Document Identifier</b>	240-148918142	<b>Rev</b>	4
		<b>Effective Date</b>	01 April 2023		
		<b>Review Date</b>	April 2026		

**PLEASE COMPLETE THIS DOCUMENT AND SIGN**

<b>Description/ Scope of Work</b>	Electrification Infills
<b>Duration of the Project</b>	30 Months

### Section 1: Specific Goals

A maximum of 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>B-BBEE Status Level of Contributor</b>	<b>Number of points (80/20 system)</b>
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

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**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 80 for price
- Scores 0 points out of 20 for specific goals
- **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
<input checked="" type="checkbox"/>	<input type="checkbox"/>

Please indicate below Designated Components

Commodity	Component	Threshold
Powerline Hardware	Powerline Line Hardware, Distribution Line Hardware (including steel powerline hardware and aluminium powerline hardware), and electrical insulators of composite polymer materials	100%
Electrical and telecom cables	Low Voltage Cable, Medium Voltage Cable	90%
Transformers	Class 0 Transformers	90%

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Cement	Cem I - Pure portland cement with a 95-100% clinker.	100%
Plastic Pipes	Polyvinyl chloride (PVC) pipes, High density polyethylene (HDPE) pipes	100%

**NOTE:** SBD 6.2 Declaration Form and Annex C (Local Content Declaration-Summary Schedule) are therefore mandatory prior to contract award

## 2.2 CIDB Skills Development

### Continuation of Requirements

**a) Is there CIDB compulsory training?**

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

YES	NO
<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Not applicable</b>	

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	

**NOTE:** Failure by the Contractor/Service Provider/Supplier to meet the CIDB CSDG mandatory % will render their tender non-responsive.

## 2.3 National Industrial Participation Programme – Not Applicable

## 2.4 Mandatory Subcontracting as condition of award – Not Applicable

## 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 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**

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The tenderers are 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.

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

Note: Tenderers are encouraged to procure from local businesses

Local-to-site target for treatment, testing and supply of the wooden poles and cross arms shall be set at 70% of local content. Local content-to-site refers to all provinces where timber plantations are located. The aim is for the tenderers to spend some of their budget at these rural locations to contribute towards economic and social development. The expenditure could be a combination of sourcing (harvesting and delivery to the stock yard) from local-to-site tenderers for the execution of activities, recruitment of employees and developing skills of candidates from the local-to-site regions.

#### **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.

<b>Jobs to be created</b>	<b>Jobs to be retained</b>

#### **5. Skills development – Not Applicable**

Tenderers are required to submit proposals for developing the skills of unemployed candidates in the country. Skills development is intended to address Eskom's core, 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 shall be from the Kwa Zulu Natal Province, and their composition shall be representative of the population demographics of South Africa.

Skill type / Occupation	Eskom target	Proposed Number of Candidates
Not applicable		

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.

**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 – Not applicable**

**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 – Not Applicable

- 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).**
- 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:

**2.ATTACH A Valid B-BBEE certificate**  
**issued by a SANAS accredited**  
**verification agency**

**OR**

**Valid sworn affidavit**

**OR**

**BBBEE Certificate issued by CIPC for**  
**EME companies**

**Please use the Template provided. The Template is uploaded under the SDL&I folder.**

**KEY Elements when completing a Sworn Affidavit**

**Tenderers submitting B-BBEE Sworn Affidavits must ensure that the affidavits meet the following key pointers to ensure their validity:**

- a) Name/s of deponent as they appear in the identity document and the identity number.
- b) Designation of the deponent as the director, owner or member must be indicated in order to know that person is duly authorized to depose of an affidavit. (Underline or circle Whichever is applicable).**
- c) Name of enterprise as per enterprise registration documents issued by the CIPC, where applicable, and enterprise business address.
- d) 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).**
- e) Indicate total revenue for the year under review and whether it is based on audited financial statements or management account. (Underline the applicable option).**
- f) 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).**
- g) B-BBEE Status level. An enterprise can only have one status level.
- h) Empowering supplier status must be indicated. For QSEs, the deponent must select the basis for the empowering supplier status.
- i) 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).**
- j) 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
- K) Sworn Affidavits attested / signed by a Commissioner of Oaths as a true copy **stamp** will not be accepted

### **3. Attach CIPC Registration Document**

## **4.ATTACH**

**Shareholder/Director/Member certified  
copy of Identity Documents Here**

**5.ATTACH Certified Copy of Shareholders  
Certificate Here**

**This is applicable for PTY(Ltd) Entities**

**ATTACH PROOF THAT YOUR COMPANY**  
**IS REGISTERED ON CSD HERE**

## **ATTACH MEDICAL CERTIFICATES HERE**

**Companies claiming to be owned by Black People Living with disabilities shall submit medical certificates which will indicate that the owners of the companies are living with disabilities.**



**6.ATTACH Latest Financial Statements**  
**corresponding to the financial date**  
**reflected on the sworn affidavit**

# **ATTACH DESIGNATED SECTOR TENDER RETURNABLES**

**7.SBD 6.2**

**8.Annexure C**

**9.Annexure D**

**10.Annexure E**

**ANNEXURE G1**

SBD 6.2

**DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed by the dtic, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

**1. General Conditions**

- 1.1. Dtic makes provision for the promotion of local production and content.
- 1.2. Dtic prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.4. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where:

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.**

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1.5. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted at the stipulated deadlines.

**2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

<b>Commodity</b>	<b>Component</b>	<b>Threshold</b>
Powerline Hardware	Powerline Line Hardware, Distribution Line Hardware (including steel powerline hardware and aluminium powerline hardware), and electrical insulators of composite polymer materials	100%
Electrical and telecom cables	Low Voltage Cable, Medium Voltage Cable	90%
Transformers	Class 0 Transformers	90%
Cement	Cem I - Pure portland cement with a 95-100% clinker.	100%
Plastic Pipes	Polyvinyl chloride (PVC) pipes, High density polyethylene (HDPE) pipes	100%

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

YES		NO	
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3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za)

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

<b>Currency</b>	<b>Rates of exchange</b>
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

**NB:** Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID NO. ....**

**ISSUED BY:** (Procurement Authority / Name of Institution):

.....  
NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content is accessible on [http://www.thdti.gov.za/industrial\\_development/ip.jsp](http://www.thdti.gov.za/industrial_development/ip.jsp).
- 3 Local Content Declaration Templates (Annex C, D and E) is attached to this enquiry and must be submitted at the stipulated deadline.
- 4 Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted at the stipulated deadline of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),  
do hereby declare, in my capacity as .....  
of .....(name of bidder  
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
  - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

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Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.**

**The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 9.1 of the Preferential Procurement Regulations, 2022 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## **ATTACH ANNEXURE C**

## **ATTACH ANNEXURE D**



# **ATTACH ANNEXURE E**