	<b>Supplier Development, Localisation and Industrialisation (SDL&amp;I) Strategy Setting Template</b>	Template Identifier	240-148918142	Rev	1
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<b>Business Unit</b>	Generation (Majuba Power Station)
<b>Description/ Scope of Work</b>	The supply and delivery of mechanical spares
<b>Duration of the Project</b>	12 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>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
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 B-BBEE certificate issued by a SANAS accredited verification agency / sworn affidavit / CIPS affidavit
- Proof of ownership / shareholding (preferably CIPC documentation) inclusive of shareholding breakdown
- Certified ID copies of shareholder(s)
- Proof of Disability (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 Local Content and Production**

Commodity	Components	Local Content Threshold
Valves and Actuators	Valves	70%
Fabricated Steel	Gussets, cleat, stiffeners, splice, cranks, kinks, doglegs, spacers, tabs, brackets	100%

#### **NOTE 1: Tender Returnable:**

- The Declaration Certificate for Local Production and Content (SBD 6.2)
- Annexure C (Local Content Declaration: Summary Schedule)

The above MUST be completed, duly signed and submitted by the bidder.

#### **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 DTIC. The exemption letter should then be submitted, and approvals obtained prior to the closure of the bid(s). The DTIC together with the procuring organ of state and the winning bidder will consider the exemption on a case-by-case basis.

## **Section 3: SDL&I Undertaking**

Tenderers who complete and submit the undertaking as required, but who do not meet Eskom's targets, will not be disqualified. SD&L undertakings do not form part of scoring, but commitments will form part of contractual obligations.

### **B-BBEE Requirements**

Tenderers will be required to maintain or improve their B-BBEE Recognition Level for the duration of the contract.

### **Local Procurement Content**

Tenderers will stipulate local procurement content for the works.


### **Job Opportunities**

Tenderer to indicate number of Jobs to be created and/or retained due to this contract.

Number of Jobs to be created	Number of Jobs to be retained

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During installation, the Contractor should ensure that it recruits its General Workers and Semi-Skilled Workers within the vicinity of the station in accordance with the Majuba Power Station's Recruitment Procedure/Stakeholder Management Forum.

## **Section 4: SD&L Penalty**

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 fulfilment of all SDL&I obligations at the end of the contract.

## **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

## **Section 6: Market Research**

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

There are sufficient suppliers within South Africa with manufacturing capacity.


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

The following must be considered when it comes to validity of Affidavits;

- ✚ EME'S valid sworn affidavit (DTI template) must be submitted and attested / signed by a Commissioner of Oaths.
- ✚ SE's valid sworn affidavit (DTI template) must be submitted and attested / signed by a Commissioner of Oaths OR B-BBEE certificate from SANAS approved agency
- ✚ Joint Ventures can only submit a Consolidated, Valid and Certified Copy of B-BBEE Certificate issued by a SANAS Accredited Verification Agency specific for this
- ✚ Affidavit must be completed in full (i.e., Full financial year-end dates (day, month, year), ownership percentages and contribution level and signed off).
- ✚ Deponent and Commissioners date must be the same.
- ✚ Affidavits on Accountants/Auditors letterheads will not be accepted.

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- ✚ Affidavits signed by Accountants/Auditors will not be accepted.
- ✚ Only Sworn Affidavit for EMEs coming from DTI/CIPC and B- BBEE Certificates (SANAS Accredited) will be accepted.
- ✚ Sworn Affidavits attested / signed by a Commissioner of Oaths with true copy of the original stamp will not be accepted

Compiled by:

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Date: 13 February 2023

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