



KUSILE POWER STATION

Employer Policies and Procedures

Section 4

Personnel, Accommodation and Industrial Relations

Part 6

Rev 3_0715

Introduction

This Part 6 [*Personnel, Accommodation and Industrial*] is divided into the following sub-sections:

1. Part 6.1: General Provisions;
2. Part 6.2: Accommodation;
3. Part 6.2.1: Accommodation – Contractors' Village Policy; and
4. Part 6.3: Industrial Relations Policy.



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Employer Policies and Procedures General Provisions

Section 4 Part 6.1

1. Competence Testing of Contractor's Personnel

Contractor's Personnel to be employed at the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site) for any semi-skilled or skilled operation may be tested by the Engineer at any time at the Project Site. This may include, at the Engineer's discretion, the actual performance of the operation and/or training and testing related to performance of the operation. The Engineer reserves the right to prevent any person from carrying out any operation that such person is not fit or qualified to perform. The satisfactory passing of the induction operation test requirements will result in the certification of the Contractor's Personnel to perform that specific operation on the Project Site (and/or at such other places, if any, as may be specified under the Contract as forming part of the Site). This certification shall not reduce in any way the Contractor's responsibilities to perform the Works as per the Contract requirements, including in a safe manner. The certification may be revoked by the Engineer if such person ceases to be fit or qualified to perform the work in question at any time.

2. Anti-poaching Undertaking

The Contractor shall not recruit or attempt to recruit staff and labour from amongst the personnel of Other Project Contractors during the execution of the Project Works. This restriction shall not, however, prevent the Contractor from recruiting a person where:

- 2.1 that person has been demobilised or the employment of that person has been terminated for any reason other than by resignation;
- 2.2 the person has resigned and a period of 90 days has lapsed from the date of resignation; or
- 2.3 the person has been released by the Other Project Contractor for employment by the Contractor (evidenced by written confirmation to this effect by the Other Project Contractor).

Notwithstanding the above, if a person has been dismissed by any other Project Contractor for misconduct or for poor performance, he shall not be employed by the Contractor on the Project Site (or at any other places, if any, as may be specified under the Contract as forming part of the Site) without the prior approval of the Engineer.

3. Transportation of Contractor's Personnel

Due to the remoteness of the Project Site, the Contractor is required to provide suitable mass transportation facilities to and from the Project Site (and/or to and from other places, if any, as may be specified under the Contract as forming part of the Site) for Contractor's Personnel, particularly for unskilled and semi-skilled workers.

The Employer will provide a bus loading and unloading area and bus parking outside the Project Site entrance for the Contractor's use. An unloading area for the Contractor's Personnel at the Contractor's yard will be permitted by prior arrangement with, and subject to the approval of the Engineer.

Without limiting the Contractor's other obligations under the Contract relating to transport of persons, the Contractor shall ensure that Contractor's Personnel are transported only in licensed and roadworthy vehicles, driven by licensed drivers, which are fit for purpose, properly maintained and which comply with applicable Law as a minimum. Transport of Contractor's Personnel in the back of trucks, tractors or light delivery vehicles is strictly prohibited.

4. Canteen

The Employer will provide a Project Site canteen.

The canteen will make available a mid-shift meal during the established break period. As per Part 6.2 of these Employer Policies and Procedures, the mid-shift meal for the Contractor's unskilled and semi-skilled workers who are residents of the Contractors' Village is provided at the cost of the Employer. In order to ensure uniformity of meal benefits, the Employer will provide the same meal for the Contractor's other unskilled and semi-skilled workers at the Project Site, at the cost of the Contractor. Distribution of the meal service shall be at staggered periods at the meal services building on the Project Site (and, as the Project Works progress, at several temporary meal stations at various locations on the Project Site) to minimise the duration of the meal period.

All other foodstuffs supplied by the Project Site canteen will be charged for in the ordinary course and will be for the account of the Contractor or Contractor's Personnel (as may be arranged between them).

No other food or beverage services will be allowed on the Project Site unless approved by the Engineer.

5. Project Site Induction Programme

The Employer will provide a generic Project Site induction program for personnel and visitors to the Project Site. This program will include, as appropriate, information regarding identification and access, work rules, environmental protection, industrial relations, health & safety, Project information, and miscellaneous Project Site-specific requirements. All persons entering the Project Site will be required to attend induction training and to attend repeat induction training as appropriate. The induction training is expected to take up one full day. Contractor's Personnel must be in possession of a valid identification card (as provided for in Part 4 [*Site Regulations & General Requirements*] of these Employer Policies and Procedures) in order to undergo induction training.

The provision of a Project Site induction program by the Employer does not, however, relieve the Contractor of his obligation to ensure that Contractor's Personnel and visitors

receive appropriate induction training and the Employer assumes no liability by providing induction training.

6. Medical Facilities

The Employer will provide a trauma and rescue medical facility at the Project Site to provide initial medical treatment to Project Site personnel. The facility will be staffed with professional medical personnel. These personnel will be on the Project Site when significant construction operations are in progress. The Contractor shall be responsible for all emergency transportation including ambulances and helicopters.

All such facilities and related services are, however, provided on a good samaritan basis and not as a contractual obligation and the Contractor assumes full responsibility and liability for the medical facilities and requirements of the Contractor's Personnel. The Contractor likewise assumes full responsibility and liability for the use of Employer provided facilities for or by the Contractor's Personnel and the Contractor is liable for all charges levied in connection with such services. Without derogating from the Contractor's Indemnity in favour of the Employer in terms of Sub-Clause 17.1 [*Indemnities*] of the Conditions of Contract, the Contractor indemnifies and holds harmless the Employer and Employer's Personnel from and against any claim or liability arising out of the use of such Employer provided facilities and/or the resultant services for illnesses or injuries to any such Contractor's Personnel, or arising out of or allegedly attributable in any way thereto.

7. Substance Abuse Testing

There shall be zero tolerance for substance abuse at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site).

Throughout the Works at the Project Site (and/or to other places, if any, as may be specified under the Contract as forming part of the Site), periodic seminars and instruction programs may be given by the Engineer on the recognition of the characteristics, behaviours, detection, and reporting of substance abuse and persons fitness for duty. All Contractor's supervisory personnel, (including superintendents and foremen), and other key Contractor's Personnel involved at in the Works at the Project Site (and/or to other places, if any, as may be specified under the Contract as forming part of the Site) shall be required to attend this training and the Contractor shall make Contractor's Personnel available for and encourage their participation in these programs.

Any person who is, or appears to the Engineer to be, under the influence and/or has failed or refused to submit to a substance abuse test may be refused access to the Project Site. If such person is Contractor's Personnel, the Contractor shall take necessary steps against such person (including disciplinary action, where appropriate, and the removal of the person from the Project Site or from other places, if any, as may be specified under the Contract as forming part of the Site).

Being "under the influence" includes the presence of drugs or alcohol in a person's system (whether detectable through behaviour and/or testing) to the extent the person's faculties are in any way impaired and/or to the extent the person is unable to perform work in a safe and productive manner. Insofar as the consumption of alcohol is concerned, alcohol levels in the blood in excess of 0.02 percent shall be considered as being under the influence. Without limitation, persons shall likewise be considered to be under the influence where the presence of drugs or alcohol corresponds to or exceeds accepted medical standards or those prescribed under applicable Laws.

The Engineer shall be entitled to conduct random testing of any person at the Project

Site (or at other places, if any, as may be specified under the Contract as forming part of the Site) and/or require the Contractor to test any Contractor's Personnel suspected of being under the influence of any substance or suspected of being in possession of alcohol or drugs.

The Contractor shall, at his cost, put in place measures (including all required testing capabilities) necessary to ensure compliance herewith. The measures to be employed by the Contractor will include a drug detection and prevention program which will include, but not be limited to, the following:

7.1 Pre-Assignment Testing:

Contractor's Personnel at the Project Site must pass a pre-assignment drug screening / alcohol test. This pre-assignment test must be undertaken within ten days prior to reporting for work to the Project Site. Contractor's Personnel will only be permitted initial access to the Project Site against evidence of this test having been passed and such person having been certified drug / alcohol free to the Engineer's satisfaction. Contractor's Personnel who visit the Project Site on a short-term basis (being not longer than 14 days unless otherwise approved by the Engineer) are not subject to this pre-assignment drug testing requirement.

7.2 Continuing Random Drug Testing

The Contractor shall conduct periodic unannounced (random) testing at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) at least once each month. The date of such testing shall be selected using a means that, to the Engineer's satisfaction, randomly selects the date within the time frame specified, so that the date is unpredictable to the potential subject of the testing.

Contractor's supervisory personnel at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) will not be informed of the date of testing and the selected Contractor's Personnel will not be notified until the morning of the selected day.

Contractor's Personnel to be tested shall be selected using a means which, to the Engineer's satisfaction, randomly selects the number of subjects (10% minimum per month) from among the pool of all Contractor's Personnel actually at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site). Possible subjects shall include all Contractor's Personnel present at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) on the day selected for random testing, including those who have been selected for testing on previous occasions. The subjects shall be identified by a unique and individual identification number. It is therefore conceivable that an individual could be selected to undergo testing more than one time in any given period.

Testing shall, as a minimum,

7.2.1 comprise onsite enzyme immunoassay screening and/or colorimetric alcohol saliva screening; and

7.2.2 include for cocaine, opiates, amphetamines, and marijuana.

The Contractor shall be required to confirm all positive tests by gas chromatography / mass spectrometry laboratory analysis (or by other means acceptable to the Engineer).

The Contractor shall provide regular updates of these random tests to the Engineer. All positive tests shall be reported to the Engineer immediately and in writing. Evidence that Contractor's Personnel has passed a substance test shall be provided to Engineer within three days of completion of the test.



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Employer Policies and Procedures Accommodation

Section 4 Part 6.2

1. Accommodation for Unskilled and Semi-skilled Workers

The Employer will provide accommodation for Contractor's unskilled and semi-skilled workers as indicated in the Accommodation Requirement Form [A-2/1A]. Accommodation for unskilled and semi-skilled workers will be provided, at the Employer's cost, on the basis detailed below.

Should the tenderer require accommodation to be provided by the Employer, the tenderer is required to complete and submit the attached Accommodation Requirement Form [A-2/1A] to indicate his requirements (specifically indicating the duration of his accommodation requirements in each instance). Tenderers are, however, advised that Employer provided accommodation is limited and there is accordingly no guarantee that tenderers' accommodation requirements can be fully met by the Employer. Tenderers must accordingly ensure that their accommodation requirements are reasonable and that the use of local labour for the Works is maximised.

The Contractor shall, within 28 days of the Contract Date, and thereafter on a quarterly basis, provide the Employer with an updated accommodation forecast schedule consistent with the Accommodation Requirement Form [A-2/1A] or otherwise as approved by the Engineer. The forecast schedule shall include all the Contractor's accommodation requirements. The Employer does not bind itself to accept any revised requirements.

Unskilled and semi-skilled worker accommodation is provided in a Contractors' Village which is situated approximately 15 km from the Project Site, near Kendal. There may be more than one Contractor's Village for the Project; but if this is the case (and unless the exigencies of the Project or the Works require otherwise) all Contractor's Personnel (unskilled and semi-skilled) entitled to accommodation will be accommodated in the same Contractor's Village. The accommodation may be temporary, in the form of prefabricated or similar units. A typical layout of a village residential unit is attached to this Part 6.2. The general guidelines for this accommodation are as follows:

Guideline				
Type	Max Pers./ Room	Max Pers./ Unit	Approx m ² per person	Remarks
Temporary	2	4 – 6	8.0m ² - 10m ²	Ablution included. Canteen & recreation facilities provided on the premises.

Initially, where accommodation is in short supply, more single workers may be accommodated per room than indicated.

Only non-local workers may reside in Employer provided accommodation. For the purpose hereof “non-local workers” means persons who, to the satisfaction of the Engineer, are not ordinarily resident within a 40 km radius of the Project Site. Furthermore, only persons engaged in work at the Project Site (and/or at other places, if any, as may be specified under the Contract as forming part of the Site) may reside at the Contractors’ Village. Spouses, partners or other family members of workers will not be permitted to reside thereat (although such persons may be permitted short term residence at a prescribed guest area at the Contractors’ Village at the discretion of the Engineer). The foregoing does not however constitute a restriction on the Contractors’ Village being used by persons engaged in works other than the Project Works as may be arranged between the Employer and third parties.

As part of the Contractors’ Village accommodation benefits, the Employer will provide 3 (three) meals a day for resident workers. Meals will be provided in the proximity of the living quarters except that the mid-shift meal will, on working days, be provided on the Project Site.

The Employer will provide a bus loading and unloading area and bus parking for the Contractor’s use outside the entrance to the Contractors’ Village.

Use of and access to the Contractors’ Village is subject to the rules and regulations set out in Part 6.2.1 [*Accommodation: Contractors’ Village Policy*] of these Employer Policies and Procedures.

2. Accommodation for Skilled Workers

The Contractor shall provide for the Contractor’s other accommodation requirements including for artisans, technicians, professionals and management.



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Employer Policies and Procedures

Section 4

Accommodation Attachment: Accommodation Requirements

Part 6.2

Form Reference

IA-2/1 A

	Indicate requirement by supplying:	Month 1 ¹	Month 2	Month 3	Month 4	Month x (continued) ²
Unskilled and semi-skilled workers (Single)	Number of staff					

¹ Month 1 refers to the first month after the Contract Date.

² Complete schedule to Contract Completion Date.

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Accommodation Attachment: Contractors' Village - Typical Unit Layout

Part 6.2





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Accommodation: Contractors' Village Policy

Part 6.2.1

1. Definitions

The following additional definitions shall be referred to in the interpretation of this Contractors' Village Policy ("this Policy"):

- 1.1 "Common Areas" - means those areas at the Contractors' Village (including in the buildings situated thereon) which are designated or otherwise intended for shared use by some or all of the residents of the Contractors' Village from time to time (as determined, in the event of any dispute, by the Engineer);
- 1.2 "Contractor's Residents" - means Contractor's Personnel who reside in the Contractors' Village from time to time and shall include any other persons residing in the Contractors' Village by virtue of any relationship with the Contractor;
- 1.3 "Designated Accommodation" – means the accommodation (in the form of prefabricated bungalows or otherwise) provided by the Employer under the Contract at the Contractors' Village and assigned for use by the Contractor's Resident from time to time;
- 1.4 "Land & Service Charges" - means all assessment rates and taxes and similar charges of whatever nature payable to any local or governmental or other authority in connection with the Contractors' Village and/or the Designated Accommodation (except penalties or the like levied by reason of the Contractor's or Contractor's Resident's default) and all charges payable to any local or governmental or other authority in respect of the supply of electricity, water, gas and other utilities (if any) consumed on or about the Contractors' Village and the Designated Accommodation, including all deposits (if any) payable to the authority concerned in respect of such service charges;
- 1.5 "Residence Termination Date" - means, in respect of each Contractor's Resident, the earlier of:
 - 1.5.1 the last day of the period specified in the relevant booking-in form referred to in **paragraph 3.3** below or such extended or other date approved by the Engineer; or
 - 1.5.2 24 hours after the withdrawal by the Engineer of his approval as provided for in **paragraph 2.2** below.

2. Introduction

- 2.1 The right of a Contractor's Resident to reside in the Contractors' Village will be approved by the Engineer pursuant to **Section 4: Employer Policies and Procedures, Part 6.2: Accommodation**, read with this Policy. Subject to such approval the Contractor shall have legal authority to give permission to Contractor's Personnel (but not to any such person's spouse, partner and/or other family members or any other person) to reside in the Contractor's Designated Accommodation and make use of the applicable Common Areas. To the extent the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act 19 of 1998 ("PIE Act") and/or Extension of Security of Tenure Act 62 of 1997 ("ESTA") applies to the Designated Accommodation, the Contractor and shall be a "person in charge" as defined therein.
- 2.2 The Engineer may, on written notice to the Contractor, withdraw the approval given in respect of:
- 2.2.1 any Contractor's Resident who is removed from the Project Site (or from any other places, if any, as may be specified under the Contract as forming part of the Site) under Sub-Clause 6.9 [*Contractor's Personnel*] of the Contract;
- 2.2.2 any Contractor's Resident who ceases to be Contractor's Personnel or who is no longer engaged in the Works;
- 2.2.3 any Contractor's Resident if the Accommodation allocated for use by him is destroyed or damaged so as to render it untenable (without, however, derogating from the obligation of the Employer to provide alternative accommodation for the said Contractor's Resident to the extent the Employer is required to do so under the Contract);
- 2.2.4 all or any Contractor's Residents if the Contract is terminated and/or if the Contractor fails to comply with a notice under Sub-Clause 15.1 [*Notice to Correct*] requiring the Contractor to make good a failure under this Policy; and/or
- 2.2.5 any Contractor's Residents if the Accommodation is otherwise no longer required (whether temporarily or otherwise) for the purpose of the Works.

3. General Rules for the Use of and Access to the Accommodation

- 3.1 The Designated Accommodation shall be used solely for residential purposes.
- 3.2 The Contractor shall comply with such rules and regulations (in addition to those detailed in the Policy) as may be prescribed by the Engineer from time to time in connection with the Accommodation. The Contractor shall likewise procure that each Contractor's Resident complies with such rules and regulations and with the obligations of the Contractor under this Policy. In this regard the Contractor is advised that the rules and regulations will provide for the appointment of a "Village Manager" who will be charged with the day to day administration of the Contractors' Village.
- 3.3 Booking-in forms will be required to be signed by both the Contractor and the Contractor's Resident before access will be given to the Contractors' Village and the Designated Accommodation. The booking-in form shall be submitted in the form subscribed by the Engineer. Occupation of the Designated Accommodation

may only be taken on the date specified in the relevant booking-in form and shall endure until the Residence Termination Date.

- 3.4 Contractor's Residents shall be entitled to the use of the Common Areas. The Employer shall furthermore provide the amenities and services detailed in **paragraph 4** below. These amenities and services and the Common Areas will, however, be used concurrently by some or all residents of the Contractors' Village and the Contractor's Residents shall accordingly not make unreasonable demands thereon. The Contractor shall be responsible for the provision of other goods, amenities and services, if any, required by Contractor's Residents. Any such Contractor provided facilities and services shall, however, be to the satisfaction of the Engineer and the provision or cessation of such Contractor provided facilities or services, and the erection, installation and removal thereof and/or of related equipment, requires the Engineer's approval.
- 3.5 The Contractor shall, and shall ensure that the Contractor's Residents shall:
- 3.5.1 keep the Designated Accommodation in a neat, clean and tidy condition (save to the extent provided for under **paragraph 4** below);
 - 3.5.2 not interfere with the electrical installation or any other installation or equipment in or servicing the Designated Accommodation and shall not change or overload the electrical system or any other service;
 - 3.5.3 not attach to the walls, ceilings or any part of the Designated Accommodation any fittings or equipment and shall not damage the walls, ceilings or any other portion of the Designated Accommodation;
 - 3.5.4 not leave or store motor vehicles, motorcycles, bicycles, packing cases or other goods or articles of any description whatsoever in areas other than those specifically allocated for this purpose (in which areas no unreasonable accumulation of any goods or articles shall be made or permitted) or otherwise cause any obstruction in Common Areas;
 - 3.5.5 not use any Common Areas for any purpose other than that for which the Common Area concerned is designated or specifically intended to be used;
 - 3.5.6 take reasonable steps to prevent the blockage of any sewer, water pipe or drain in or resulting from the Designated Accommodation;
 - 3.5.7 not litter or damage in any manner any part of the Contractor's Village;
 - 3.5.8 not do or permit to be done anything in or upon the Designated Accommodation or any part thereof which may cause or be a nuisance or annoyance to other residents of the Contractors' Village or neighbours generally;
 - 3.5.9 comply with all Laws applicable to the Contractors' Village and the Designated Accommodation;
 - 3.5.10 not install any floor covering, lighting, plumbing, fixtures or shades or make any change to the Designated Accommodation or any Common Area, install any window covering, awning, blinds or light device on or adjacent to the Designated Accommodation or any window of the Designated Accommodation nor otherwise effect any improvements,

alterations or additions to the Designated Accommodation or any part of the Contractors' Village without the prior approval of the Engineer (and any improvements, alterations or additions which may be effected (with or without the approval of the Engineer and unless otherwise agreed in writing) shall become the property of the Employer and neither the Contractor nor any of the Contractor's Residents shall be entitled to the payment of any compensation in respect thereof); and

- 3.5.11 unless the Engineer otherwise agrees in writing, not remove any such improvements, alterations or additions from the Designated Accommodation or the Contractors' Village (provided that, notwithstanding the foregoing, the Engineer may require the Contractor to remove any improvements, alterations or additions effected thereto and to reinstate same to its original condition and to make good all damage occasioned by such removal).

4. Employer Provided Amenities and Services

4.1 Security and Access Control

- 4.1.1 The Contractor's Village will be fenced. The Employer will provide perimeter security and access control for the Contractor's Village. Access control will be implemented 24 hours a day at all entrances and security personnel will, in addition, conduct random patrols in the village itself.

- 4.1.2 All persons entering or exiting the Contractor's Village may be subjected to searches and the Employer reserves the right to refuse entrance to the Contractor's Village to any person not meeting security and/or access requirements. No parking facilities will be available inside the Contractor's Village and vehicles will accordingly not be allowed entry (except in emergency circumstances or otherwise by prior arrangement with the Engineer or the Village Manager).

- 4.1.3 Contractor's Residents must be in possession of a valid identification card supplied by the Employer to gain access to the Contractor's Village. Applications for identification cards shall be made in the form prescribed by the Engineer. Lost, stolen or damaged cards shall be reported to the Engineer immediately. A fee shall be charged for replacement cards.

- 4.1.4 The Engineer may remove from the Contractor's Village any person who poses a risk to security or to the health and safety of persons at the Contractor's Village. If such person was permitted access as a Contractor's Resident or as a visitor of a Contractor's Resident, the Contractor shall, at the request of the Engineer, take all steps necessary to procure his removal from the Contractor's Village.

- 4.1.5 Fire-arms will not be permitted on the Contractor's Village. This restriction does not, however, apply to the South African Police Services in the pursuance of official duties.

4.2 Canteen and Meals

The Employer will provide a canteen at the Contractor's Village which will provide meals for Contractor's Residents as stated elsewhere in the Contract. No other food or beverage services will be allowed on the Contractor's Village unless approved by the Engineer.

4.3 Furniture and Housekeeping

The Employer will provide basic furniture, curtaining and linen in the Designated Accommodation and will provide the following cleaning and laundry services:

- 4.3.1 Room cleaning service: general daily housekeeping service encompassing dusting, floor cleaning and clearing of waste baskets; and
- 4.3.2 Laundry service: bed linen will be laundered once a week and one set of work clothes (overall or similar) will be laundered twice a week.

4.4 Medical Facilities

The Employer will provide a basic first-aid facility at the Contractor's Village. This facility and related services are provided on a good samaritan basis and not as a contractual obligation and the Contractor, as between the Employer and the Contractor, assumes full responsibility and liability for the medical requirements of the Contractor's Residents. The Contractor likewise assumes full responsibility and liability for the use of the Employer provided first-aid facility for or by the Contractor's Residents and the Contractor is liable for charges levied in connection with such services (if any). Without derogating from the Contractor's Indemnity in favour of the Employer in terms of Sub-Clause 17.1 [*Indemnities*] of the Conditions of Contract, the Contractor indemnifies and holds harmless the Employer and Employer's Personnel from and against any claim or liability arising out of the use of such Employer provided facility and/or the resultant services for illnesses or injuries to any such Contractor's Resident, or arising out of or allegedly attributable in any way thereto.

5. Vacation of and Eviction from Designated Accommodation

5.1 Each Contractor's Resident:

- 5.1.1 is entitled to reside in the Contractors' Village and specifically to use the Designated Accommodation, subject to the approval of the Engineer and his compliance with the provisions of this Policy, solely by virtue of his status as Contractor's Personnel engaged in the Works at the Project Site (and/or at other places, if any, as may be specified under the Contract as forming part of the Site);
 - 5.1.2 shall reside in the Contractors' Village and use the Designated Accommodation strictly in accordance with terms and conditions applicable thereto under the Contract and shall comply with all such terms and conditions; and
 - 5.1.3 shall vacate the Designated Accommodation and the Contractors' Village by no later than the Residence Termination Date.
- 5.2 The Contractor shall submit, to the Engineer, a signed agreement (in a form prescribed by the Engineer) between the Contractor and the Contractor's Resident or proposed Contractor's Resident in question (as applicable), in terms of which he accepts the provisions of **paragraph 5.1** above and undertakes to be bound thereby in favour of the Contractor and the Employer. The signed agreement shall be submitted together with each booking-in form referred to in **paragraph 3.3** above.

5.3 If a Contractor's Resident fails to vacate the Designated Accommodation and the Contractors' Village by the Residence Termination Date:

5.3.1 the Contractor shall be responsible for his eviction, including for the avoidance of doubt the institution of eviction proceedings in terms of the PIE Act and or ESTA (as applicable) or any other applicable Laws (as the case may be), and all associated legal and other costs;

5.3.2 the Contractor shall be liable for, and shall pay to the Employer, a residence fee of R2000 (two thousand Rand) per week or part thereof for such Contractor's Resident for the period for which the occupation continues beyond the Residence Termination Date.

5.4 The occupation fee provided for in **paragraph 5.3.2** above:

5.4.1 shall not relieve the Contractor from his obligation to evict the Contractor's Resident in terms **paragraph 5.3.1** above, or from any other duties, obligations or responsibilities which he may have under this Policy;

5.4.2 does not derogate from the Employer's other rights under the Contract; and

5.4.3 is in addition to any other amount payable by the Contractor to the Employer for the Designated Accommodation.

6. Employer and Engineer's Right of Entry

The Employer's Personnel may at all reasonable times and subject to reasonable notice enter the Designated Accommodation for purposes of inspecting the Designated Accommodation and/or for purposes of effecting such maintenance and/or repairs for which the Employer may be liable and/or deem fit.

7. Improvements and Alterations to Designated Accommodation by the Employer

7.1 The Employer may at any time effect such additions and/or improvements and/or alterations to the Contractors' Village including the Designated Accommodation as the Employer may deem fit provided that it shall use its reasonable endeavours to minimise any loss or inconvenience suffered by the Contractor's Resident as a result thereof.

7.2 Neither the Contractor nor the Contractor's Resident shall be entitled to any damages or compensation for any loss or inconvenience suffered as a result of any building operations effected by the Employer in accordance with the provisions of this clause.

8. Insurance

8.1 The Employer shall effect and maintain an Assets All Risks policy, in the name of the Employer and the Contractor (hereinafter "the Employer Insurance Cover"), in respect of the following at Contractors' Village:

8.1.1 Employer's buildings and improvements and other buildings and improvements for which the Employer is responsible (with a deductible of R5000 (five thousand Rand) in respect of each and every claim); and

- 8.1.2 Employer's fixtures, fittings and equipment (with a deductible of R500 (five hundred Rand) in respect of each and every claim).
- 8.2 The Contractor shall:
- 8.2.1 insure and keep insured, to the extent required by the Contractor, the Contractor's and/or Contractor's Residents contents in the Designated Accommodation or otherwise at the Contractors' Village; and
- 8.2.2 maintain adequate public liability insurance.
- 8.3 The Contractor shall not, and shall procure that the Contractor's Resident shall not, do or omit to do anything, or keep in or on the Designated Accommodation and/or the Contractors' Village anything or allow anything to be done or kept in or on the Designated Accommodation and/or the Contractors' Village, which in terms of the Employer Insurance Cover (or any other insurance policy held from time to time by the Employer in respect of the Designated Accommodation and/or the Contractors' Village) may not be done or kept on the Designated Accommodation and/or the Contractors' Village, or which may render any such policy void or voidable and the Contractor shall comply in all respects with the terms thereof. If any premium payable in respect of any such policy is increased as a result of the Contractor and/or a Contractor's Resident not complying with the aforesaid provisions then, without prejudice to any other rights which the Employer may have as a result of that breach, the Contractor shall pay that additional premium.

9. Maintenance

The Employer shall maintain the Designated Accommodation and all Common Areas in a fair state of repair (due regard to the condition thereof as at the commencement of the period of residence in question). Repairs attributable to the negligence or deliberate misconduct of the Contractor or any Contractor's Resident shall, however, be for the account of the Contractor.

10. Land & Service Charges

The Employer will be responsible for the payment of all Land & Service Charges Rates and Taxes to the local authority or supplier concerned. Any penalties or the like levied by reason of the Contractor's or Contractor's Resident's default shall, however, be for the account of the Contractor.

11. Sub-Letting

The Contractor shall not sub-let the Designated Accommodation to any Other Project Contractors or any other persons without the prior approval of the Engineer, which approval the Engineer may, in his sole discretion, withhold. Without limitation, neither the Contractor nor a Contractor's Resident may transfer the right to occupy the Designated Accommodation to any other person including any Other Project Contractor.

12. Signage

The Contractor shall not display any signage and/or advertising material on or about the Designated Accommodation without the prior approval of the Engineer.

13. Holding Over

While the Contractor or Contractor's Resident remains in occupation of the Designated Accommodation and irrespective of any dispute between the Employer and the Contractor and/or the Contractor's Resident, including a dispute as to the Engineer's right to withdraw his approval under **paragraph 2.2** above or the Contractor's or Contractor's Resident's right to use or occupy the Designated Accommodation, then:

- 13.1 the obligations of the Contractor and the Contractor's Resident under this Policy shall continue to apply and the Contractor shall continue to pay the amounts, if any, due to the Employer in terms of this Policy;
- 13.2 the Employer shall be entitled to recover and accept those payments; and
- 13.3 the acceptance by the Employer shall be without prejudice to and shall not in any manner whatsoever affect the Employer's or the Engineer's rights under this Policy or otherwise under the Contract.

14. Exclusion of Employer from Liability and Indemnity

- 14.1 Except for claims for additional Cost (and profit where so provided) or extension to the Time for Completion as expressly provided for under the Contract, and then subject always to Sub-Clause 20.1 of the Contract, the Contractor shall have no claim for damages or otherwise against the Employer (and may not withhold or delay any payment due to the Employer) by reason directly or indirectly of:
 - 14.1.1 any act or omission of the Employer, the Engineer or any agent or servant of, or contractor to, the Employer, or Engineer whether or not negligent, wrongful, or otherwise actionable at law in connection with the Designated Accommodation, the Contractors' Village and/or any part thereof, and including (without limiting the generality of the foregoing) any act or omission of any cleaner, maintenance person, handyman, artisan, labourer, workman, watchman, guard or caretaker;
 - 14.1.2 the condition or state of repair at any time of the Designated Accommodation, the Contractors' Village and/or any part thereof;
 - 14.1.3 any failure or suspension of, or any interruption in, the supply of water, electricity, gas, air-conditioning, heating, or any other amenity or service to the Designated Accommodation, the Contractors' Village and/or any part thereof, whatsoever the cause;
 - 14.1.4 any breakdown of, or interruption in the operation of, any machinery, plant, equipment, installation or system situated in or on, or serving, the Designated Accommodation, the Contractors' Village and/or any part thereof, and including (without limitation) any lift, geyser, boiler, burglar alarm or security installation or system, regardless of cause;
 - 14.1.5 any interruption of, or interference with, the enjoyment or beneficial occupation of the Designated Accommodation, the Contractors' Village and/or any part thereof caused by any building operations or other works to or in the Designated Accommodation, the Contractors' Village and/or any part thereof, whether by the Employer or by anybody else; or

- 14.1.6 any other event or circumstance whatever, occurring, or failing to occur, upon, in or about the Designated Accommodation, the Contractors' Village and/or any part thereof, whether or not the Employer could otherwise have been held liable for such occurrence or failure.
- 14.2 The Contractor hereby indemnifies the Employer against all liability to any Contractor's Personnel and any Contractor's Resident, guests and other invitees who may enter upon the Designated Accommodation, the Contractors' Village and/or any part thereof through or under the Contractor or a Contractor's Resident.



KUSILE POWER STATION

Employer Policies and Procedures Industrial Relations Policy

Section 4 Part 6.3

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1. Interpretation and Additional Definitions
 - 1.1 In this Industrial Relations Policy ("IR Policy"), in order to avoid confusion with usual employer and employee terminology for industrial relations, reference is made to "Eskom" rather than "the Employer" (as Eskom Holdings SOC Limited is referred to elsewhere in the Contract). The reference to Eskom herein is, however, analogous to "the Employer" under the Contract and includes the legal successors in title to Eskom Holdings SOC Limited under the Contract.
 - 1.2 The following additional definitions shall be referred to in the interpretation of this IR Policy:
 - 1.2.1 "Kusile IR Forum" means the forum referred to in **paragraph 6.2** of this IR Policy;
 - 1.2.2 "Kusile Stakeholder Forum" means the forum referred to in **paragraph 6.1** of this IR Policy.
 - 1.2.3 "Contractor's Consultative Forum" means the forum referred to in **paragraph 6.3** of this IR Policy;
 - 1.2.4 "Employee" means an individual employed by the Contractor or a Subcontractor in connection with the Works;
 - 1.2.5 "Industrial Action" means strikes, lock-outs, work stoppages, stay-aways, protests and demonstrations, go-slows, any organised disruption of work, and any other related actions;
 - 1.2.6 "Industrial Action Management Procedure" means the industrial action management procedure referred to in **paragraph 10** of this IR Policy;
 - 1.2.7 "LRA" means the Labour Relations Act, 66 of 1995, as amended from time to time; and
 - 1.2.8 "Project Labour Agreement" means the collective agreement referred to in **paragraph 13.1** of this IR Policy, as amended, varied, restated or novated in accordance with such agreement, or as substituted (as the case may be), from time to time

2. Introduction

The aim of this IR Policy is to promote good labour relations and practices and to facilitate the establishment of communication structures so as to ultimately ensure labour harmony for the Project Works.

3. Scope and Application

This IR Policy applies to the Contractor (including all Subcontractors) and all Other Project Contractors. For the avoidance of doubt, this IR Policy applies to labour brokers (being a temporary employment service as defined in section 198 of the LRA) and the Contractor shall ensure compliance with this IR Policy by all labour brokers engaged by the Contractor in connection with the Project Works.

Nothing in this IR Policy shall limit or derogate from the Contractor's responsibilities under the Contract or the Contractor's responsibilities to conduct its industrial relations effectively and efficiently.

4. The Engineer

The Contractor shall co-operate with the Engineer in relation to all industrial relations issues that may arise at the Project Site (and/or at other places, if any, as may be specified under the Contract as forming part of the Site) or in connection with the Project Works from time to time.

5. Contractor's Representative

5.1 The Contractor's Representative shall have all authority, qualifications and competence necessary to act on behalf of the Contractor in all industrial relations matters. If the Contractor's Representative is not himself so qualified and/or competent, he shall be assisted by a person who is competent and appropriately qualified in the field of industrial relations and readily available to attend at the Project Site. The Engineer shall, if the human resourcing for the Works justifies this, be entitled to require this assistant to be in the full-time employ of the Contractor and/or to be employed full-time at the Project Site.

5.2 The Contractor's Representative shall attend all meetings of the Kusile IR Forum and any other meetings which the Engineer convenes and requires the Contractor Representative to attend.

6. Communication and Co-ordination Forums

Recognising that regular and effective communication between all stakeholders may minimise the risk of labour disputes, the following forums shall be established and co-ordinated by the Engineer.

6.1 The Kusile Stakeholder Forum:

6.1.1 The Kusile Stakeholder Forum shall consist of:

6.1.1.1 the Engineer and other Employer's Personnel as required by Eskom or the Engineer from time to time;

6.1.1.2 the Contractor's Representative (or such other representative of the Contractor approved by the Engineer) and/or Other Project Contractors representatives as determined by the Engineer from

time to time; and

6.1.1.3 representatives from the local community as determined by the Engineer from time to time.

6.1.2 The purpose of the Kusile Stakeholder Forum is to provide a platform where issues arising from and/or pertaining to the Project Works which may impact on the local community, can be discussed.

6.1.3 The Kusile Stakeholder Forum shall meet once every quarter or otherwise as determined by the Engineer.

6.2 The Kusile IR Forum:

6.2.1 The Kusile IR Forum shall consist of:

6.2.1.1 the Engineer and other Employer's Personnel as required by Eskom or the Engineer from time to time; and

6.2.1.2 the Contractor's Representative and the representatives of all Other Project Contractors engaged in the Project Works at the Project Site at the time.

6.2.2 The Kusile IR Forum shall meet once every two months or otherwise as determined by the Engineer.

6.2.3 The purpose of the Kusile IR Forum is to establish a platform where:

6.2.3.1 the participants may discuss and agree a co-ordinated approach to industrial relations issues pertaining to the Project Works;

6.2.3.2 potential industrial relations problems and possible solutions may be discussed; and

6.2.3.3 ideas may be exchanged and recommendations may be made for action on industrial relations issues.

6.2.4 To the extent not provided for in the Project Labour Agreement, the Contractor shall co-operate with Other Project Contractors, as required and facilitated by the Engineer, and use his best endeavours to agree on a co-ordinated, harmonised approach to industrial relations at the Project Site (and/or at other places, if any, as may be specified under the Contract as forming part of the Site).

6.3 Contractor's Consultative Forum:

6.3.1 To the extent the Contractor does not otherwise have a similar forum in place, he shall establish an in-house consultative forum for purposes of ensuring regular and effective communication with Employees.

6.3.2 The Contractor shall take the necessary steps to ensure that the Contractor's Consultative Forum remains effective and functional for the duration of the Works at the Project Site (and/or at other places, if any, as may be specified under the Contract as forming part of the Site).

6.3.3 The Engineer shall be entitled to audit the effectiveness of the

Contractor's Consultative Forum from time to time. The Engineer shall furthermore be entitled to attend meetings of the Contractor's Consultative Forum and shall have observer status at such meetings.

6.3.4 Copies of the minutes of the meetings of the Contractor's Consultative Forum shall be furnished to the Engineer within 7 days of each meeting.

6.4 Nothing in this IR Policy shall prevent the establishment of other forums aimed at the minimisation and/or resolution of labour disputes in connection with the Project Works.

7. Compliance with Collective Agreements and Other Wage Instruments

In addition to the Contractor's obligation to comply with applicable Law under the Contract, the Contractor shall comply with all industry regulated and other collective agreements and/or other wage instruments applicable to the Contractor from time to time.

8. Industrial Relations Policies and Procedures

8.1 Eskom requires the Contractor to have sound industrial relations policies and procedures in place to ensure that any industrial relations issues are resolved amicably and expeditiously. These industrial relations policies and procedures shall be fair and shall conform to applicable Law. Subject to the foregoing, Eskom recognises that the Contractor has his own industrial relations policies and procedures and the Contractor shall comply therewith and shall manage his industrial relations to ensure that industrial relations disputes are minimised and/or effectively resolved.

8.2 The Engineer shall be entitled to monitor compliance by the Contractor with his industrial relations policies and procedures. The Engineer may at any stage conduct an audit and request production of the Contractor's and/or any Subcontractor's industrial relations policies and procedures, including the Contractor's or Subcontractor's wage records and any other employment-related document, in order to establish whether this IR Policy is being observed and standards complied with. The Contractor shall co-operate, and shall procure that his Subcontractors co-operate with the Engineer in this regard.

9. Organised Labour

9.1 The Contractor shall ensure that shop stewards are at all relevant times in possession of their trade union credentials.

9.2 Shop stewards shall be required to carry out their duties in accordance with the applicable Laws and/or agreements. Where shop stewards act outside of the scope of their duties, the Contractor shall take the necessary steps to remedy this.

9.3 The Contractor shall supply his recognised shop stewards with the required facilities. Such facilities shall be supplied close to but not on the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site). The provision of facilities shall furthermore have full regard to the need to minimise any detrimental effect on productivity.

9.4 Mass meetings or report-back meetings between shop stewards and Employees will not be allowed on the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site). The venue of such meetings must be arranged with the Engineer with full regard to the need to avoid disruption to the Works and the Project Works.

10. Industrial Action Management Procedure

10.1 The Contractor shall deal with Industrial Action at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) effectively. To this end, the Contractor shall:

10.1.1 put in place an Industrial Action Management Procedure to deal with all forms of Industrial Action at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) which shall include a comprehensive strike management plan, including in this regard, provision for a strike management committee, a communications plan and picketing rules plan. No picketing shall be permitted at the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site);

10.1.2 submit the Industrial Action Management Procedure to the Engineer prior to commencing work at the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site, as applicable);

10.1.3 ensure that all its managers and supervisors are conversant with the provisions of and properly trained on the Industrial Action Management Procedure;

10.1.4 immediately inform the Engineer of any actual or potential Industrial Action and/or demand (whether verbal or in writing) by its employees and/or any trade union acting on their behalf; and

10.1.5 keep the Engineer fully informed of all developments during any Industrial Action or anticipated or potential Industrial Action.

10.2 The Contractor shall furthermore submit a comprehensive Industrial Action report to the Engineer as soon as possible, but in any event by no later than 7 days after any Industrial Action. The Industrial Action report shall include the following details:

10.2.1 the reason/s for the Industrial Action;

10.2.2 the Employees' demands prior to and during the Industrial Action and management's response;

10.2.3 a complete Industrial Action diary detailing the actions, meetings and decisions of the Contractor;

10.2.4 the man-hours lost (if any) per category, including supervision and management; and

10.2.5 the resolution or settlement reached.

10.3 The Contractor shall ensure that it has adequate human resources personnel who are properly qualified and authorised to manage and resolve any Industrial

Action or potential Industrial Action. These personnel shall be available at the Project Site whenever required.

- 10.4 To the extent not provided for in the Project Labour Agreement, where Industrial Action impacts or may impact the Project Works and involves the Contractor and one or more Other Project Contractors, the Contractor shall, as required and facilitated by the Engineer, co-operate to form an Industrial Action management forum to assist in the management of the Industrial Action.

11. Recruitment and Payment

- 11.1 The Contractor's recruitment policies and procedures shall be fair and shall not unfairly discriminate against any person or group of persons. The Engineer shall be entitled to inspect the Contractor's recruitment policies and procedures, as well as any records pertaining to pre-selection checks, upon request.
- 11.2 No recruitment shall take place (whether directly or indirectly and whether by the Contractor, a labour broker or a third party) at the Project Site, at any other places, if any, as may be specified under the Contract as forming part of the Site and/or at any accommodation provided by the Employer, or within a 1km radius of the Project Site or any such other places or accommodation. Similarly, no payment in cash of salaries or wages shall take place (whether directly or indirectly) and whether by the Contractor, a labour broker or third party) at the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site). For the avoidance of doubt, this restriction shall not prevent the issuing of payslips or other written confirmation of payment at the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site).
- 11.3 Where possible, and subject to the availability of required skills, the Contractor shall recruit persons from the local community. For the purpose hereof "local community" refers to persons ordinarily resident within a 40km radius of the Project Site. If a centralised recruitment centre is established (whether by Eskom or the Department of Labour), the Contractor shall be required to source persons from the local community via this recruitment centre.

12. Industrial Relations Training

- 12.1 The Contractor shall, at his cost, provide Project specific industrial relations training to his Employees, which training shall include, among other things:
- 12.1.1 the objectives of the Contractor pertaining to the Project; and
- 12.1.2 the specific conditions of employment relating to Employees as contained in the applicable collective agreements/wage instruments (if any).
- 12.2 To promote the understanding and acceptance among Employees of the industry in which they fall, the industrial relations system that applies to them and their terms and conditions of employment, the Contractor shall furnish them with the following in writing:
- 12.2.1 the main provisions of their particular terms and conditions of employment (wage rate, working hours, etc);
- 12.2.2 an outline of the collective bargaining system where applicable and communication channels pertaining to them;

- 12.2.3 a summary of the Contractor's primary industrial relations procedures including its grievance procedure, disciplinary code and procedure, etc; and
- 12.2.4 any other information which may be appropriate.
- 12.3 No Employee will be allowed to work on the Project Site (or at any other places, if any, as may be specified under the Contract as forming part of the Site) without having undergone this industrial relations training. The Contractor shall be required to keep, and make available to the Engineer on request, a written record of the attendance of his Employees at such training.
- 12.4 The Engineer may, however, dispense with some or all of the requirements of this **paragraph 12** if he is satisfied that the Contractor has achieved the same end by other means and/or if he is satisfied that the provisions of this **paragraph 12** are not required having regard to the nature of the Works.
13. The Project Labour Agreement
- 13.1 There is a Kusile Project Labour Agreement in effect for the Kusile Project.
- 13.2 The signatories to the Project Labour Agreement are:
- 13.2.1 South African Federation of Civil Engineering Contractors ("SAFCEC")
- 13.2.2 Construction Engineering Association of South Africa ("CEA (SA)")
- And
- 13.2.3 National Union of Mine Workers ("NUM")
- 13.2.4 Building Construction and Allied Workers Union ("BCAWU")
- 13.2.5 MWU Solidarity ("Solidarity")
- 13.2.6 Union Association of South Africa ("UASA The Union")
- 13.2.7 National Union of Metal Workers of South Africa ("NUMSA")
- 13.2.8 South African Equity Workers Association ("SAEWA")
- 13.2.9 Metal Electrical Workers Union of South Africa ("MEWUSA")
- 13.3 The Project Labour Agreement, which is endorsed by Eskom, regulates a variety of industrial relations matters in respect of the Project and is aimed, *inter alia*, at the harmonisation of industrial relations on the Project.
- 13.4 The Project Labour Agreement applies to employees in the "bargaining unit". The bargaining unit only includes those employees listed in schedules M and N of the PLA. These employees are, generally speaking, hourly paid wage earners in various categories of employment.
- 13.5 The PLA is a collective agreement as contemplated in the LRA. By virtue of section 23 of the LRA, the Project Labour Agreement is automatically binding on the Contractor if he is a member of SAFCEC or CEA (SA), or any other signatory party to the Project Labour Agreement for that matter. As a member, the Contractor is obliged to comply with the PLA with effect from 14 January 2009. The Project Labour Agreement is likewise binding on all Subcontractors who are members of these signatory parties.
- 13.6 To the extent that the Contractor and/or any Subcontractor is not a member of SAFCEC or CEA (SA) (or any other signatory party to the Project Labour

Agreement), or to the extent the Project Labour Agreement is not otherwise binding on the Contractor or any Subcontractor by operation of applicable Law, the Engineer may, at any time, instruct the Contractor and/or any Subcontractor to comply with all or any part of the terms and conditions of the Project Labour Agreement in relation to the execution of the Works at the Project Site. The Project Labour Agreement shall, pursuant to such instruction and for the purpose of Sub-Clause 13 of the Contract [*Adjustments for Changes in Legislation*], be considered to become and be so binding on the Contractor and/or such Subcontractor by operation of the Laws of the Country.

- 13.7 The Contractor shall whether the Project Labour Agreement is binding by operation of Law or by virtue of an instruction (except to the extent otherwise specifically approved by the Engineer in writing):
- 13.7.1 ensure that Employees on the Project Site that fall within the bargaining unit referred to in 13.4 above undertake, in writing, to be bound by the PLA; and
- 13.7.2 not employ on the Project Site any person falling within the said bargaining unit who has not signed such undertaking.
- 13.8 To the extent that the Project Labour Agreement is due to expire or is otherwise terminated at any time prior to the issue of the Taking-Over Certificate for the Works (or the last Section if the Works are divided in Sections), the Contractor shall, through the collective bargaining organisations applicable to the industry in which the Contractor operates (and together with Other Project Contractors, as applicable), endeavour to negotiate an extension or renewal of the Project Labour Agreement prior to its expiry or to conclude a new collective agreement if the Project Labour Agreement is terminated for any reason. In this regard, the Contractor shall use his best endeavours to include the following in any such agreement:
- 13.8.1 an expedited dispute resolution mechanism in order to address industrial relations issues and to avoid Industrial Action;
- 13.8.2 the establishment of appropriate communication structures to minimise labour disputes;
- 13.8.3 appropriate working arrangements related to the Project Works;
- 13.8.4 standard wage rates applicable to general workers whose wage rates are not regulated by collective agreement or any other wage regulating instrument; and
- 13.8.5 any other measure by which labour disputes may be minimised and/or avoided.

Note to tenderers: If the tenderer contends that he is **not** bound by the Project Labour Agreement in relation to the execution of the Works at the Project Site by operation of the Laws of the Country (i) this must be expressly indicated in the Tender, with detailed particulars as to why it is not binding (failing which the Tenderer shall be considered to have tendered on the basis that the Project Labour Agreement is so binding) and (ii) the tenderer must clearly identify (with full supporting particulars) the additional Cost, if any, to be incurred in complying with the Project Labour Agreement should the Engineer require such compliance.