

PARTNERSHIP FOR ESKOM TRANSMISSION INFRASTRUCTURE PROJECTS



TRANSMISSION PROJECT DELIVERY PROJECT STABILITY

(EPC) SUPPLIER ENGAGEMENT FORUM

14 JULY 2023





**SA is experiencing a socio-economic landscape that is characterised by high unemployment and poverty
This challenge is resulting to unrealistic expectations when infrastructure projects are
executed across the country
Eskom's infrastructure programme has seen numerous acts of instability from the
communities it operates from which has put the safety of personnel and equipment at risk**



CAUSE

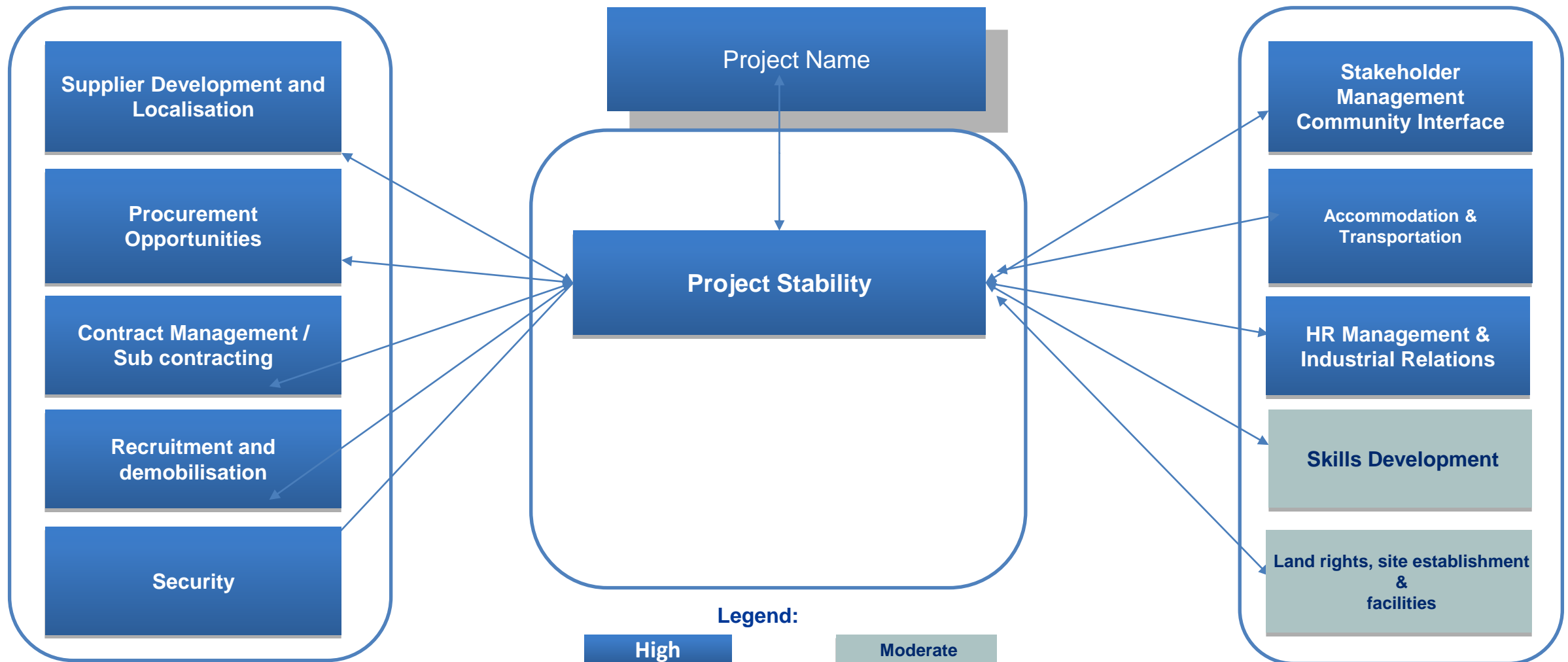
- Misalignment on expectations (Eskom/Contractor/Community)
- Lack of integration on interdependent Stability initiatives and accountability



CAUSE

- Delayed projects completion.
- Failure to complete projects
- Cost Escalations

Key Stability Issues



The key deliverables are:

- Pro-actively disclose clear, comprehensive and timely information on project stability activities aimed at achieving business objectives
- Being responsive to project interests and concerns & maintain on-going communications & guidance to enhance project stability

Project Stability Business Intent

Mandate

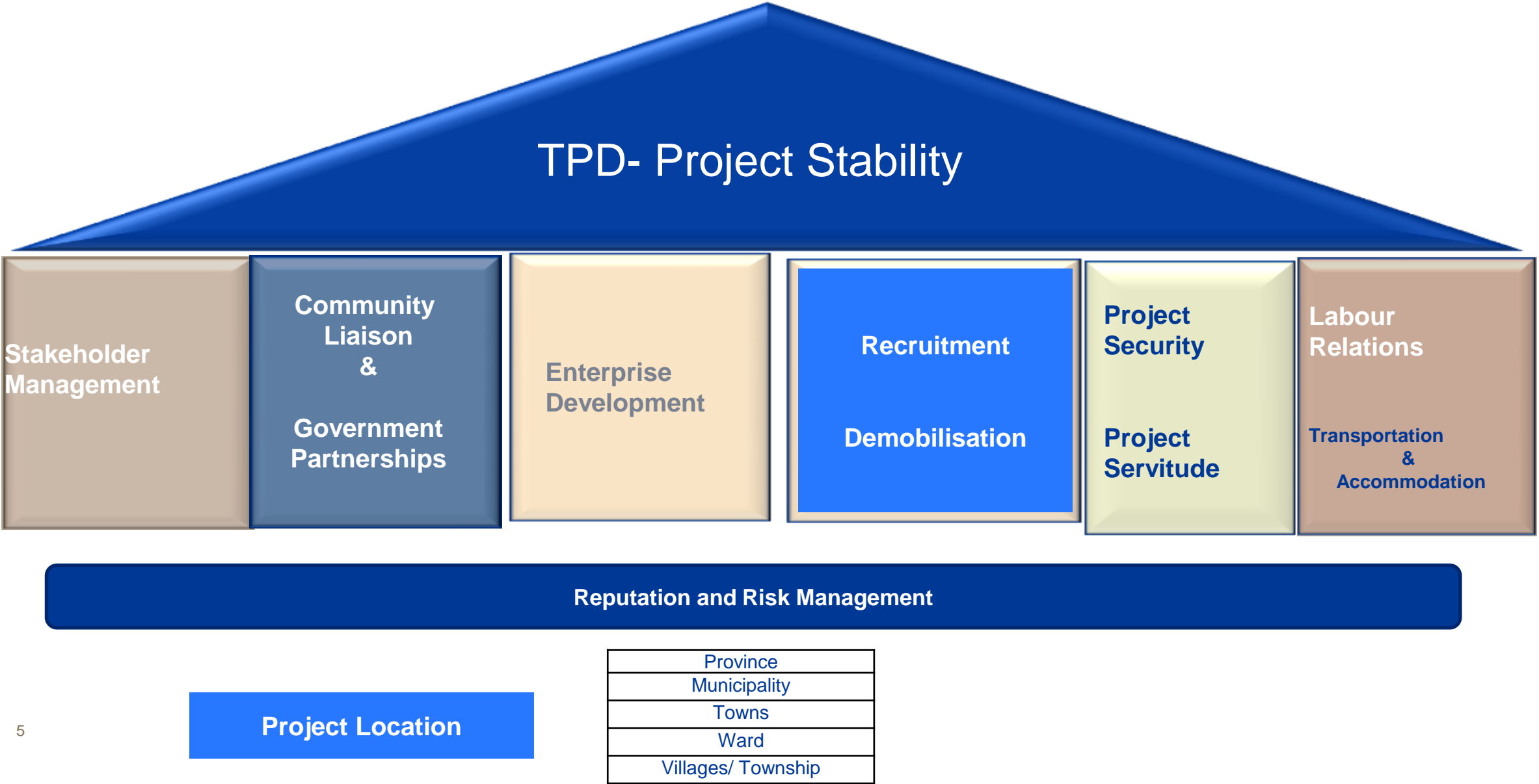
To facilitate variables that enable the Eskom projects to have an ability to absorb and be resistant to disruptions without hindrances to project outcomes, resulting to project resistance and balance

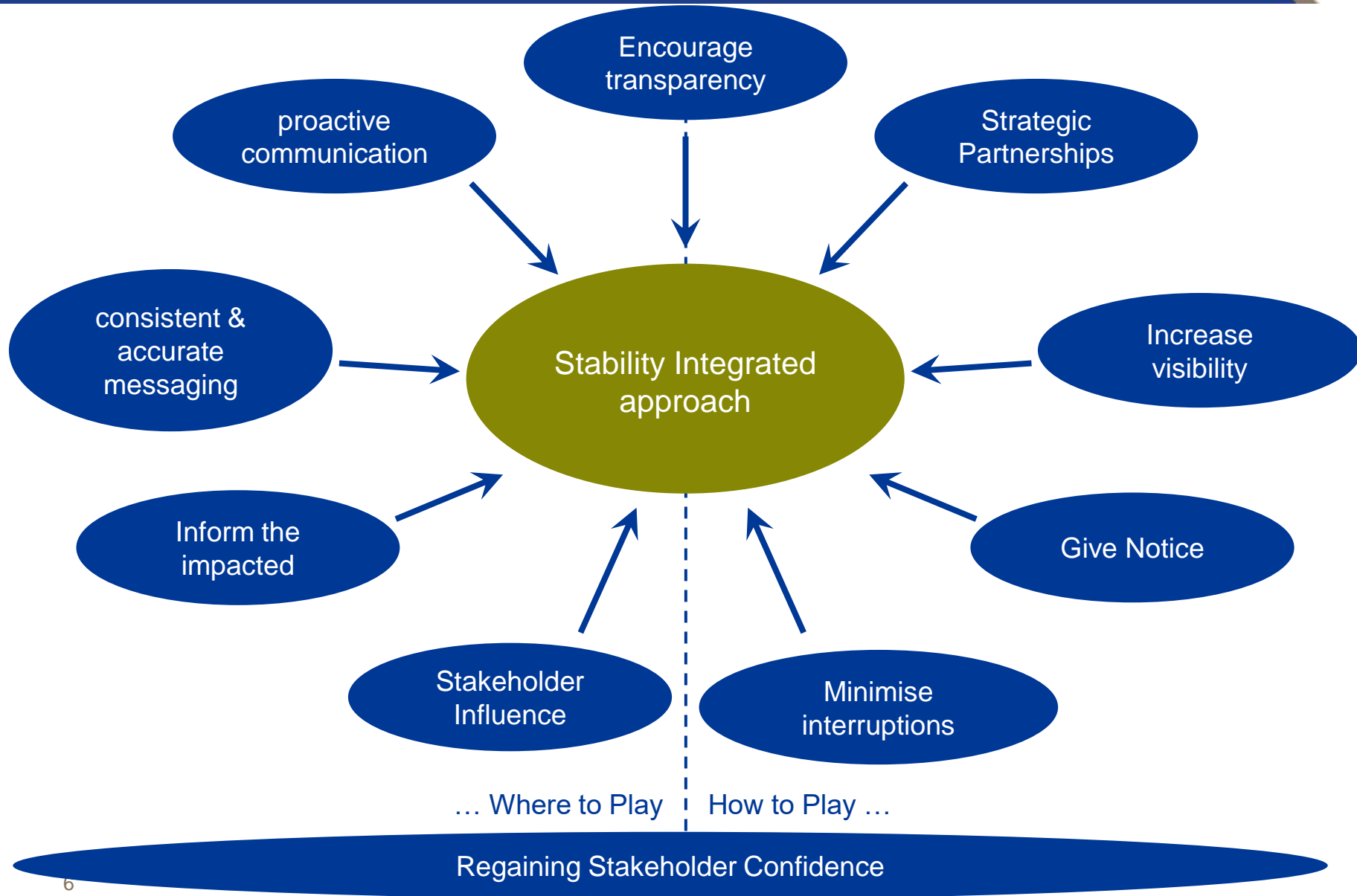
To forge strategic partnerships and establish an Effective Stakeholder management programme that inculcates, trust with different role players aimed at Designing and implementing an Effective and Holistic Risk Management Strategy to manage the Stability Risks on the project.



Stability Guideline

The establishment and maintenance of a Labour Relations Framework containing pertinent labour relations aspects that the contractors are required to establish and implement to regulate and facilitate fair and sound labour relations practices on the project.





PROJECTS STABILITY IMPROVEMENTS BUSINESS MODEL

Project Security

- Strategy of deterrence, detection and response
- A hybrid model of an in-house, contracted security work force & partnership with SAPS
- Conclusive Security risk assessment with continuous environmental scanning (Physical guarding, tactical response and threat management)
- Local Security Management System (LSMS) develop local solutions
- Security awareness inculcating a pro-security culture

Stakeholder Management

- Establishment of Strategic partnerships to drive the project agenda
- Stable labour relationships
- Stakeholder Collaboration & relationship building for risk management
- Manage industrial action and community unrest
- Stakeholder Collaboration
- Environmental scanning, intelligence gathering & analysis
- Strategic Campsite Site location,
- Social facilitation for buy-in,
- Manage political interference
- Lobby leaders & Communities
- Special interest groups

Socio Economic Intervention

- Community partnership by leveraging on project benefits of socio-economic contribution of job creation and local SMME development
- Inclusion and development of local SMME's.
- Communication of available subcontracting opportunities and compliance
- Approach that encourages procurement according to local to site definition.
- Workshop on Expression of Interest and how to do business with Eskom/Contractor to be conducted
- Use visible & agreed communication tools

Support of operational requirements

- Establish & Alignment of participative structures to influence positive attitude and lobby for project activity support
- Avoidance of employees and infrastructure vulnerability

Responsive to project stoppages

- Approach on emergency preparedness
- Establishment of response team
- Timeous tracking & resolution of prevailing issues

Project Stability Set up

Stability Requirements	Contractor Employment System	Conditions of service	Employee Management
Stakeholder management guideline & Community Liaison protocol	Employers Policies or Procedures for employee	Contractor Resource Plan	Contractor Industrial Relations Policies, Procedures and Standards
Methodology for issue and incident management	A guideline on recruitment & demobilisation	A clear indication on which bargaining council(s) will have jurisdiction over the contractor and its subcontractors	Required stability personnel appointment
Project Communication Protocol	Termination of Contract and Removal from Site,	Employment alignments process of employee rates with subcontractor's within the same site	Contractor Induction Programme which includes project stability
Media Management, Spokesperson guideline,	Use of Temporary Employment Services	Pro Forma of Limited Duration Contract	Engagement Forum the Contract Plans to implement
Project Branding Protocols that include project Signage, Uniform and Vehicles	Industrial Action Management Procedure	Inclusion of suitably licensed transportation to and from the Project Site employees, incorporating localisation and empowerment of local transport associations/industry	Employees issue management process

Tenders should, at the tender award stage, be required to submit the following undertakings:

- a) The tenderer undertakes to facilitate and participate in the project stakeholder management platforms as per the stability schedule given agreed upon with Eskom.
- b) The tenderer is undertaking to show its commitment to the social upliftment of communities where the project is executed through job creation, skills transfer, local (EME 1/2 / QSE 1/2) inclusion, and execution of the allocated project budget to Corporate Social investment initiatives and will co-operate with the Eskom project stability practitioner in this regard.
- c) If successful, the tenderer undertakes to conduct an “expression of interest workshop” aimed at introducing the project to local businesses, outlining project commodities for subcontracting and (EME 1/2 / QSE 1/2) onboarding before site establishment
- d) The tenderer undertakes to use local taxi association to transport their employees to site as part of localization. It is thus recommended to use the local taxi association rates when pricing for the contract employee’s transportation, as the Employer will not re-imburse the Contractor any additional moneys should a need arise during works implementation.

Project Stability undertakings, and commitments will form part of contractual obligations

STABILITY REQUIREMENTS AT CONTRACTING

Documents	Tick
Contractor Resource Plan	
Stakeholder management guideline & Community Liaison protocol	
Methodology for issue and incident management	
A signed copy of the Project Communication Protocol reflective of Media Management, Spokesperson guideline, Project Branding Protocols that include project Signage, Uniform and Vehicles	
Media Management, Spokesperson guideline,	
A signed copy of Employers Policies or Procedures for employee recruitment & demobilisation reflecting, Termination of Contract and Removal from Site, Use of Temporary Employment Services, Employment Bargaining council used and alignments process of employee rates with subcontractors within a site, Recruitment advertisements	
Industrial Action Management Procedure	
Pro Forma of Limited Duration Contract	
Project social upliftment of strategy that reflects job creation, skills transfer, local (EME 1/2 / QSE 1/2) inclusion, and execution of the allocated project budget to Corporate Social investment initiatives and expression of interest workshop.	
Friday, July 14, 2023	

The following is required:

- a) The suppliers shall submit report to Eskom as per the weekly and monthly report template to ensure their compliance with the Project Stability Obligations described above.
- b) Eskom shall review the Project Stability reports submitted by the suppliers on receipt of the reports and notify the suppliers in writing if their Project Stability obligations have not been met.
- c) Upon notification by Eskom that the suppliers have not met their Project Stability obligations, the suppliers shall be required to implement corrective measures to meet those obligations before the commencement of the following report, failing which Retention clauses shall be invoked.
- d) Every contract shall be accompanied by the Project Stability Implementation Schedule, which must be completed by the suppliers and returned to Project Stability Representative for acceptance 28 days after contract award.



Thank you