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| **Description/ Scope of Work** | HV Line Construction |
| **Duration of the Project** | 5 years (as and when required) |

**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.

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| **B-BBEE Status Level of Contributor** | **Number of points****(90/10 system)** | **Number of points****(80/20 system)** |
| 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 / CIPC affidavit
* Proof of ownership / shareholding (preferably CIPC documentation) inclusive of shareholding breakdown
* Certified ID copies of shareholder(s)
* Proof of Disability (where applicable)
* In a case of a trust, consortium or joint venture (including incorporated consortia and joint ventures), a consolidated B-BBEE status level verification certificate.

**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

**Section 2: Objective Criteria**

***It is the end-user’s responsibility to ensure the execution of this step prior project specific agreement issue.***

**2.1 Designated Sectors**

Designation will be determined at project specific agreement stage for each project prior issue. Where designated sectors will be applicable, the contractor will be required to submit SBD 6.2 Declaration Form and Annex C (Local Content Declaration-Summary Schedule) prior to project specific agreement issue. This is mandatory.

**2.2 Mandatory Subcontracting as Condition Of Award (Projects >R30million)**

Applicability of mandatory subcontracting of 30% will be determined at project specific agreement stage, this will be applicable to projects that are >R30m.

**2.3 Mandatory CIDB Skills Development**

Construction Skills Development Goal (CSDG) will be applicable to projects that are R60m and above at project specific agreement stage.

**Section 3:** **SDL&I Objectives in line with Reconstruction and Development Programme (RDP) Goals**

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| 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 |
| **3.1 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**3.2 Local Procurement Content**Local Procurement Content refers to value added in South Africa by South African resources. This contract only involves local goods and/or services, thus, local procurement content is **100%**.**3.3 Procurement spend on entities with a minimum 51% black ownership*****It is the end-user’s responsibility to ensure the execution of this step prior* project specific agreement *issue.***Successful tenderers will be required to contribute to supplier development, through subcontracting, by transferring skills to LIMLANGA Cluster (Mpumalanga), Electrification / MV Line construction contractors as follows:Subcontract the construction of 1km (**on projects that are 5kms and above**), with the guidance and supervision of the main contractor.The subcontractors will be those on the list to be made available by SDL&I through the Project Manager. The main contractor shall only approach subcontractors outside this list, in the event that those on the list are not available.**Completion Certificates**The main contractor will be required to issue a completion certificate to the subcontractor indicating the length and name of the line completed by the subcontractor under the main contractor, the completion certificate MUST be signed by the main contractor, the subcontractor and signed off by Eskom’s representative / Project Manager.**Selection Criteria of Subcontractors: (Buyer to note that this information is for strategy approval and not to be published in the invitation to tender)****Criteria**Contractors on the list for HV line construction development will be those who have met the following criteria:**Electrification / MV Line Construction Contractors*** Must have executed a minimum of two Electrification / two MV Line construction projects
* CIDB grade 4EP
* Have tools and equipment (including vehicles and crane truck) **owned** by the entity
* Have at least four teams with Authorised, Outcome 3, Responsible Person, available for the duration of the development program.

**Procurement Spend on Designated Groups:**Activities, as a proportion of the local procurement content:* 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, which may be subcontracted to designated black owned enterprises

**Procurement spend on designated groups must be submitted in the table below.**

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| **Procurement from Designated Group** | **Tenderer’s Procurement %** |
| Procurement from EME/QSE black owned  | To be indicated at task order stage |
| Procurement from EME/QSE black youth owned | To be indicated at task order stage |
| Procurement from EME/QSE black women owned | To be indicated at task order stage |

Note: The contractor is to first prioritise areas local to site when sourcing, then move outward to the rest of the province and the country.**3.4 Job Creation*** Tenderers will be required to indicate the number of jobs created and or retained for each project (task order).
* Communities based local to site (areas around site) should be prioritised for employment and all unskilled labourers sourced from areas local to site.
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**Section 4: SDL&I Penalty and Performance Security**

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| Eskom will apply a penalty of 2.5% of the invoice amount for failure to meet SDL&I obligations. |
| 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.
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**Section 5: Reporting and Monitoring**

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| * The suppliers shall on a quarterly basis submit a report to Eskom in accordance with Data Collection Template on their compliance with the SDL&I obligations described above.
* Eskom shall review the SDL&I reports submitted by the suppliers within 30 (thirty) days of receipt of the reports and notify the suppliers in writing if their SDL&I obligations have not been met.
* Upon notification by Eskom that the suppliers have not met their SDL&I obligations, the suppliers shall be required to implement corrective measures to meet those SDL&I obligations before the commencement of the following report, failing which Retention clauses shall be invoked.
* Every contract shall be accompanied by the SDL&I Implementation Schedule, which must be completed by the suppliers and returned to SDL&I representative for acceptance 28 days after contract award. This will be used as a reference document for monitoring, measuring and reporting on the supplier’s progress in delivering on their stated SDL&I commitments
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**Section 6: General Information on Validity of Sworn Affidavits**

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| 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.
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| Name of tenderer:  |  |  |
| Tenderer representative:Representative signature: |  |  |
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| Date:  |

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