



## **Briefing Note: Eskom Safety Health and Environmental Requirements for the Commercial Process**

This briefing note provides guidance on the requirements for the effective management of SHE tender evaluations in Eskom, as will be contained in the standard 32-726 Eskom Safety, Health and Environmental requirements for the Commercial Process, which is currently under review. The aim of this briefing note is to ensure alignment with Eskom's Procurement and Supply Chain Management process. Occupational Health and Safety requirements shall be applied uniformly and consistently throughout all commercial activities, however these have to be applied in line with the minimum safety-related requirements that apply to the particular purchase/service listed in Appendix A attached hereto.

It should be noted that the 80% gatekeeper requirement contained in 32-726 no longer applies to the SHE requirements. In line with the PPPFA (Preferred Procurement Policy Framework Act), the thresholds that are permissible are those of functionality and local content. Consequently, SHE will form part of the functional threshold.

The following approach must be taken during the tender enquiry and contract awarding stage:

1. Prior to the tender enquiry stage, SHE functionaries must be part of the multidisciplinary cross-functional team responsible for developing the contract strategy, with the purpose of ensuring that SHE requirements are adequately addressed.
2. The relevant project manager must ensure that a project-specific SHE specification is compiled for each tender enquiry.
3. A project-specific risk assessment conducted by the project manager and the SHE professional should form part of the SHE specification during the tender enquiry stage.
4. The applicable contract-specific/scope-of-work-specific SHE requirements must be aligned to the project as far as is reasonably practicable.
5. The SHE requirements shall take into consideration the specifically identified categories of services or products.
6. The categories of supply or services, for which safety criteria must be included as part of functionality, are set out in the attached Appendix A.
7. If the minimum SHE non-negotiable requirements as stipulated in the enquiry documents are not met, the supplier shall not proceed to the next stage of the commercial process.



### **SHE basic conditions for the tender stage**

- Minimum SHE requirements must be in line with the services/works categories.
- SHE requirements may not be incorporated into tenders as a stand-alone threshold.
- The only thresholds that are permissible within the PPPFA Framework are those of functionality and local content. SHE will therefore form part of the functionality threshold.
- The SHE criteria contained under functionality for high risk category must be mandatory and NON-NEGOTIABLE, and be the core of the proper functioning of the product/service. An “**all or nothing**” approach shall be applied to the SHE criteria for functionality. This means that the supplier must fulfil/meet **ALL** the stipulated criteria to score the full complement of points.
- The inclusion of SHE criteria for medium risk category as part of the functionality threshold must be determined by the cross-functional team, in consultation with a SHE functionary, while low risk category criteria should not form part of the functionality threshold, but must be included as an objective criteria.
- For low risk category or any other SHE requirements beyond the specified minimum non-negotiable SHE requirements which are discretionary and pertain to the work(s), shall be treated as an objective criterion and must be included as a pre-requisite for contract award.
- Where safety is a sub criterion under functionality, it must have a minimum weighting of 30%. Anything less will have a diluted effect on the overall threshold.
- SHE must be comprehensively addressed at the clarification meetings.
- At the contract-awarding stage of the tender, an Eskom Section 37(2) agreement must be completed between the supplier and the Eskom representative.

**To view the Commercial SHE Requirements for the Eskom Commercial Process**

**Standard (32-726), please visit the hyperwave link below;**

<https://hyperwave.eskom.co.za/0x936e3246 0x04db46b3>

**All divisions are expected to be fully compliant from 15 June 2014.**

**For any enquiries please contact Diane Maunatlala at 0118003443 or Robin Pillay at 0118003783.**

## Appendix A

High risk	Medium risk	Low risk
<b>1. Construction-</b> <ul style="list-style-type: none"> <li>• Construction work</li> <li>• Installation of equipment e.g. Transformer</li> <li>• Outage work</li> <li>• Working at heights</li> <li>• Demolition work</li> <li>• Excavation work</li> <li>• Blasting</li> <li>• Scaffolding</li> <li>• Building and modification of infrastructure</li> <li>• Lifting equipment</li> <li>• Support work</li> <li>• Tunneling work</li> <li>• Batch plant</li> <li>• Explosive power tools</li> <li>• Civil work</li> <li>• Construction vehicle and mobile plant</li> </ul> <b>2. Maintenance work e.g.</b> <ul style="list-style-type: none"> <li>• Live lines</li> <li>• Ashing or emergency ashing</li> <li>• Coal lashing</li> <li>• PF leaks</li> <li>• Boiler maintenance</li> <li>• Transformer maintenance</li> <li>• Electrical switching</li> <li>• Crane operation</li> <li>• Sandblasting</li> </ul> <b>3. Transportation</b> <ul style="list-style-type: none"> <li>• Employee transportation</li> <li>• Coal transportation</li> <li>• HAZ chemical and dangerous goods transportation</li> <li>• Equipment transportation</li> <li>• Driving</li> </ul>	<b>1. Maintenance</b> <ul style="list-style-type: none"> <li>• Vehicle maintenance</li> </ul> <b>2. Transportation</b> <ul style="list-style-type: none"> <li>• Medical waste transportation</li> </ul> <b>3. Services</b> <ul style="list-style-type: none"> <li>• Emergency services</li> <li>• Technical consulting</li> </ul>	<b>1. Low risk (include work not conducted at heights)</b> <ul style="list-style-type: none"> <li>• Labour broking or providing (admin/office) based staff members</li> <li>• Cleaning services (not conducted at heights)</li> <li>• Gardening or landscaping</li> <li>• Supplying and maintenance of electronic equipment ( e.g. iPads, phones, computers, laptops, screens)</li> </ul> <b>2. Manufacturing: Product Supply and Delivery</b> <ul style="list-style-type: none"> <li>• Consumables and other miscellaneous items</li> <li>• Non-hazardous waste transportation</li> </ul> <b>3. Services</b> <ul style="list-style-type: none"> <li>• Consulting and auditing (admin based)</li> <li>• Training</li> <li>• Event management (performing structural erection)</li> </ul>

<ul style="list-style-type: none"> <li>• Heavy-duty transport and rigging</li> </ul> <p><b>4. Manufacturing: Product Supply and Delivery</b></p> <ul style="list-style-type: none"> <li>• Conductors</li> <li>• Scaffolding</li> <li>• MV motors</li> <li>• Handling of Transmission /Distribution poles</li> <li>• Electricity</li> </ul> <p><b>5. Services</b></p> <ul style="list-style-type: none"> <li>• Security</li> <li>• Consulting (not office-based) i.e. engineers working on site or individuals with access to site</li> </ul> <p><b>6. Vegetation management</b></p> <ul style="list-style-type: none"> <li>• Tree felling</li> <li>• Bush clearing</li> </ul> <p><b>7. Other works, e.g.</b></p> <ul style="list-style-type: none"> <li>• Diving or where work is executed in/on /around water and there is a risk of drowning</li> <li>• Working at ash dams</li> <li>• Working with asbestos material</li> </ul>		
<p><b>Corresponding non-negotiable minimum SHE requirements that tenderers have to address and respond to when during the tender process</b></p>		
<ul style="list-style-type: none"> <li>• A baseline risk assessment</li> <li>• H&amp;S costing</li> <li>• Competency</li> <li>• Acknowledgement of Eskom's rules &amp; requirements</li> <li>• Health and Safety Plan</li> <li>• Valid Letter of Good Standing</li> <li>• Medical</li> <li>• SHE policy</li> </ul>	<ul style="list-style-type: none"> <li>• A baseline risk assessment</li> <li>• H&amp;S costing</li> <li>• Competency</li> <li>• Acknowledgement of Eskom's rules &amp; requirements</li> <li>• Health and Safety Plan</li> <li>• Valid Letter of Good Standing</li> <li>• Medical</li> <li>• SHE policy</li> </ul>	<ul style="list-style-type: none"> <li>• Risk assessment</li> <li>• Acknowledgement of Eskom's rules &amp; requirements</li> <li>• Health and Safety Plan</li> <li>• Valid Letter of Good Standing</li> <li>• SHE policy</li> </ul>



For any other works that are not included in the above categories, a risk assessment must be conducted by the project manager/project leader/contract manager/end user together with the responsible SHE functionary in order to apply the correct supplier risk category.

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Sustainability Systems

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