**ANNEXURE J**

**Section 1: Criteria for Preferential Procurement**

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| SD&L will apply the following pre-qualification criteria as envisaged in PPPFA 2017 regulation 4 |
| |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | 1. **Minimum BBBEE status level of contributor?** |  |  | | If *Yes,* what is the BBBEE status and/or level required |  | |  |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | 1. **Is there BBBEE category targeted for this enquiry?** |  |  | | If *Yes,* BBBEE category |  | |   Tender Returnable if the above elements are requirements;   * Valid original or certified copy of sworn affidavit in the case of EME’s must be submitted (affidavit must be completed fully), or * Valid Copy B-BBEE Certificate issued by CIPC for EME’s. OR * Valid original or certified copy of the B-BBEE certificate / sworn affidavit in the case of QSE’s must be submitted, or * Valid original or certified copy of the B-BBEE certificate issued by SANAS Accredited Verification Agency for Generic Entities must be submitted, or * For JV’s only valid original or certified copy B-BBEE Certificate issued by a SANAS Accredited Verification Agency will be accepted and the certificate should be in the name of the JV.  |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | 1. **Minimum subcontracting requirement for this?** |  |  | | If *Yes,* what is the minimum percentage? |  | |   Tender Returnable if the above element is a requirement;   * Proof of a sub-contract agreement/s must be submitted. * Sub-contractor/s B-BBEE certificate / sworn affidavit must be submitted. * Sub-contracting agreements can only be concluded with one of the following entities; * an EME or QSE which is at least 51% owned by black people; * an EME or QSE which is at least 51% owned by black people who are youth; * an EME or QSE which is at least 51% owned by black people who are women; * an EME or QSE which is at least 51% owned by black people with disabilities; * an EME or QSE which is 51% owned by black people living in rural or underdeveloped area or townships; * a cooperative which is at least 51% owned by black people; * a EME or QSE which is at least 51% owned by black people who are military veterans |

**Section 2: Mandatory Requirements**

**2.1 Designated Sectors (N/A)**

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| When applicable the following stipulated minimum threshold for Local Production and Content must be achieved in full by the tenderer |
| |  |  |  |  |  | | --- | --- | --- | --- | --- | |  | | **YES** | | **NO** | | 1. Is this Commodity or part of it a Designated Sector? | |  | |  | | Please indicate below Designated Components | |  | | | | **Commodity** | **Components** | | **Local Content Threshold** | | | |  |  | |  | | | |  |  | |  | | | |  |  | |  | | | |  |  | |  | | | |  |  | |  | | |   **NOTE**: SBD 6.2 Declaration Form and Annexure C (Local Content Declaration-Summary Schedule) is therefore **mandatory** and must be a tender returnable. |

**2.2 CIDB Skills Development (N/A)**

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| **Continuation of Mandatory Requirements** |
| |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | 1. **Is there CIDB compulsory training?** |  |  | | If *Yes,* what is the% of the Construction Skills Development Goal % (CSDG) | **N/A** | | |  |  | |   If the answer above is Yes, it will then be mandatory for the supplier to match Eskom’s targets   |  |  |  | | --- | --- | --- | | **Criteria** | **Eskom Target** | **Tenderer Commitment** | | CSDG Percentage | N/A |  | | Description | N/A |  |   **NOTE**: Failure by the Contractor/Service Provider/Supplier to meet the CIDB CSDG mandatory % will render their tender non-responsive. |

**Section 3: SD&L Undertaking for negotiation**

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| Tenderers who complete and submit the undertaking as required, but who do not meet Eskom’s targets, will not be disqualified. SD&L undertakings do not form part of scoring but commitments will form part of contractual obligations |
| Enterprise or Supplier Development  The main contractor will be required to propose development in the following areas;   |  |  | | --- | --- | | **Support Description** | **Tenderer Proposal** | |  |  |   Job Opportunities  Tenderer to indicate number of Jobs to be created and/or retained from this contract;   |  |  | | --- | --- | | **Number of Jobs to be created** | **Number of Jobs to be retained** | | Supplier to indicate no of Jobs created |  |   Skills Development  Tenderers are required to propose against the following training initiatives;   |  |  |  | | --- | --- | --- | | **Category** | **Eskom Target** | **Tenderer Proposal** | | Trainers/Admin Clarks | 6 |  | |  |  |  | |  |  |  | |  |  |  |   Other Initiatives  **Local Spend in South Africa**   |  |  | | --- | --- | | **Target** | **Proposal** | | 100% |  |   **Objective criteria**  Eskom prefers to business with suppliers that are B-BBEE Level 1 to 4. |

**Section 4: SDI&L Penalty and Performance Security**

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| Eskom will apply a penalty of 2.5% of the Contract Value for failure to meet SDL&I obligations. |
| **One of the following options will apply for SDI&L performance security:**   * For the duration of the contract, Eskom will retain 2.5% of every invoice (excluding VAT) as security for the fulfilment of all SDL&I Obligations. The retained amounts shall only be released to the Contractor upon fulfilment of all SDL&I obligations at the end of the contract. * Alternatively the Contractor shall submit a bond equivalent to 2.5% of the Contract Value and shall only be released to the Contractor upon fulfilment of all SDL&I Obligations. * Panels- Eskom will apply 2.5% retention on every invoice (excluding VAT) after all cumulative task orders awarded to the Contractor/Service Provider that have reached a stipulated threshold as security for the fulfilment of the SDL&I obligations. |

**Section 5: Reporting and Monitoring**

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| * The suppliers shall on a monthly/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 60 (sixty) 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. |

**Section 6: Market Research**

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| The following information demonstrates market analysis and assisted in arriving at the targets above. | |
| Current Suppliers Providing the Services | Potential Suppliers |

**Section 7: 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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