

	Supplier Development, Localisation and Industrialisation (SDL&I) Strategy Setting Template	Template Identifier	240-148918142	Rev	1
		Document Identifier	N/A	Rev	N/A
		Effective Date	01 September 2019		
		Review Date	September 2022		

Section 1: Pre-qualification Criteria for Preferential Procurement

SD&L will apply the following pre-qualification criteria as envisaged in PPPFA 2017 regulation 4

a) Minimum BBBEE status level of contributor?

If Yes, what is the BBBEE status and/or level required

YES	NO
☐	☒
Not applicable	

b) Is there BBBEE category targeted for this enquiry?

If Yes, BBBEE category

YES	NO
☐	☒

Tender Returnable if the above elements are requirements;

- A valid or certified copy of sworn affidavit in the case of EME's must be submitted (affidavit must be completed fully), or
- An certified copy of B-BBEE Certificate issued by CIPC for EME's. OR
- A valid or certified copy of the B-BBEE certificate / sworn affidavit in the case of QSE's must be submitted, or
- A valid or certified copy of the B-BBEE certificate issued by SANAS Accredited Verification Agency must for LME's must be submitted, or
- For JV's only a valid or certified copy B-BBEE Certificate issued by a SANAS Accredited Verification Agency under JV's name will be accepted.

c) Minimum subcontracting requirement for this?

If Yes, what is the minimum percentage?

YES	NO
☐	☒
Not applicable	

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Section 2: Mandatory Requirements

2.1 Designated Sectors

When applicable the following stipulated minimum threshold for Local Production and Content must be achieved in full by the tenderer

a) Is this Commodity or part of it a Designated Sector?

YES	NO
☐	☒

Please indicate below Designated Components

Commodity	Components	Local Content Threshold

NOTE 1: The Declaration Certificate for Local Production and Content (SBD / MBD 6.2) together with the Annex C (Local Content Declaration: Summary Schedule) MUST be completed, duly signed and submitted by the bidder at the closing date and time of the bid.

NOTE 2: Application for exemptions:

If the required input materials cannot be wholly sourced from South Africa, bidders should request and obtain a written exemption letter from the DTI. The exemption letter should then be submitted and approvals obtained prior to the closure of the bid(s). The DTI together with the procuring organ of state and the winning bidder will consider the exemption on a case-by-case basis.

2.2 CIDB Skills Development

Continuation of Pre-qualification

a) Is there CIDB compulsory training?

YES	NO
☐	☒

If Yes, what is the % of the Construction Skills Development Goal % (CSDG)

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 3: Failure by the Contractor/Service Provider/Supplier to meet the CIDB CSDG mandatory % will render their tender non-responsive.

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Section 3: SDL&I Undertaking

Tenderers who complete and submit the undertaking as required, but who do not meet Eskom's targets, will not be disqualified. SDL&I undertakings do not form part of scoring but commitments will form part of contractual obligations

Job Opportunities

Tenderer to indicate number of Jobs to be created and/or retained from this contract: this will be based on the amount of work that will be given to the supplier.

Number of Jobs to be created	Number of Jobs to be retained

Skills Development

Eskom reserves the right to negotiate with the tenderer on Eskom's requirements. The outcome of the negotiations will be a contractual obligation. If negotiations are not required, the tenderer's SDL&I undertaking will become a contractual condition.

Skills development is designed to benefit the currently unemployed graduates from school: further education and training campuses and universities.

The composition of these candidates must be representative of the population demographics of South Africa. Note that these targets for skills development candidates categorically exclude Eskom employees and registered learners.

It is expected that the total of **5** individuals will benefit through courses stipulated below (if the budgeted value for this service is utilized) over the period of 3 years. This is how it will be applied:

- ✓ Successful tenderer will be obligated to **skill one** candidate for every **R7 Million** spend cumulatively through purchase orders/instructions awarded to the supplier; The supplier will be required to implement this requirement a month after the threshold is reached.
- ✓ This obligation will be for the duration of the contract however supplier needs to demonstrate positive progress on monthly basis.
- ✓ Candidates shall be sourced from previously disadvantage groups in South Africa, particularly at the site where the services will be taking place.

Tenderers are required to propose against the following training initiatives:

<u>Skills type</u>	<u>Intake</u>	<u>Outcome</u>	<u>Eskom allocation target</u>	<u>Tenderer proposal</u>
Energy analyst	Post Graduate	Energy analyst	50%	
Financial analyst	Post Graduate	Financial analyst	50%	

Note: The supplier will be required to take candidate with relevant industry qualification and who's unemployed, enroll them to do a program that will enable the candidate to specialize in Energy analysis/ Financial analysis related to SA power utility sector for at least 1 years then give them work experience for 18 months thereafter.

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Section 4: SDL&I Penalty

- Suppliers will be required to report progress towards achieving SDL&I's contractual obligations on a quarterly basis regardless of the duration of the task order.
- Eskom will apply 2.5% retention on every invoice (excluding VAT) after all cumulative task orders awarded to the supplier that have reached a total of R7 million as security for the fulfilment of the SDL&I obligations. Failure to comply with the contracted SDL&I obligations will enforce the application of the 2.5% penalty at the end of the contract.
- For every SDL&I commitment met in terms of the contract, the supplier shall apply for the release of the retention in the next payment certificate after the application and once the Eskom contract manager and the SDL&I compliance and monitoring team are satisfied that the obligations have been met.

Section 5: Reporting and Monitoring

- 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 30 (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. 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

General Information on Validity of Sworn Affidavits

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

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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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