NEC3 Term Service Contract (TSC3)

Between **ESKOM HOLDINGS SOC Ltd**
(Reg No. 2002/015527/30)

and **[Insert at award stage]**
(Reg No. _____)

for **The Provision of inspection and treatment of wooden poles in Eskom Distribution Network, on an as-and-when required basis for a period of 3 years in Gauteng Cluster**

Contents:		**No of pages**
Part C1	**Agreements & Contract Data**	**[●]**
Part C2	**Pricing Data**	**[●]**
Part C3	**Scope of Work**	**[●]**

CONTRACT No. **[Insert at award stage]**

PART C1: AGREEMENTS & CONTRACT DATA

Contents:

		No of pages
C1.1	**Form of Offer and Acceptance**	**[●]**
	[to be inserted from Returnable Documents at award stage]	
C1.2a	**Contract Data provided by the *Employer***	**[●]**
C1.2b	**Contract Data provided by the *Contractor***	**[●]**
	[to be inserted from Returnable Documents at award stage]	

C1.1 Form of Offer & Acceptance

Offer

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

The Provision of inspection and treatment of wooden poles in Eskom Distribution Network, on an as-and-when required basis for a period of 3 years in Gauteng Cluster

The tenderer, identified in the Offer signature block, has examined the documents listed in the Tender Data and addenda thereto and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Contractor* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

Options A	The offered total of the Prices exclusive of VAT is	**Rate based Contract**
	Sub total	**Rate based Contract**
	Value Added Tax @ 15% is	**Rate based Contract**
	The offered total of the amount due inclusive of VAT is[1]	**Rate based Contract**

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Contractor* in the *conditions of contract* identified in the Contract Data.

Signature(s) .....

Name(s) .....

Capacity .....

For the tenderer:

.....

(Insert name and address of organisation)

Name & signature of witness .....

Date .....

Tenderer's CIDB registration number: .....

[1] This total is required by the *Employer* for budgeting purposes only. Actual amounts due will be assessed in terms of the *conditions of contract*.

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

Part C1	Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
Part C2	Pricing Data
Part C3	Scope of Work: Service Information

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s) .....

Name(s) .....

Capacity .....

for the Employer

.....
(Insert name and address of organisation)

Name & signature of witness .....

Date .....

Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

Schedule of Deviations to be completed by the *Employer* prior to contract award

Note:

1. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
1	**[●]**	**[●]**
2	**[●]**	**[●]**
3	**[●]**	**[●]**
4	**[●]**	**[●]**
5	**[●]**	**[●]**
6	**[●]**	**[●]**
7	**[●]**	**[●]**

By the duly authorised representatives signing this Schedule of Deviations below, the Employer and the tenderer agree to and accept this Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules, as well as any confirmation, clarification or changes to the terms of the Offer agreed by the tenderer and the Employer during this process of Offer and Acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Form shall have any meaning or effect in the contract between the parties arising from this Agreement.

	For the tenderer:	**For the Employer**
Signature	.....	.....
Name	.....	.....
Capacity	.....	.....
On behalf of	..... *(Insert name and address of organisation)*	..... *(Insert name and address of organisation)*
Name & signature of witness	.....	.....
Date	.....	.....

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

Completion of this data in full, according to the Options chosen, is essential to create a complete contract.

Clause	Statement	Data
1	**General**	
	The *conditions of contract* are the core clauses and the clauses for main Option:	
		A: Priced contract with price list
	dispute resolution Option	**W1: Dispute resolution procedure**
	and secondary Options	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X13: Performance Bond
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: *Additional conditions of contract*
	of the NEC3 Term Service Contract April 2013[2] (TSC3)	
10.1	The *Employer* is (name):	**Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa**
	Address	**Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg**
10.1	The *Service Manager* is (name):	**TBA**
	Address	**TBA**
	Tel	**TBA**
	Fax	**TBA**
	e-mail	**TBA**
11.2(2)	The Affected Property is	**Various Eskom sites within Gauteng Cluster**
11.2(13)	The *service* is	**The provision of inspection and treatment of**

[2] Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 www.ecs.co.za

		wooden poles in Eskom Distribution Network, on an as-and-when required basis for a period of 3 years in Gauteng Cluster
11.2(14)	The following matters will be included in the Risk Register	**None**
11.2(15)	The Service Information is in	**Part 3: Scope of Work and all documents and drawings to which it makes reference.**
12.2	The *law of the contract* is the law of	**the Republic of South Africa**
13.1	The *language of this contract* is	**English**
13.3	The *period for reply* is	**1 week**
2	**The *Contractor*'s main responsibilities**	**Data required by this section of the core clauses is also provided by the *Contractor* in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data**
21.1	The *Contractor* submits a first plan for acceptance within	**Three (3) days of the Contract Date**
3	**Time**	
30.1	The *starting date* is.	**TBA**
30.1	The *service period* is	**Three (3) years**
4	**Testing and defects**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data**
5	**Payment**	
50.1	The *assessment interval* is	**Once work is complete as stated on the Task Order, a Goods Receipt will be created, and a number provided to the Supplier.**
51.1	The *currency of this contract* is the	**South African Rand**
51.2	The period within which payments are made is	**30 days upon submission of a certified tax compliant invoice to Eskom Financial Shared Services.**
51.4	The *interest rate* is	**the publicly quoted prime rate of interest (calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands.**
6	**Compensation events**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data**
7	**Use of Equipment Plant and Materials**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in**

		this Contract Data
8	**Risks and insurance**	
80.1	These are additional *Employer*'s risks	**None**
9	**Termination**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.**
10	**Data for main Option clause**	
A	**Priced contract with price list**	
20.5	The *Contractor* prepares forecasts of the final total of the Prices for the whole of the *service* at intervals no longer than	**Three (3) working days upon receipt of a Task Order.**
11	**Data for Option W1**	
W1.1	The *Adjudicator*	**the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).**
W1.2(3)	The *Adjudicator nominating body* is:	**the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.**
W1.4(2)	The *tribunal* is:	**arbitration**
W1.4(5)	The *arbitration procedure* is	**the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.**
	The place where arbitration is to be held is	**Midrand South Africa**
	The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	**the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.**
12	**Data for secondary Option clauses**	
X1	**Price adjustment for inflation**	
X1.1	The *base date* for indices is	**A month before tender closing date.**
	The proportions used to calculate the Price Adjustment Factor are:	**proportion** / **linked to index for** / **Index prepared by** **0.85** / **Table D3** / **SEIFSA** **0.15** / **non-adjustable**

		1.00
X2	**Changes in the law**	**There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.**
X17	**Low service damages**	
X17.1	The *service level table* is in	Annexure A
X18	**Limitation of liability**	
X18.1	The *Contractor*'s liability to the *Employer* for indirect or consequential loss is limited to	**R0.0 (zero Rand)**
X18.2	For any one event, the *Contractor*'s liability to the *Employer* for loss of or damage to the *Employer*'s property is limited to	**the amount of the deductibles relevant to the event**
X18.3	The *Contractor*'s liability for Defects due to his design of an item of Equipment is limited to	**The greater of** • **the total of the Prices at the Contract Date and** • **the amounts excluded and unrecoverable from the *Employer*'s insurance (other than the resulting physical damage to the *Employer*'s property which is not excluded) plus the applicable deductibles**
X18.4	The *Contractor*'s total liability to the *Employer*, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	**the total of the Prices other than for the additional excluded matters.** **The *Contractor's* total liability for the additional excluded matters is not limited.** **The additional excluded matters are amounts for which the *Contractor* is liable under this contract for** • **Defects due to his design, plan and specification,** • **Defects due to manufacture and fabrication outside the Affected Property,** • **loss of or damage to property (other than the *Employer*'s property, Plant and Materials),** • **death of or injury to a person and** • **infringement of an intellectual property right.**
X18.5	The *end of liability date* is	**12 months after the end of the *service period*.**
X19	**Task Order**	
X19.5	The *Contractor* submits a Task Order programme to the *Service Manager* within	**Two (2) days of receiving the Task Order**
Z	**The *additional conditions of contract* are**	**Z1 to Z14 always apply.**

Z1 Cession delegation and assignment

Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer.*

Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.

Z2 Joint ventures

Z2.1 If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.

Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf.

Z2.3 The *Contractor* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing.

Z3 Change of Broad Based Black Economic Empowerment (B-BBEE) status

Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor*'s B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.

Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.

Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor*'s obligation to Provide the Service.

Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.

Z4.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.

Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information

which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.

Z4.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.

Z4.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties*,* the *Service Manager* or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

Z6 Health, safety and the environment: Add to core clause 27.4

Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:

- accepts that the *Employer* may appoint him as the “Principal Contractor” (as defined and provided for under the Construction Regulations 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) (“the Construction Regulations”) for the Affected Property;
- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and
- undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor’s* direction and control, likewise observe and comply with the foregoing.

Z6.2 The *Contractor*, in and about the execution of the *service*, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor’s* direction and control, likewise observe and comply with the foregoing.

Z7 Provision of a Tax Invoice and interest. Add to core clause 51

Z7.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer*'s procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.

Z7.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

Z7.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to

comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer*'s VAT number 4740101508 on each invoice he submits for payment.

Z8 Notifying compensation events

Z8.1 Delete the last paragraph of core clause 61.3 and replace with:

If the *Contractor* does not notify a compensation event within eight weeks of becoming aware of the event, he is not entitled to a change in the Prices.

Z9 *Employer's* limitation of liability

Z9.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)

Z9.2 The *Contractor*'s entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer*'s liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

Z10 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

Z10.1 or had a business rescue order granted against it.

Z11 Ethics

For the purposes of this Z-clause, the following definitions apply:

Affected Party	means, as the context requires, any party, irrespective of whether it is the *Contractor* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,
Coercive Action	means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
Collusive Action	means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
Committing Party	means, as the context requires, the *Contractor*, or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,
Corrupt Action	means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,
Fraudulent Action	means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,
Obstructive Action	means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action, and
Prohibited Action	means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z11.2 The *Employer* may terminate the *Contractor*'s obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor*'s obligation to Provide the Services for this reason.

Z11.3 If the *Employer* terminates the *Contractor*'s obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.

Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

Z _12_.1 Replace core clause 83 with the following:

Insurance cover 83

83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.

83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
Loss of or damage caused by the *Contractor* to the *Employer*'s property	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
Loss of or damage to Equipment	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
The *Contractor*'s liability for loss of or damage to property (except the *Employer*'s property, Plant and Materials and Equipment) and liability for bodily injury to or death of a	Loss of or damage to property The replacement cost Bodily injury to or death of a person

person (not an employee of the *Contractor*) arising from or in connection with the *Contractor*'s Providing the Service	The amount required by the applicable law.
Liability for death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

Z 12.2 Replace core clause 86 with the following:

Insurance by the *Employer*

86

86.1 The *Employer* provides the insurances stated in the Insurance Table B

INSURANCE TABLE B

Insurance against or name of policy	Minimum amount of cover or minimum lir of indemnity
Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

Z13 Nuclear Liability

Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.

Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from

nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.

Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.

Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.

Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

For the purposes of this Z-clause, the following definitions apply:

AAIA means approved asbestos inspection authority.

ACM means asbestos containing materials.

AL means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.

Ambient Air means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.

Compliance Monitoring means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

OEL means occupational exposure limit.

Parallel Measurements means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.

Safe Levels means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

Standard means the *Employer*'s Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.

SANAS means the South African National Accreditation System.

TWA means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety

Act, 1993 (Act 85 of 1993) (“Asbestos Regulations”). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short-term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.

Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor*’s expense. For the purposes of compliance, the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z14.3 The *Employer* manages asbestos and ACM according to the Standard.

Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented, and relevant air monitoring conducted in order to declare the area safe.

Z14.5 The *Contractor*’s personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.

Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.

Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer*’s expense, and conducted in line with South African legislation.

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)[3] in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data.
3. Where a form field like this [ ] appears, data is required to be inserted relevant to the option selected. Click on the form field ***once*** and type in the data. Otherwise complete by hand and in ink.

Completion of the data in full, according to Options chosen, is essential to create a complete contract.

Clause	Statement	Data
10.1	The *Contractor* is (Name): Address Tel No. Fax No.	
11.2(8)	The *direct fee percentage* is The *subcontracted fee percentage* is	**7%** **7%**
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the *Contractor*'s plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job Responsibilities: Qualifications:	

[3] Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or www.ecs.co.za

Experience:

		CV's (and further key person's data including CVs) are in
A	**Priced contract with price list**	
11.2(12)	The *price list* is in	**Part C2.2 price list**
11.2(19)	The tendered total of the Prices is	**Rate Based Contract**

PART 2: PRICING DATA

TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The *price list*	1

C2.1 Pricing assumptions: Option A

1. How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract (TSC3) core clauses and Option A states:

Identified and defined terms 11 11.2 (12) The Price List is the *price list* unless later changed in accordance with this contract.

(17) The Price for Services Provided to Date is the total of

- the Price for each lump sum item in the Price List which the *Contractor* has completed and
- where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate.

(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

This confirms that Option A is a priced contract where the Prices are derived from a list of items of service which can be priced as lump sums or as expected quantities of service multiplied by a rate or a mix of both.

2. Function of the Price List

Clause 54.1 in Option A states: “Information in the Price List is not Service Information”. This confirms that instructions to do work or how it is to be done are not included in the Price List but in the Service Information. This is further confirmed by Clause 20.1 which states, “The *Contractor* Provides the Service in accordance with the Service Information”. Hence the *Contractor* does **not** Provide the Service in accordance with the Price List. The Price List is only a pricing document.

3. Link to the *Contractor*’s plan

Clause 21.4 states “The *Contractor* provides information which shows how each item description on the Price List relates to the operations on each plan which he submits for acceptance”. Hence when compiling the *price list*, the tendering contractor needs to develop his first clause 21.2 plan in such a way that operations shown on it can be priced in the *price list* and result in a satisfactory cash flow in terms of clause 11.2(17).

4. Preparing the *price list*

Before preparing the *price list*, both the *Employer* and tendering contractors should read the TSC3 Guidance Notes pages 14 and 15. In an Option A contract, either Party may have entered items into the *price list* either as a process of offer and acceptance (tendering) or by negotiation depending on the nature of the *service* to be provided. Alternatively the *Employer*, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in the *price list* to be prepared and priced by him.

It is assumed that in preparing or finalising the *price list* the *Contractor:*

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;
- Is aware of the need to link operations shown in his plan to items shown in the Price List;
- Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;
- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

4.1. Format of the *price list*

(From the example given in an Appendix within the TSC3 Guidance Notes)

Entries in the first four columns in the *price list* in section C2.2 are made either by the *Employer* or the tendering contractor.

If the *Contractor* is to be paid an amount for the item which is not adjusted if the quantity of work in the item changes, the tendering contractor enters the amount in the Price column only, the Unit, Expected Quantity and Rate columns being left blank.

If the *Contractor* is to be paid an amount for an item of work which is the rate for the work multiplied by the quantity completed, the tendering contractor enters the rate which is then multiplied by the Expected Quantity to produce the Price, which is also entered.

If the *Contractor* is to be paid a Price for an item proportional to the length of time for which a service is provided, a unit of time is stated in the Unit column and the expected length of time (as a quantity of the stated units of time) is stated in the Expected Quantity column.

C2.2 the *price list*

Item nr	Description	Unit	Eskom Proposed Rates
1	Preliminaries and General (Site establishment) (5% of total labour value)	%	5.00
2	SHEQS requirements (3% of total labour value)	%	3.00
3	Pole Inspection		
	Medium Voltage (MV)		
	MV Class 1	Each	R168.13
	MV Class 2	Each	R168.13
	MV C3 Stubbing	Each	R164.72
	MV C3 Replacement	Each	R98.22
	MV Class 4	Each	R98.22
	Low Voltage (LV)		
	LV Class 1	Each	R128.64
	LV Class 2	Each	R128.64
	LV C3 Stubbing	Each	R128.64
	LV C3 Replacement	Each	R91.97
	LV Class 4	Each	R91.97
	External treatment	Each	R4 911.78
4	**Data Capturing**		
	Recording of poles	Each	R35.09
5	Bush clearing where applicable MV (max 5m2)	m2	R4.91
6	Pole labelling	Each	R25.56
7	Transport	Km	R6.00
Note	**Number 1&2 percentage is for the total amount of number 3, 4,5 & 6 (only labour) (total labour)**		

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	*Employer*'s Service Information	
C3.2	*Contractor*'s Service Information	
	Total number of pages	

C3.1: EMPLOYER'S SERVICE INFORMATION

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1 Description of the *service*

1.1 Executive overview

The works are for the Provision of inspection and treatment of wooden poles in Eskom Distribution Network, on an as-and-when required basis for a period of 3 years in Gauteng Cluster in accordance with Eskom standard DST 34-334 Rev 3.

The test and inspection, preventative and corrective maintenance activities are included, based on the outcome of Failure Modes, Effects and Criticality Analyses (FMECAs).
Purpose of wood poles are to attach live apparatus and associated hardware at safe working clearances as defined by the OHS Act.

LV and MV lines using wood poles are designed with a minimum life span of 25 years, providing an acceptable maintenance plan is in place where the wooden poles are inspected and treated with a chemical that can sustain the wood without degradation until the next inspection cycle takes place. The wood poles are to be 100% available for the life of the line.

1.2 *Employer*'s requirements for the *service*

The service includes:

Maintenance requirements include test and Inspection requirements, Preventative Maintenance based on condition / duty, Preventative Maintenance based on time, Corrective maintenance, and Statutory maintenance.

- Maintenance logistic requirements (maintenance spares, Special tools, and facilities)
- Asset Health requirements
- Asset performance requirements
- Manage Asset Excursions
- In addition, an aging analysis shall be performed to indicate the design life of wooden poles and factors that shall contribute to the acceleration of the life of wood poles.

Activities should include:

- Inspect for impact damage.
- Inspect for lightning damage.
- Inspect for damage caused by veld fires.
- Test pole for termite damage using a standard pole drill test
- Test pole for wood rot using a standard pole drill test
- Test pole for wood fungal attack using a standard pole drill
- Inspect pole for avian attack or birds nesting
- Inspect pole for stress fractures.
- Inspect pole for vandalism.
- Pole Treatment (class 2

1.3 Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	**Meaning given to the abbreviation**
OBL	Outside battery limits
LV	Low Voltage
MV	Medium Voltage
CNC	Customer Network Centre
FMECAs	Failure Modes, Effects and Criticality Analyses

2 Management strategy and start up.

2.1 The *Contractor*'s plan for the *service*

The contractor is to provide a plan and programme of the works that is in line with the Task Order issued and within the Eskom safety, environmental and all legislative requirements. The plan is to indicate all resources and equipment required linked to specific activities.

2.2 Management meetings

Regular meetings of a general nature may be convened and chaired by the *Supply Manager* as follows:

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	As required	MS Teams	*Employer*, *Contractor*
Overall contract progress and feedback	As required	MS Teams	*Employer*, *Contractor*
Annual meeting	Annually	MS Teams	*Employer*, *Contractor*
Allocation of work meeting	Quarterly	MS Teams	*Employer*, *Contractor*

Meetings of a specialist nature may be convened as specified elsewhere in this Service Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the *service*. Records of these meetings shall be submitted to the *Service Manager* by the person convening the meeting within five days of the meeting.

All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register shall not be used for the purpose of confirming actions or instructions under the contract as these shall be done separately by the person identified in the *conditions of contract* to carry out such actions or instructions.

An annual meeting will be held to discuss future work requirements and any changes in the inspection report. Prior to engaging in work, the CNC needs to be notified that the Contractor will be working in the area. The Contractor needs to verify with the CNC that there is compete access to the network that will be inspected and that no special permissions are required. Any other meeting will be scheduled as and when required. Allocation of work meetings to be held on a quarterly basis to ensure fair and equal work allocation.

2.3 *Contractor*'s management, supervision and key people

The Contractor needs to provide an organogramme showing his people and their lines of authority / communication.

2.4 Provision of bonds and guarantees

The form in which a bond or guarantee required by the *conditions of contract* (if any) is to be provided by the *Contractor* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

The *Employer* may withhold payment of amounts due to the *Contractor* until the bond or guarantee required in terms of this contract has been received and accepted by the person notified to the *Contractor* by the *Service Manager* to receive and accept such bond or guarantee. Such withholding of payment due to the *Contractor* does not affect the *Employer*'s right to termination stated in this contract.

2.5 Documentation control

All contractual communications will be in the form of properly compiled letters or forms attached to e mails and not as a message in the e-mail itself.

2.6 Invoicing and payment

Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice showing the amount due for payment equal to that stated in the *Service Manager*'s payment certificate.

The *Contractor* shall address the tax invoice to to Eskom Holdings SOC Ltd and include on each invoice the following information:

- Name and address of the *Contractor* and the *Service Manager;*
- The contract number and title;
- *Contractor*'s VAT registration number;
- The *Employer*'s VAT registration number 4740101508;
- Description of service provided for each item invoiced based on the Price List;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;

Procedures for invoice submission and payment (Electronic Payment Instructions)

General Information	**X**
- No Pro-forma Invoice	
- Check Vendor number against the Address and name on Tax invoice	
- Insert the Vendor number on Tax invoice (Top right-hand corner)	
- Bank details must be on the invoice or on a attach sheet, but it does not require a bank stamp just a letter)	
- Check banking details on invoice against SAP system. If more than one banking account check bank account against banking details on invoice. If banking details not on invoice, write the bank code next to the vendor account (bank code 0002)	
- Check Vendor VAT number against the vendor master. (FK03) If VAT number not on master records, prepare a list and forward to Vendor Management to check and update the vendor master records	

- No fax copies of Tax invoices allowed	
- No copies of Tax invoices allowed unless originally printed by the Vendor if a photocopy tax invoice, it must be an original "certified copy" (i.e., not a copy of a "certified copy" invoice) from the vendor and check in system if not previously be paid. Put stamp "not previously paid" on invoice and sign.	
- Ensure that date received stamp is clear on invoice	
- Stamp all Invoices with the Vat stamp, complete and sign (only when VAT is applicable)	
- The stamp should not be stamped over any written information	
- When scanning invoice, check the quality before linking in SAP (inboxes)	
With Reference Invoices	**X**
- Goods receipt must be done (payment with reference)	
- Ensure that the SAP purchase order number is clear and correct on the invoice	
- GR number to be written on the Invoices	
- If multiple lines on invoice write the line number of the order against the line to ensure that the processors match the correct lines (to ensure that 191100 is matched correctly)	

2.7 Contract change management.

The NEC contractual mechanism will be applied for changes to the Contract, and supporting documents must be provided by the Contractor when required by the Employer.

2.8 Records of Defined Cost to be kept by the *Contractor*

The Contractor must keep records of support document of compensation event. These records must be made available to the Employer for Contract purpose.

2.9 Insurance provided by the *Employer.*

As stated in the General ACAR Confirmation Insurance.



Confirmation of insurance cover - Esk

2.10 Training workshops and technology transfer

The Contractor provides his employees with relevant training for them to execute the Service in accordance with the contract.

2.11 Design and supply of Equipment

Not applicable.

2.12 Things provided at the end of the *service period* for the *Employer*'s use.

2.12.1 Equipment

Not applicable.

2.12.2 Information and other things

The *Contractor* needs to submit the approved inspection report produced for the wood pole inspection needs to be submitted to the Employer after a task order is completed.

On completion of a line inspection, the contractor shall supply a copy of the inspection sheets in electronic format and a summary report of the line inspection. These reports shall be handed in to the relevant persons one week after the completion of a section of the line or sections of the line as defined by the numerical pole numbering.

2.13 Management of work done by Task Order

The Service Manager to issue Task Order to the Contract for service that need to be executed, as and when required basis.

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management

Contractors to adhere and comply with applicable legislations, i.e., Occupational Health and Safety Act No. 85 of 1993, Eskom Safety and Health Policies, standards, Procedures, Specifications and Guidelines.

3.2 Environmental constraints and management

Suppliers to comply with the National Environmental Management Act, 107 of 1998. For poles that will be inside a water course they need to have GA, Maintenance Management Plan and EMPr before inspecting those poles.

3.3 Quality assurance requirements

Suppliers to comply with the Supplier Quality Management Specification, 240-105658000 Rev. 3.

4 Procurement

4.1 People

4.1.1 Minimum requirements of people employed.

Refer to the SDL&I requirements contained in the tender document.

4.1.2 BBBEE and preferencing scheme

The Contractor shall comply with all the stipulated minimum Broad Based Black Economic Empowerment (B-BBEE) status level of contributor in accordance with Eskom's B-BBEE policy.

Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor*'s B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change. The Employer reserve the right to terminate the contract if the Contractor status change to.

4.1.3 Supplier Development Localisation & Industrialization (SDL&I)

The *Contractor* complies with and fulfils the *Contractor's* obligations in respect of the SDL&I in accordance with and as provided for in the *Contractor*'s SDL&I Compliance Schedule.

The *Contractor* shall keep accurate records and provide the *Employer* with reports on the *Contractor*'s actual delivery against the above stated SDL&I criteria.

The *Contractor*'s failure to comply with his SDL&I obligations constitutes substantial failure on the part of the *Contractor* to comply with his obligations under this contract.

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.

2. Local Procurement Content

"Local Procurement Content" refers to value added in South Africa by South African resources. Where a single contract involves a combination of local and imported goods and/or services, the tender response must be separated into its components as per the Price Schedule included with the tender documents. Local procurement content is total spending minus the imported component.

Tenderers are required to submit their proposals in the table below.

	Eskom Target	Propose
Local Procurement Content	100%	

3. Enterprise Development (ED)

The winning tenderer/s will be required to participate in ED initiatives and will be required to identify, select, and develop emerging black owned enterprises as beneficiaries to improve their technical capability. The investment required to be allocated towards enterprise development.

Tenderers shall develop the assigned ED beneficiaries **on behalf** of Eskom and may not own a stake or shares (strictly 0% shareholding) in the assigned ED beneficiary, either directly or through a flow through or modified principles calculation. The ED beneficiary that qualifies for development shall:

i. Be a legal entity registered with National Treasury's Central Supplier Database.
ii. Reside or be located within **rural** municipalities (outside a metro municipality) in the eight provinces of South Africa: and
iii. Wholly Black Owned, controlled, and managed, classified as an Exempted Micro-Enterprise (EME)

Requirements for the ED program:

Tenderers are required to conduct a needs analysis on the ED beneficiaries to identify developmental areas. This will be followed by the formulation of a development program with milestones aimed at eliminating identified gaps. Tenderers will then develop a schedule of activities to address the identified developmental areas.

The tenderer will also allocate resources for the development of the ED beneficiary and assign an ED champion.
The ED champion will be suitably qualified and experienced to monitor progress and complete portfolio of proof for the following activities for submission to Eskom every six months.

- Skills transfer with emphasis on innovation.

In addition, tenderers shall comply with requirements from the (non-exhaustive) list below:

- Management and labor skills transfer. **(See skills development table below)**
- Establishment of administrative systems.
- Establishment of cost controls systems.
- Planning, tendering, and programming skills transfer.
- Business skills transfer with emphasis on entrepreneurial and negotiation skills.
- Legal compliance.
- Procurement skills transfer.
- Contractual knowledge transfer

From signing of the contract, tender/s will be given 30 days to submit the following, this requirement will further be discussed during negotiations.

Name of Enterprise or names of owners	Ownership (BO, BWO, BYO or BPwD)	Tenderer to insert names of Local Municipality

Process of monitoring and reporting related to the ED program:

The Eskom assigned representative shall:

- Ensure that all the pre-requisites for an ED relationship have been met over the agreed timelines of the contract to recognize the ED Program.
- Ensure that the ED Program complies with the requirements; and
- Interview and inspect any relevant documentation including premises for the ED beneficiary and selected staff to verify ED Program is compliant to contractual SDL&I commitments.

NOTE 1: The tenderer shall submit the following returnable for enterprise development:

- Enterprise development agreement signed by both the tenderer and the ED beneficiaries to confirm ED is on behalf of Eskom.
- Copies of letters from the tenderer to the ED beneficiaries, stating the intent to develop the enterprise. The tenderer should sign both documents and the ED beneficiaries earmarked.
- A schedule of activities to address the identified developmental areas.
- At contract award, Eskom and the ED beneficiary shall sign the ED agreement.

4. Jobs. Tenderers are required to submit proposals for the type and number of jobs that will be created and retained in South Africa as a direct result of being awarded a contract.

Type of Jobs to be created	Number of Jobs to be created

Type of Jobs to be retained	Number of Jobs to be retained

5. Skills development

Skill type / Occupation	Eskom target of people to be trained	Proposed Number of Candidates
Technicians	10	
SHE Reps	4	
Total Number of Candidates to be Trained		

Tenderers are required to submit proposals in a table below for developing the skills of unemployed candidates in the country. Skills development is intended to address Eskom's core, scarce and critical skills and the Mict SETA scarce and critical skills. These skills are also included in a 2020 list of occupations in high demand as stipulated in the Government Gazette 43937. Candidates shall be from all provinces in the country, and their composition shall be representative of the population demographics of South Africa.

The process of developing these skills shall involve the participation by tenderers directly and through their supply network. In certain cases, the SETA's accredited training providers can be approached to participate in developing critical and scarce skills.

This obligation will be for the duration of the contract however a supplier needs to demonstrate positive progress on a quarterly basis.

The main objective of this skills development is to empower already existing SMME by upskilling them as part of Enterprise Development.

The winning tenderer will be requested to submit an Implementation plan within 30 days of signing the contract.

Note: Tenderers are required to take full responsibility for the total cost of developing the requisite skills, and Eskom shall not make any financial contribution towards the fulfilment of this obligation. Tenderers are advised to approach their relevant SETAs to access grants and subsidies as well as South African Revenue Services for tax incentives that are earmarked for skills development initiatives.

SDL&I Retention and Performance Security

Eskom will apply a retention of 2.5% of the invoice amount for failure to meet SDL&I obligations.
As security for the fulfilment of SDL&I obligations, Eskom will apply a retention of 2.5% on every invoice amount (excluding VAT) for failure to submit SDL&I performance reports every quarter; or failure to meet the SDL&I obligations in this contract. The retained amounts shall only be released to the contractor upon:

- The tenderer will be expected to submit their performance reports on a quarterly basis towards SDL&I obligations.
- SDL&I will assess the submitted performance report against the Implementation plan then issue a compliance report.
- Should the report yield non-compliance results, Eskom will retain the 2.5%.
- Should the compliance results be positive, Eskom will release the retained funds to the tenderer.

Reporting and Monitoring

- 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 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.

4.2 Subcontracting

4.2.1 Preferred subcontractors

Not applicable

4.2.2 Subcontract documentation, and assessment of subcontract tenders

Not applicable

4.2.3 Limitations on subcontracting

Not applicable

4.2.4 Attendance on subcontractors

Not applicable

4.3 Plant and Materials

4.3.1 Specifications

The Suppliers must provide plant and materials required to execute the service, as and when required basis.

4.3.2 Correction of defects

The Contractor corrects notified Defects within a time which minimises the adverse effect on the Employer or Others. If the Contractor does not correct a Defect within the time required by this contract, the Service Manager assesses the cost to the Employer of having the Defect corrected by other people and the Contractor pays this amount.

The Service Manager arranges for the Employer to allow the Contractor access if it is needed for correcting a Defect.

4.3.3 *Contractor*'s procurement of Plant and Materials

Refer to the attached standard – UI: 240- 133791951

4.3.4 Tests and inspections before delivery

Refer to the attached standard – UI 240- 133791951

4.3.5 Plant & Materials provided "free issue" by the *Employer.*

Not applicable.

4.3.6 Cataloguing requirements by the *Contractor*

Not applicable

5 Working on the Affected Property

5.1 *Employer*'s site entry and security control, permits, and site regulations.

The Employer will grant site entry and provide relevant permits and security to carry out the work at the dedicated area.

If special permission is required, the Contractor is required to work through the CNC to ensure all necessary arrangements are made for access.

Contractors need to be authorised for access to Eskom sites, prerequisites for these are safety file evaluated by SHEQ, HV Regs, first aid, firefighting and to be tested and certified by local FSO's.

5.2 People restrictions, hours of work, conduct and records.

The Contractor keeps records of his people working on the Affected Property, including those of his Subcontractors.

5.3 Health and safety facilities on the Affected Property

Section 3 deals with contractual H & S requirements.

5.4 Environmental controls, fauna & flora

Section 3 deals with the contractual H&S requirements in addition to those OHSA Act refer to document identifier: 32-95.



32-95_Occupational_
Health_and_Safety_Inci

5.5 Cooperating with and obtaining acceptance of Others

If an inspection and supplement treatment is to be performed on site, the Contractor needs to give notice to the Employer in order for CNC to grant access for work to be performed.

The Contractor needs to verify with the CNC that there is compete access to the network that will be inspected and that no special permissions are required.

5.6 Records of *Contractor*'s Equipment

This sub-paragraph is intended to address how records are to be kept of Equipment on Site including whether it is owned or hired. Include any constraints about scaffolding, rigs, heavy lifts and cranes, including removal from the Affected Property.

5.7 Equipment provided by the *Employer*

Not applicable.

5.8 Site services and facilities

5.8.1 Provided by the *Employer*

Item	Date by which it will be provided
Access to the areas that will be serviced	Commencement of service
Supervisor will escort personnel around premises	Commencement of service

5.8.2 Provided by the *Contractor*

The Contractor should provide its own storage at their facilities.

5.9 Control of noise, dust, water and waste

Refer to the SHEQ requirements contained in the tender document.

5.10 Hook ups to existing works



Work_at_Height_Standard 2025.pdf

The embedded document contains the Work at Height Standard: 32-418.

5.11 Tests and inspections

5.11.1 Description of tests and inspections

All Tests and Inspection are to be carried out to current and existing Specifications.

5.11.2 Materials facilities and samples for tests and inspections

From time-to-time random sample test and inspections may be requested, to ensure good quality of the service being rendered.

6 List of drawings

6.1 Drawings issued by the *Employer*

This is the list of drawings issued by the *Employer* at or before the Contract Date and which apply to this contract.

Drawing number	Revision	Title