

	<b>Supplier Development, Localisation and Industrialisation (SDL&amp;I) Strategy Setting Template</b>	Template Identifier	240-43921804	Rev	6
		Document Identifier	240-148918142	Rev	2
		Effective Date	01 September 2019		
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### Section 1: Pre-qualification Criteria for Preferential Procurement

**SDL&I 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
<input checked="" type="checkbox"/>	<input type="checkbox"/>
Level 1-2	

**b) Is there BBBEE category targeted for this enquiry?**

If Yes, BBBEE category

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>
EME/QSE	

**Tender Returnable if the above elements are requirements;**

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

**c) Minimum subcontracting requirement for this?**

If Yes, what is the minimum percentage?

YES	NO
<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Tender Returnable if the above element is a requirement;**

- Proof of a sub-contract agreement/s or letter of intent to sub contract signed by the main and potential subcontractor must be submitted.
- Sub-contractor/s B-BBEE certificate / sworn affidavit must be submitted.
- Sub-contracting agreements can only be concluded with one or more 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

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## Section 2: Mandatory Requirements (on Contract Award)

### 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
<input checked="" type="checkbox"/>	<input type="checkbox"/>

Please indicate below Designated Components

Commodity	Components	Local Content Threshold
PPE	PPE	100%

NOTE 1:

Mandatory Returnables: Condition of contract award

- (F1) - SBD 6.2 Declaration Form
- (F2) - Annexure C (Local Content Declaration-Summary Schedule)

Non Mandatory Returnables:

- (F3) - Annexure D-Imported Content Declaration – Supporting Schedule to Annexure C
- (F4) - Annexure E-Local Content Declaration- Supporting Schedule to Annexure C.

If the quantity of materials and/or products cannot be wholly sourced in South Africa, the DTI, in consultation with the procuring entity, will grant exemption on a case-by-case basis. Bidder should request and obtain written exemption from the Department of Trade and Industry (DTI). Such exemption applications should be submitted and approvals be obtained prior to the closure of the bid(s) concerned.

The DTI in consultation with the procuring organ of state and the local industry will consider the exemption application on a case-by-case basis. Bidder should refer to national treasury Designated Sector Instruction Number 12 of 2016/2017 Paragraph 4.2.

### 2.2 CIDB Skills Development

#### Continuation of Mandatory Requirements

a) Is there CIDB compulsory training?

YES	NO
<input type="checkbox"/>	<input checked="" type="checkbox"/>

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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	N/A
Description	CIDB Skills	N/A

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

### 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**

#### B-BBEE Requirements

Tenderers will be required to maintain or improve their B-BBEE Recognition Level for the duration of the contract.

#### 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 spend minus the imported component.

Local Procurement Content	Eskom Target	Tenderer Proposal
	Not applicable	Not applicable

#### 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

### Section 4: SDL&I Penalty



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- Eskom will apply a penalty of 2.5% of the Contract Value for failure to meet SDL&I obligations.
- For the duration of the contract, Eskom will retain 2.5% of every invoice (excluding VAT) as security for the fulfilment of all SDL&I Obligations. The retained amounts shall only be released to the Contractor upon 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

## 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 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. 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

## Section 6: 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 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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