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| **Business Unit** | Eskom Medupi Power Station – Group Capital Division |
| **Description/ Scope of Work** | The manufacturing, supply and delivery of pulse jet fabric filter trial bags |
| **Duration of the Project** | 36 years |
| **Budget** |  |
| **Name of Buyer** | Tshilidzi Dau |

**Section 1: Mandatory Compliance**

**1.1 Designated Sectors**

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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** | | | Fibre into Fabric (Fabric Filter Bags) | Textiles | | | 100% | |   **NOTE 1**:  **Mandatory Returnable:**   * (F1) - SBD 6.2 Declaration Form * (F2) - Annexure C (Local Content Declaration-Summary Schedule   A tender that fails to meet the minimum stipulated threshold for local production and content is an unacceptable tender.  **Non-Mandatory Returnable:**   * (F3) - Annexure D-Imported Content Declaration – Supporting Schedule to Annexure C * (F4) - Annexure E-Local Content Declaration- Supporting Schedule to Annexure C.   **NB: 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 Mandatory Requirements on contract award**

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| **2.1 CIDB Skills Development**   |  |  |  | | --- | --- | --- | |  | **YES** | **NO** | | 1. **Is there CIDB compulsory training?** |  |  | | If *Yes,* what is the% of the Construction Skills Development Goal % (CSDG) | **Not Applicable** | | |  |  | |   If the answer above is Yes, it will then become a condition for Contract Award:   |  |  |  |  | | --- | --- | --- | --- | | **Skills Type** | **Number of learners** | **Intake** | **Outcome** | |  |  |  |  | |  |  |  |  | | **Total** |  |  |  |   Note:  The above-mentioned Skills are a guideline. The actual skills/trade type may be negotiated. However, expenditure of 0.25% of the Acceptable Contract Amount in accordance with the CIDB CSDG is a Condition for Contract Award.  The Tenderers are free to propose any other relevant Skills Development that will be feasible and benefit the previously disadvantaged communities. This may even include Workplace Integrated Learning (WIL) from the TVET Colleges within the Lephalale Municipality area.  **2. 2 National Industrial Participation Programme (NIPP)**  NIPP is a programme that seeks to leverage economic benefits and support the development of South African industry by effectively utilizing the instrument of government procurement. The NIPP programme is mandatory on all government and parastatal purchases or lease contracts (goods and services) with an imported content equal to or exceeding US$5 million.  The programme is targeted at the South African and foreign industries, enterprises, and suppliers of goods and services to government / parastatals, where the imported content of such goods and services equals to or exceeds US$5 million. The first customer of NIPP is the South African industry that benefits through the NIPP business plans which, when implemented generate new or additional business activities through one or more of the following: investment, export opportunities, job creation, increased local sales, SMME and BEE promotion, R & D and technology transfer.  Companies with a NIPP obligation are required to sign this obligation agreement with The Department of Trade, Industry and Competition (the DTIC) before the contract with Eskom Holdings SOC Ltd, as a purchasing entity, is signed. The obligation agreement governs the relationship between the dtic and supplier. It defines the NIPP obligation value/s, requirements to fulfil the NIPP obligation, performance milestones, performance monitoring processes and the NIPP credit allocation criteria  All tenders with an import content that is equal to or exceeds the threshold of US$5 million, compels the winning bidder to negotiate and enter into a NIPP obligation agreement with the dtic before signing the contract with Eskom.”  Very Important: The NIPP is applicable on this transaction, therefore the Contractor is expected to comply with this requirement, stated above, before the Contract is concluded with them. |

**Section 3: SD&L Undertaking**

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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 |
| **B-BBEE Requirements**  The Contractor will comply with the B-BBEE requirement that will be agreed upon as part of their contractual obligation. Eskom, as a State-Owned Company (SOC) is expected to do business with B-BBEE compliant Contractors. Ideally Eskom prefers to conduct its business with Contractors/Suppliers that are at least Level Four (4) contributors to B-BBEE.  **Sub-contracting and Local to site Procurement**  Not Applicable  **Job Opportunities**  Tenderer to indicate number of Jobs to be created and/or retained due to this contract;   |  |  | | --- | --- | | **Number of Jobs to be created** | **Number of Jobs to be retained** | |  |  |   During installation, the Contractor should ensure that it recruits its General Workers and Semi-Skilled Workers within the Lephalale Municipality area.  **Enterprise Supplier Development (ESD)**  Not applicable  **Skills Development**  Tenderers are required to propose against the following training initiatives:   |  |  |  | | --- | --- | --- | | **Category** | **Eskom Target** | **Tenderer Proposal** | |  |  |  | |  |  |  | | TOTAL |  |  |   Note:  Qualifying candidates shall be currently unemployed graduates from university, Technical and Vocational Education and Training (TVET) Colleges and/or Matriculants. The skills development candidates shall be representative of the population demographics of South Africa and be sourced from within the Lephalale Municipality area. | |

**Section 4: SD&L Penalty**

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| 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**

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| * 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 30 (thirty) 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: Market Research**

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| The following information demonstrates market analysis and assisted in arriving at the targets above. | |
| Open Competitive Tender |  |

**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; |
| * EME’S valid sworn affidavit (DTI template) must be submitted and attested / signed by a Commissioner of Oaths; * SE’s valid sworn affidavit (DTI template) must be submitted and attested / signed by a Commissioner of Oaths OR B-BBEE certificate from SANAS approved agency * Joint Ventures can only submit a Consolidated, Valid and Certified Copy of B-BBEE Certificate issued by a SANAS Accredited Verification Agency specific for this * Affidavit must be completed in full (i.e. Full financial year-end dates (day, month, year), ownership percentages and contribution level and signed off). * Deponent and Commissioners date must be the same. * Affidavits on Accountants/Auditors letterheads will not be accepted. * Affidavits signed by Accountants/Auditors will not be accepted. * Only Sworn Affidavit for EMEs coming from DTI/CIPC and B- BBEE Certificates (SANAS Accredited) will be accepted. * Sworn Affidavits attested / signed by a Commissioner of Oaths with true copy of the original stamp will not be accepted |

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| Compiled by: | Supported by: |  |
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| Advisor: SDL&I | Senior Advisor: SDL&I |  |
| Date:18 March 2022 | Date:18 March 2022 |  |