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		Revision	Rev 0
		Revision Date	June 2020
		P&SCM	

**TO: P&SCM GENERAL AND SENIOR
MANAGERS, ALL PROCUREMENT PRACTITIONERS
AND SD&L (Including ERI)**

**Date:
07 May 2018**

**Enquiries:
G Doubell
Tel: +27 11 800 5288**

FROM: P&SCM - RISK, GOVERNANCE AND COMPLIANCE

**PROCUREMENT INSTRUCTION NUMBER: 1 OF 2018 – INCORPORATING
CATALOGUING INTO THE PROCUREMENT ENVIRONMENT
[Replacing POSITION PAPER 4 OF 2015]**

1. INTRODUCTION

A position paper covering the topic above was approved on the 20 July 2015. The aim of the Position Paper was to define the cataloguing information that is to be included in both the Enquiry and Contract templates used by the Buyers when creating their documentation during the procurement process. The aim of the document was to act as the instruction for the owners of the templates to update the templates and to upload them on Hyperwave. As time has passed it became necessary to update the information contained in the Position Paper. The following information was updated:

- Narrative to be inserted in the Works Information
- Templates to be used by the tenderers when capturing the cataloguing information
- Bar code label.

2. DOCUMENT CONTENT


Eskom would like its suppliers to comply with our requirement for cataloguing of items as it will enhance our processes and reduce lead times.

Cataloguing (also known as codification) is an international process of describing items in a standardized manner and at the same time, assigning the item a unique number. Cataloguing will be done for stock and non-stock items.

The benefits of cataloguing are thus:

- Eliminates 'free text' spend, resulting in the reduction of 'off-contract' purchasing which leads to higher item costs and increased lead-times
- Increased trend analysis as free text cannot be analysed for future decision-making
- Correct items will be chosen from the material master during the creation of the Purchase Requisition and Purchase Order, ensuring the correct items to be purchased
- Cataloguing facilitates quick procurement and easy identification of items
- Eliminates price variation from the same supplier for the same item.

In order for Eskom to achieve the benefits of cataloguing a set of documents have been developed for enquiry and contracting purposes. Only once a contract has been awarded to a supplier, will the supplier be required to complete the cataloguing information per item.

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It is the responsibility of the Procurement Practitioner to contact the cataloguer in Warehousing, Logistics & MM or Materials & Services Master Data Management (Shared Services) to be part of the cross-functional team members.

The Procurement Practitioner has to ensure that the Strategy and the Enquiry documents include the requirement for cataloguing by inserting the following wording:

Statement to be incorporated in the Strategy

It must be stated in the strategies for all contracts where stock / non-stock items are to be purchased or where it is included in the scope of works/goods, that: "The tenderers will be required to provide cataloguing information and labelling of all items with Eskom catalogued data, after contract award".

Documents to be submitted with the Enquiry/RFQ to the potential tenderers:

The attached documents (Part A: Narrative to be included under the Goods Information / Works Information - the label specification and sample templates to indicate the typical information required by Eskom, and Part B: Acknowledgement Form as a mandatory tender returnable) must be issued with each enquiry where stock/non-stock items are to be purchased.

The Excel spreadsheet attached (Part C) has to be included under the Works information/Supply information. This spreadsheet has to be completed by the supplier after contract award.

A line item for cataloguing must be included under the Price list.

All the cataloguing templates and clauses (see appendices) are also available of the Group Commercial R&G Template folder on Hyperwave.


Specifications for labelling have been included and are to be attached to all materials where practical.

Examples have also been provided of completed templates for three commodities to give an indication of what will be expected of them.

Note: This Position Paper covers the information to be used to update both the Enquiry and Contract templates.

3. Appendixes

- 3.1. PART A: - Narrative to be included under the Works Information / Goods Information (Enquiry and Contract)
- 3.2. PART B - Acknowledgement Form (Mandatory tender returnable)
- 3.3. PART C - Excel Spreadsheet To Be Completed By The Supplier After Contract Award
- 3.4. Specification For Labelling
- 3.5. Example Cataloguing Templates

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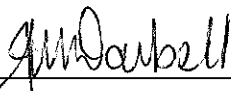
4. EFFECTIVE DATE

This Eskom Procurement Instruction is effective upon date of final signature and remains in effect until superseded by a new Procurement Instruction, a revision of Eskom Supply Chain Management Procedure 32-1034 rev3 or if otherwise directed by NT.

5. AUTHORITY

This Instruction note is issued under the authority of the Eskom Chief Procurement Officer.

Compiled By:


 Gletjie Doubell

MANAGER: POLICY AND PROCEDURE


Supported:


 Maria Bowes

SENIOR MANAGER: RISK, GOVERNANCE, & COMPLIANCE


Date: 08/05/2018

Approved:


 Jaybalan Pillay

CHIEF PROCUREMENT OFFICER

Date: 15/05/2018


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Appendix 3.1 - PART A: - Narrative to be included under the Works Information / Goods Information (Enquiry and Contract)

1. **Definitions and interpretation**

In this Annexure A1:

- 1.1 save as defined in clause 1.2 below, the words and expressions used in the form as defined in the core clauses and the contract data, shall have the meaning assigned thereto in the core clauses and the contract data , as amended.
- 1.2 the following words shall, unless otherwise stated or inconsistent with the context in which they appear, bear the meanings and words derived from the same origins as such words (that is, cognate words) shall bear corresponding meanings:
 - 1.2.1 *Purchaser* means:
 - 1.2.1.1 in respect of the NEC Engineering Construction Contract, the *Employer* stated in the contract data;
 - 1.2.1.2 in respect of the NEC Engineering Construction Short Contract, the *Employer* stated in the contract data;
 - 1.2.1.3 in in respect of the NEC Professional Services Contract, the *Employer* stated in the contract data;
 - 1.2.1.4 in in respect of the NEC Professional Services Short Contract, the *Client* stated in the contract data;
 - 1.2.1.5 in respect of the NEC Supply Contract, the *Purchaser* stated in the contract data;
 - 1.2.1.6 in respect of the NEC Supply Short Contract, the *Purchaser* stated in the contract data;
 - 1.2.1.7 in respect of the NEC Term Services Contract, the *Employer* stated in the contract data;
 - 1.2.1.8 in respect of the NEC Term Services Short Contract, the *Employer* stated in the contract data;


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1.2.2 *Supplier* means:

- 1.2.2.1 in respect of the NEC Engineering Construction Contract, the *Contractor* stated in the contract data;
- 1.2.2.2 in respect of the NEC Engineering Construction Short Contract, the *Contractor* stated in the contract data;
- 1.2.2.3 in respect of the NEC Professional Services Contract, the *Consultant* stated in the contract data;
- 1.2.2.4 in respect of the NEC Professional Services Short Contract, the *Consultant* stated in the contract data;
- 1.2.2.5 in respect of the NEC Supply Contract, the *Supplier* stated in the contract data;
- 1.2.2.6 in respect of the NEC Supply Short Contract, the *Supplier* stated in the contract data;
- 1.2.2.7 in respect of the NEC Term Services Contract, the *Contractor* stated in the contract data;
- 1.2.2.8 in respect of the NEC Term Services Short Contract, the *Contractor* stated in the contract data;

1.2.3 *Supply Manager* means:

- 1.2.3.1 in respect of the NEC Engineering Construction Contract, the *Project Manager* stated in the contract data;
- 1.2.3.2 in respect of the NEC Engineering Construction Short Contract, the *Project Manager* stated in the contract data;
- 1.2.3.3 in respect of the NEC Professional Services Contract, the Employer's Agent stated in secondary clause X10;
- 1.2.3.4 in respect of the NEC Professional Services Short Contract, the person appointed by the Client in terms of this clause 1.2.3.4 to facilitate the efficient and accurate cataloguing;
- 1.2.3.5 in respect of the NEC Supply Contract, the *Supply Manager* stated in the contract data;
- 1.2.3.6 in respect of the NEC Supply Short Contract, the Purchaser person appointed by the *Purchaser* in terms of

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this clause 1.2.3.6 to facilitate the efficient and accurate cataloguing;

1.2.3.7 in respect of the NEC Term Services Contract, the *Service Manager* stated in the contract data;

1.2.3.8 in respect of the NEC Term Services Short Contract, the person appointed by the *Employer* in terms of this clause 1.2.3.8 to facilitate the efficient and accurate cataloguing;

2. Cataloguing Requirements


2.1 In order to facilitate and promote efficient cataloguing, storage, retrieval and ordering of stock/non stock items by the *Purchaser*, the *Supplier* complies with the following requirements:

2.1.1 The *Supplier* labels the goods strictly in accordance with the *Purchaser's* prescribed requirements, including the label format and content, and ensures that all information thereon is complete, accurate and correct.


The *Supplier* provides sufficient information as required by the *Supply Manager* to facilitate the efficient and accurate cataloguing in naming, classification and numbering of stock/non-stock items, including the manufacturer's/vendor's part number (MPN) and all mandatory attributes and variables required by the *Purchaser* to suitably describe and categorise the relevant commodity.

2.1.2 The *Supplier* ensures that all delivery documentation correctly references the *Purchaser's* relevant material number and goods description and that the information shown on the label matches the information on the delivery note and complies with the scope of work.

2.1.3 The *Supplier* establishes and maintains a data base of the goods, purchased by the *Purchaser* in terms of this contract, which matches the *Purchaser's* purchased goods records and meets the *Purchaser's* future ordering requirements.


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- 2.1.4 The *Supplier* generally supplies all required information electronically and on a template provided by the *Purchaser* (including a complete and accurate electronic data input file, in the format required by the *Purchaser*, for all the materials falling within a common commodity, with a separate file being required per commodity supplied) to facilitate the efficient storage, retrieval and future ordering of spare and replacement parts.
- 2.2 The *Supplier* complies with the provisions of this Annexure A1 in accordance with the Accepted Programme (or if not included in the Accepted Programme or if there is no Accepted Programme, within the time periods notified by the *Supply Manager* and in any event prior to delivery of the goods).
- 2.3 Templates and other data required by the *Purchaser* to comply with the provisions of this Annexure A1. The *Supply Manager* and the *Supplier* will agree on a delivery program within seven days after signing the contract. It may be necessary to create a multiple delivery program based on the volume of items to catalogue. The *Supply Manager* and the *Supplier* will also agree on the duration within which the *Supplier* is to catalogue the items and return the information to the *Supply Manager* so that it can be used on all documentation and labels that are used in communicating with the *Purchaser* for the purposes of delivering the goods/ or any other queries.
- 2.4 Failure to comply with the provisions of this Annexure A1 (including failure to label goods strictly in accordance with the provisions of this Annexure A1, failure to complete data input files per commodity completely and accurately in all respects and strictly in accordance with the *Purchaser's* required template) is a defect and the *Supply Manager* may reject the goods in question. Unless otherwise expressly stated in writing by the *Supply Manager*, acceptance of goods does not constitute delivery or acceptance of the defect and the *Supplier* remains responsible for correcting the defect. Without limitation, the *Supplier's* failure to comply with the provisions of this Annexure A1 in any respect

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constitutes a failure by the *Supplier* to provide services or goods which he is to provide. The cost incurred by the *Purchaser* in having others remedy this failure is the liability of the *Supplier* and is assessed by the *Supply Manager* and paid by the *Supplier* under core clause 23.2 of this contract.

The provisions of this Annexure A1 apply in addition to all other requirements provided for elsewhere in this contract (whether in the scope of work or otherwise) and do not relieve the *Supplier* of any of the *Supplier's* other obligations or responsibilities under the contract.

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Appendix 3.2 – PART B - Acknowledgement Form (Mandatory tender returnable)

TO:	The Eskom <i>Representative</i> is [insert name of representative]	FROM	
	_____		_____
Attention	[•] _____	Sender	_____
E-mail	[•] _____	E-mail	_____
	_____	Date	_____

Invitation to Tender/Request for Proposal No. [insert tender/RFP number]

Acknowledgement: [insert short description of the required scope]

We are in receipt of the Invitation to Tender from Eskom Holdings SOC Ltd dated [.....]. We confirm that the documentation received by us is:

Correct as stated in the Tender Data, and that each document is complete.

[Indicate by ticking the box]

☐

Or: Incorrect or incomplete for the following reasons:

Please select either statement 1 or 2 by ticking the appropriate box below:

1. We have noted the *deadline for tender submission* stated in the Tender Data and will be submitting our tender before the stipulated time.

☐

2. We do not intend to submit a tender for the required scope / specifications, and return all of the attached documentation herewith. The reasons for not submitting a tender is as follows:

☐

Cataloguing Acknowledgement:

[Please select the relevant statement by ticking the appropriate box below]:


1. We agree to provide the cataloguing information as described in the *tender submission*.

☐

2. We have already supplied Eskom with the cataloguing information pertaining to this enquiry in a previous contract/order [insert previous invitation to tender/RFQ number]

☐

3. We do not intend to provide the cataloguing information for the required scope / specifications. The reason for not willing to provide this information is as follows:

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☐

4. I confirm that I am a Distributor/Importer/Agent and my Principal, being the Original Equipment Manufacturer (OEM) is or is not in the position to supply cataloguing information for items. See attached letter from OEM confirming his position

☐

Regards

Signed on behalf of the *tenderer*

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Appendix 3.3 – PART C - Excel spreadsheet to be completed by the supplier after contract award

The spreadsheet can be found on Hyperwave under the Risk and Governance Template page

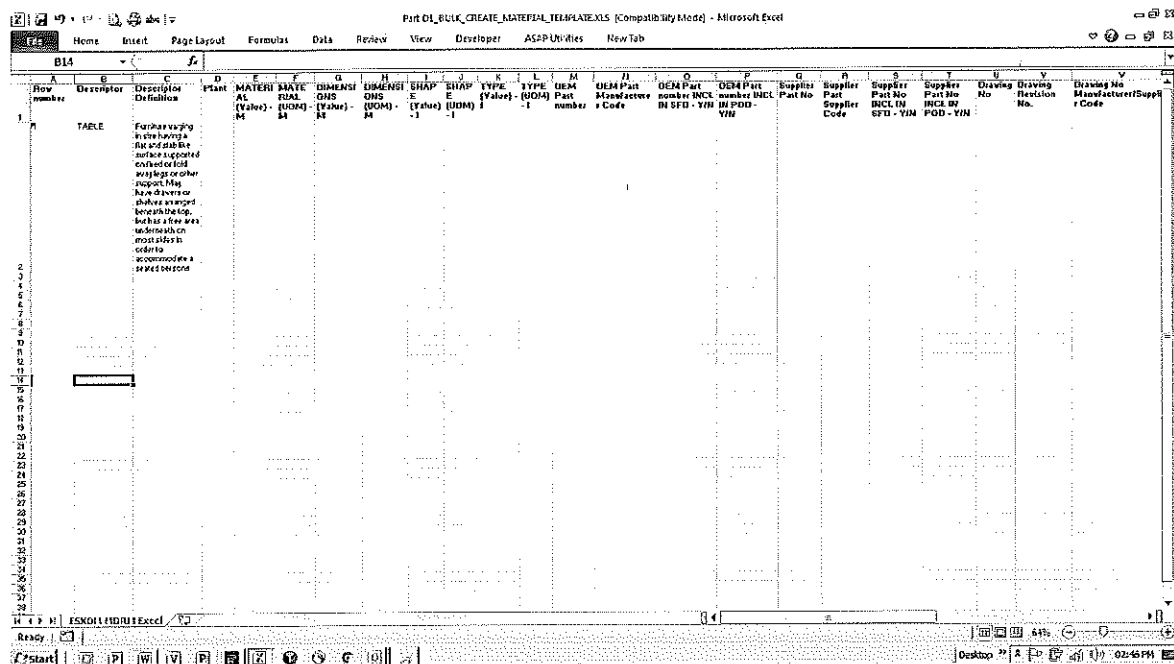
Link to the document:


<https://hyperwave.eskom.co.za/Eskom/Technology%20and%20Commercial/Group%20Commercial/GC%20Governance%20Documentation/Risk%20%26%20Governance/Position%20Paper>

Document: PP04 - Part C - Template to be complete by the contractor.xls

Examples:

Material:



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Services:

Part D2_BULK_CREATE_SERVICE_TEMPLATE.XLS (Compatibility Mode) - Microsoft Excel

Part D2_BULK_CREATE_SERVICE_TEMPLATE.XLS (Compatibility Mode) - Microsoft Excel																	
File Home Insert Page Layout Formulas Data Review View Developer ASAP Utilities NewTab																	
A23																	
Flow number	Description	Description Definition	DURATI	DURATI	MATER	MATER	DIMENSI	DIMENSI	TYPE	RATE	RATE	RATE	RATE	METH	METH	ADDITIONAL	ADDITIONAL
1	PAVIT	To coat or apply a protective layer containing a pigment to a surface or between different places, usually one visit enough for vehicles as well as pedestrians and with a special prepared surface. Also, the part of such a way intended for vehicles on a road.	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
2																	
3																	
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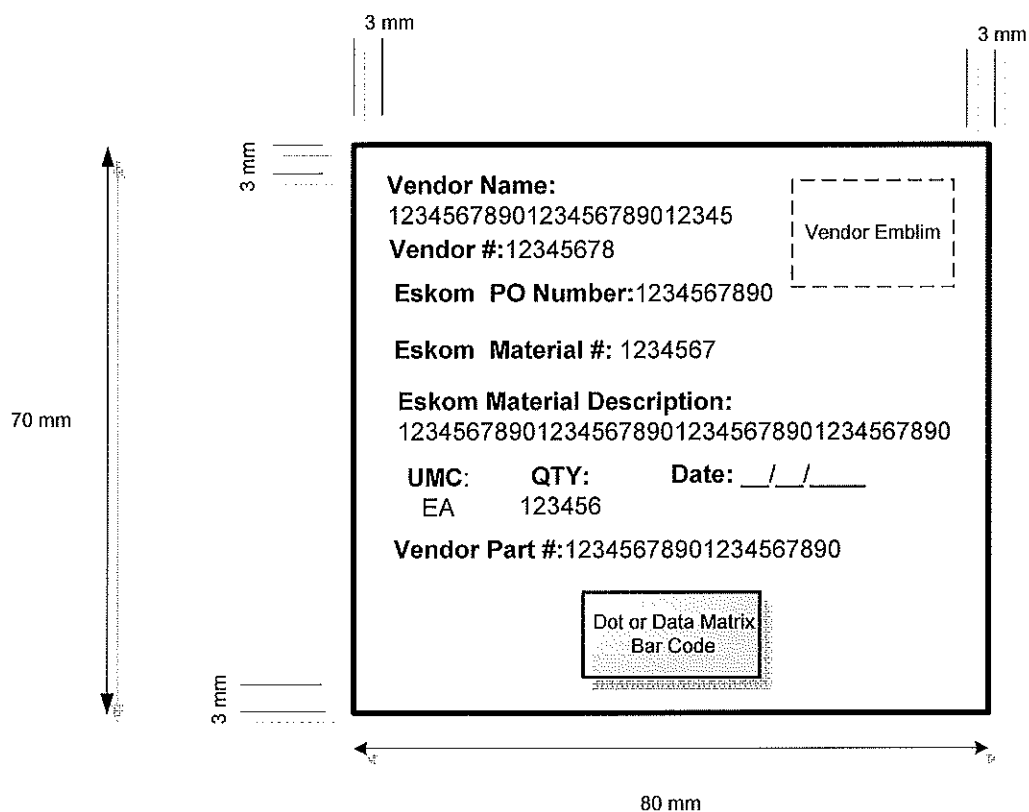
Desktop 11 02:51 PM

Note:

These are not the complete sheets. Each Template has a different set of values and the number of values differ. Also not shown are the fields that are populated by Eskom staff. Separate sheets are to be used for different commodities.

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Appendix 3.4 – Specification for Labelling:



Notes:

Font: Arial

Font Size: 10mm


Headings: Bold
Text Not bold,

Label Colour: White

Label to either be:

- Printed on packaging or
- Stuck on item

Field length predetermined by Eskom. Count number of characters shown for each field

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Appendix 3.5 - Example Cataloguing Templates


The following example templates below give an indication of the type of information that would be required to supply Eskom, should your tender be successful. Each Template is specific to a Commodity/Class and comprises of Attributes and Values. Eskom will provide the Contractors/Suppliers with the Templates pertinent to the transaction after signing of the contract. The Contractor/Supplier will be required to provide the values and additional information such as reference or part number information.

The template name is referred to the Commodity/Class. A definition is provided to define the scope of the class. Definitions are also provided for the Values that are to be populated by you. There is a column that indicates whether the value is mandatory or not. It will be preferred that all values be populated.

It must be noted that the templates will not be provided in the format shown below. The format will be discussed during negotiations. Two options will be provided, an electronic version that accommodates multiple similar items captured on an Excel worksheet per Commodity/Class or a hard copy form.


Example of a template for a **mechanical** commodity:

CLASS	CLASS DEF	PROPERTY	PROPERTY DEFINITION	MANDATORY	VALUE	Part Number
BEARING, PLAIN	A detachable part in or on which a journal, gudgeon, pivot, or the like moves to carry a load and reduce sliding friction and does not employ rolling elements.	INSIDE DIAMETER	The physical dimensions of the inside diameter.	I		
		MATERIAL	The predominant material that the item is manufactured from.	I		
		OUTSIDE DIMENSION	The outside diameter of the bearing.	I		
		SHAPE	The geometrical design of the bearing.	M		
		SPECIFICATION	The specification, standard or manufacturers reference that identifies the item.	I		
		TYPE	A generic type, or default to the application of the item. This excludes brand name or manufacturer type used to describe the product.	M		
		WIDTH	The overall width of the bearing.	I		

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Example of a template for an **electrical** commodity:

CLASS	CLASS_DEFINITION	PROPERTY	PROPERTY_DEFINITION	MANDATORY	VALUE	Part Number
TRANSFORMER, DISTRIBUTION	An electrical element of a distribution system located near consumers which converts primary distribution voltage down to various secondary distribution voltages.	APPARENT POWER	A mathematical value determined by calculating the product of the voltage (in volts) and the current (in amperes). It comprises both active and reactive power and is measured in volt-amperes and often expressed in kilovolt-amperes (kVA) or megavolt-amperes (MVA).	M		
		COOLING TYPE	This indicates the type of feature incorporated on the item to provide ample radiating surface for the dissipation of heat.	I		
		CURRENT	The amperage rating of the item.	I		
		ENCLOSURE TYPE	This indicates the type of enclosure provided to coat, cover, protect or encase the item.	I		
		MOUNT	The means of attaching the item.	I		
		PHASE	The number of alternating current phases.	M		
		POTENTIAL	This indicates the type of voltage and the rated value for which the item is designed.	M		
		SPECIFICATION	The document designator of the specification or standard which established the item of supply.	I		
		STYLE	The style of transformer connection.	I		
		TAPPING	The type and quantity of taps included in the item.	I		
		TERMINAL	This indicates the type and number of terminals for providing electrical connection.	I		
		TYPE	A generic type, or default to the application of the item. This excludes brand name or manufacturer type used to describe the product.	I		
		VECTOR GROUP	An indication of the style of the transformer connection.	I		
		WINDING MATERIAL	This indicates the element, compound, or mixture of which the windings are fabricated, excluding any surface treatment.	I		
		WINDING TYPE	This indicates the specific arrangement in which wire is wound on a form or is formed by winding.	I		

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Example of a template for a **service**:

CLASS NAME	DEFINITION	ATTRIBUTE	DEFINITION	Value	MAND/I NFO
ADVERTISE, POSITION	<i>To draw public attention to or make known, an available employment position.</i>	TYPE	<i>A subdivision into a particular classification.</i>		M
		METHOD	<i>A means or manner of procedure, especially a regular and systematic way of accomplishing the task.</i>		M
		LABOR TYPE	<i>The specific type of labor that is required to carry out the task.</i>		M
		LOCATION	<i>The geographical location where the task, service or activity is to be carried out as stipulated.</i>		M
		RATE TYPE	<i>The type of remuneration applicable to the task. e.g. Travel; Accommodation; Substance; Mobilization; Comprehensive; Bulk; Inclusive; Standing Time; Material Handling; Cost +10%; Extra over; sundries; etc.</i>		M
		RATE	<i>The type of remuneration. e.g. NT= Normal Time; OT= Overtime; DT= Double Time; TT=Triple Time; etc.</i>		M
		ADDITIONAL TASK	<i>Any additional tasks that need to be carried out to complete the task.</i>		M
		PERIOD	<i>The duration of time that the service takes place.</i>		M
		ADDITIONAL INFORMATION	<i>Any information relevant to the class having an impact on the result expected.</i>		M