

Supplier Development, Localisation & Industrialisation (SDL&I)



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Our mandate is to achieve maximum and sustainable local development impact through leveraging Eskom's procurement spend in a manner that allows flexibility within the business in order to accommodate government local development initiatives and policies.

How to access TDP Projects

- <https://www.ntcsa.co.za/transmission-development/>

How to access Tender Documents

Tenders can be accessed via the following E-tender websites:

- <https://tenderbulletin.ntcsa.co.za>
- <https://admin.etenders.gov.za>
- <https://www.cidb.org.za>
- <https://tenderbulletin.eskom.co.za>

Disclaimer: Subject to change as per Statutory changes & requirements.

Skills development

Increase the skill base of South African workers in areas relevant to the energy sector.

Local content

Utilisation of NTCSA spend to develop South African based manufacturers/suppliers by ensuring that local content & designated commodities is adhered to and advanced.

Industrialisation

Utilisation of Eskom and Suppliers spend to foster the establishment of new competitive industries in the Transmission sector.

Employment and job creation

Creation of new jobs by suppliers as a direct result of NTCSA business.

Supplier development

Providing a platform to develop emerging suppliers to contribute to local development opportunities for national and international suppliers.

SDL&I Requirements For Tender Submission

Local Content Declarations

Complete the ffg. forms in detail with the correct information:

- SBD 6.2 Form
- Annexure C
- Annexure D
- Annexure E

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B-BBEE Certificate/Affidavit

Compliance with the B-BBEE Codes of Good Practice and the BEE Commission guidelines.

A Valid SANAS accredited B-BBEE Certificate or an Affidavit (In terms of the communication of 31 December 2016, issued by both DTI and IRBA, No auditor/accountant is allowed to issue B-BBEE certificates unless accredited by SANAS).

Joint Ventures must submit a **consolidated** B-BBEE certificate.

Subcontracting requirements

Subcontracting agreement or a letter of intent to subcontract to the designated groups as stipulated under PPPFA regulations.

Proof of the subcontractor being an EME/QSE Affidavit or B-BBEE Certificate.

Proof of the subcontractor being registered with the National Treasury database(CSD).

Some tenderers subcontract to their own subsidiary companies or companies related to owners/directors of the company, thus sabotaging the noble idea of spreading broader economic participation to deserving designated groups as espoused by the PPPFA.

Skills Development

Propose Skills development initiatives in terms of skills required for a project.

Skills will have an entry requirement and an exit qualification such as (Electrical artisan N3 = CETA Accredited Trade certificate)

Suppliers are encouraged to give preference to local to site candidates.

Focus should be on youth from previously disadvantaged backgrounds.

Job Creation

Suppliers are required to propose the number and type of jobs to be created as a result of a project. The core team which will be made up of specialised skills should comprise the supplier's in-house staff.

Semi-skilled and unskilled labour that will be used in executing the work to the extent that it is possible should be sourced from areas which are local to the site where the project is located.

VENDOR MANAGEMENT

Vendor Management allows Eskom to manage and have complete visibility of their suppliers. It helps to guarantee the quality of the data and removes the risk of storing inaccurate or inconsistent information. This ensures there are no risks to the company when entering a business relationship with a supplier.

Suppliers are only registered and given a Vendor Number once they are awarded a contract with Eskom.

Vendor Registration Process

- The Buyer or SDL&I team sends a request to register a supplier.
- The required documents must be sent to the relevant vendor email address within Eskom.
- Complete pre-screening. Login details sent to the supplier
- Suppliers to complete the online registration such as OHS, Quality and the DOI sections.
- SEO/SEM Reviews supplier registration.
- OHS and Quality evaluation complete and approved.
- Vendor number created and sent to the supplier.

Documents required

- Motivation to register the supplier.
- CSD Number/report.
- Valid Letter of Good Standing/COID.
- Valid B-BBEE certificate/Sworn Affidavit.
- OHS Report.
- Quality Report.

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Vendor Management Challenges

- Reactive supplier management.
- Delayed submission of Supplier returnable documents.
- Changes in Ownership and impact on Suppliers.
- Irregular compliance documents, i.e. Letter of Good-standing, B-BBEE certificates.
- Incomplete fields on the B-BBEE affidavits.
- Preferred contact information must be updated on CSD.

Suppliers must ensure that they:

- Inform Eskom when updating their CSD information.
- Are Tax Compliant.
- Are Registered for VAT.
- Communicate changes to Bank Details including the relevant supporting documents.

Procurement & Supply Chain Management (P&SCM)

Procurement is the process which creates, manages and fulfils contracts relating to the provision of goods, services and engineering and construction works or disposals, or any combination thereof.

P&SCM is governed by:

- National Treasury
- Construction Industry Development Board (CIDB)
- Eskom internal procedure 32-1034
- National Treasury Instruction Notes
- P&SCM must comply with Constitutional principles of the Republic of South Africa Section 217, which are fairness, equitable, transparent, competitiveness and cost-effectiveness.
- P&SCM is continuously audited to ensure compliance with all of the above.

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The Procurement Process Requirements

All procurement transactions irrespective of value are initiated by a business need through a purchase requisition (PR). The different types of procurement mechanisms are:

- Low Purchase Order – value is less than R30k
- Informal Tender Process – values from R30K – RIM
- Formal Tender Process – values more than RIM

The number of documents accompanying the PR will be determined by what is being procured or the service required. They can be any or all of the following documents, completed and duly signed:

- Scope of Work / Technical Evaluation Criteria
- Procurement Request Form
- Budget Letter
- Safety, Health, Environmental, Quality Requirements (SHEQ)
- Supplier Development, Localisation & Industrialisation Requirements (SDL&I)
- NEC Contract
- Bill of quantities (BOQ) / Price list
- Submit the complete original tender, all the tender returnables as stipulated in the Invitation to Tender and include commercial, technical and SHEQ information as required.

As indicated on the invitation to tender:

- The tenderer shall submit the **original tender, PLUS 1 complete hard copy of the original tender** at the tender submission deadline. Eskom may also request that 1 additional complete PDF soft copy/electronic format of the original tender be submitted.
- Where a Tenderer only submits 1 complete hard copy of the original tender at tender submission deadline, the tenderer will be **disqualified**.

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Tender Evaluation Stages

- Stage 1: Basic Compliance Verification
 - Meet the eligibility criteria for a supplier
- Stage 2: Mandatory Requirements Verification
 - Yes or No process
- Stage 3: Functional Requirements Verification
- Stage 4: SDL&I and SHEQ Evaluation (where necessary)
- Stage 5: Financial Analysis

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