



TERMS OF REFERENCE (ToR)

(SERVICES)

FOR THE PROCUREMENT OF A SERVICE PROVIDER TO PROVIDE STRATEGIC ADVISORY SERVICES FOR THE MUNICIPAL ENERGY RESILIENCE PROJECT IMPLEMENTATION IN THE WESTERN CAPE

To:	The Bidder
From:	Supply Chain Management Unit

1. BID PARTICULARS

Project Description	Municipal Energy Resilience: Strategic Advisor		
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Bid Reference	EDT 002-21		
Bid Closing Date		Bid Closing Time	

1. PURPOSE

- 1.1. The objective of the MER Initiative is to provide project development support and capacity building, to implement renewable energy projects in municipalities across the province, for municipalities, businesses & households to generate, procure and sell own power, including but not limited to municipalities transacting directly with IPPs (Independent Power Producers).
- 1.2. The MER Initiative is aimed at enabling economic growth through improving energy security, reducing business costs, building business confidence and attracting investment. Additionally, increasing renewable energy generation will enable lower carbon footprints of exports, which are key to the Covid-19 economic recovery plans.
- 1.3. The MER Initiative is a 3-year project aimed at improving the energy resilience of municipalities through facilitating the implementation of energy infrastructure development (public and private) for economic growth.
- 1.4. The MER project supports the post-Covid19 economic recovery and resilience plan, addressing resource resilience, investment, ease of doing business and infrastructure.



- 1.5. The Department of Economic Development & Tourism (DEDAT), specifically the Energy Directorate within the Green Economy Chief Directorate, seeks to appoint a service provider with extensive energy technical expertise and experience to provide strategic advisory services to assist the Municipal Energy Resilience (MER) Initiative.

2. BACKGROUND

South African and provincial context

- 2.1. South Africa has an electricity security, supply and resilience crisis, indicated by blackouts and rotational load shedding, due to shortages in reliable generation capacity at Eskom.
- 2.2. Municipalities are also under financial pressure to maintain electricity revenues as those consumers who can afford to are self-generating and defecting from the supply grid. Additionally, the proposed regulatory changes to lift the energy generation licensing exemption cap to 100MW is likely to result in the implementation of numerous private sector projects, which will further impact municipal revenue.
- 2.3. South Africa is experiencing an economic crisis (stagnant and negative economic growth, unemployment, poverty, junk status and impact of Covid-19 pandemic) and an energy crisis, evidenced by the widening electricity supply gap with load shedding outages increasing year-on-year (CSIR calculations of cumulative upper limit, annual load shed over calendar year): 2019: 1,352MWh; 2020: 1,789MWh; and 2021 (year to date May 2021): 1,268 MWh (in 5 months similar level to 2019 full year).
- 2.4. While the Integrated Resource Plan (IRP2019) estimated the short-term electricity gap to be in the ranges of 2,000MW to 3,000MW, an updated January 2020 study by the CSIR suggests that the gap may be larger than 7,000MW.
- 2.5. The Covid-19 pandemic has had a significant negative impact on the economy, with the economy further contracting and fiscal debt mounting due to higher levels of unemployment. Investment in energy infrastructure is an important contribution to economic recovery - both to provide for basic resource needs, but also to improve economic competitiveness, build business confidence, create jobs and attract both domestic and foreign investment
- 2.6. The power sector structural reform currently underway through the unbundling of Eskom from a vertically integrated monopoly into the three different entities of Generation, Transmission and Distribution allows for the move towards decentralised power sector structures and a move away from the traditional utility model of a single buyer office (i.e. Eskom has been the only purchaser of electricity from Eskom generation and IPPs) to multiple sellers and buyers (municipalities and other entities could purchase directly from IPPs).
- 2.7. In his SONA address on 13 February 2020, the President of South Africa made declarations on changes to come in the electricity sector:
 - 2.7.1. "We are taking the following measures to rapidly and significantly increase generation capacity outside of Eskom"
 - 2.7.2. "We will also put in place measures to enable municipalities, in good financial standing, to procure their power from independent power producers (IPPs)"
- 2.8. Subsequently, the Department of Mineral Resources and Energy (DMRE) developed draft regulations to enable new generation capacity for municipalities which were gazetted on 16 October 2020.



- 2.9. Comments on the proposed amendment to Schedule 2 of the Electricity Regulations Act, which was aimed at allowing for an increase in the NERSA licensing threshold for embedded generation projects from 1 to 10 MW closed on 21 May 2021.
- 2.10. Subsequently, on 10 June 2021, the President announced that Schedule 2 of the Electricity Regulation Act would be amended to increase the NERSA licensing threshold for embedded generation projects from 1 MW to 100 MW. The final amended regulations are awaited, but the proposed changes mark a fundamental shift in the country's energy landscape.
- 2.11. The procurement of utility scale energy and sub utility scale, bulk energy from IPPs, under conditions of developing and evolving policies and regulations is a complex and challenging task. Municipalities (including metropolitan, district and local municipalities) may not have the policies, plans, resources, funding, or procurement expertise to procure wholesale electricity from sources other than Eskom, specifically IPPs. Neither have municipalities' electricity reticulation and distribution systems been technically evaluated to clarify their readiness for generation of renewable energy at scale and to enable wheeling across their infrastructure or to identify and cost for any required upgrades and / or expansions to allow for these changes . While not all municipalities will qualify to procure energy directly from IPPs, some might be buyers from a Power Pool, a metropolitan bulk buyer or wholesaler. A key component of the initiative is to improve the resilience of municipal revenue and balancing energy security with a new, reliable, secure and affordable expensive future electricity price path to sustain and grow the economy. Additionally, the opportunity exists for new generation capacity to be developed for and by municipalities.
- 2.12. With South Africa being a signatory to the Paris Accord and being a high greenhouse gas emitter, the country is required to significantly reduce its greenhouse gas emissions. South Africa's Carbon Tax Act of 2019 is a step towards reducing the country's emissions and places further pressure on the economy to reduce its carbon footprint. With Eskom's coal fleet contributing approximately 60% of South Africa's CO₂ emissions, increasing international moves towards carbon border adjustments will require the country' energy supply to move towards carbon neutrality to maintain and grow exports from South Africa.

Provincial and Departmental strategy, plans and objectives

- 2.13. The Provincial Strategic Plan (PSP) is a five-year strategic plan with the vision of a safe Western Cape where everyone prospers. This vision is expressed in five strategic priorities identified for 2019 – 2024, the Western Cape's Vision-Inspired Priorities (VIPs), including VIP 2: Growth and Jobs.
- 2.14. VIP2 includes priorities on resource resilience and investment through promotion and catalytic infrastructure.
- 2.15. The Western Cape Government's post Covid-19 economic recovery plan includes a strategic focus on resource resilience (including energy resilience), recognised as key to creating an enabling environment to attract investment.
- 2.16. To facilitate the above, the Western Cape Government (WCG) continues to be committed to advancing the green economy – one that is low carbon, resource efficient, and socially inclusive. Energy supply choices and energy efficiency measures are critical determinants of this commitment; equally, understanding resource flows in the regional economy is critical to our ability to provide the appropriate support for the decoupling of economic growth from resource consumption. The Department of Economic Development and Tourism (DEDAT) is the lead department in facilitating the development



of a robust green economy in the Western Cape – in particular, achieving energy security and energy price stability.

- 2.17. The energy-related long-term strategic outcome of the PSP and Covid-19 economic recovery plan is to improve the energy resilience of the Western Cape Economy, with a target of additional nominal capacity of 500 MW of lower carbon electricity implemented in the Western Cape by 2025. Part of the MER Initiative will be to define the strategies and optimal mix of energy projects to meet this overall target.
- 2.18. The Western Cape Government recognises that this initiative is a medium to long term programme with multiple dependencies and timelines. The philosophy underlying the entire initiative is that infrastructure development is a key catalyst to improve energy resilience and that Government has a key role to play in facilitating and driving the development of municipal and other energy infrastructure in the province.

Project approach

The MER Initiative approach comprises of three implementation phases, with the outputs/deliverables of Phase 1 leading, informing and influencing Phases 2 and 3.

1. **Phase 1** involves the development of business cases; a municipal readiness evaluation; project identification and feasibility; and the development of a pioneering projects roadmap.
 - 1.1. A municipal readiness evaluation of all local municipalities was undertaken to select candidate municipalities for initial, pioneering energy projects and to identify municipal grid capacity, technical capacity, financial standing and other gaps and development needs at a high level for further renewable energy project implementation.
 - 1.2. Candidate municipalities identified and secured through MOUs are:
 - 1.2.1. Drakenstein municipality
 - 1.2.2. Mossel Bay municipality
 - 1.2.3. Overstrand municipality
 - 1.2.4. Saldanha Bay municipality
 - 1.2.5. Stellenbosch municipality
 - 1.2.6. Swartland municipality
 - 1.3. The project will also collaborate closely with the City of Cape Town.
 - 1.4. Business cases were developed for the four MER Initiative components:
 - 1.4.1. Municipal utility scale procurement from Independent Power Producers (IPPs) (>10MW)
 - 1.4.2. Distributed generation capacity at sub-utility scale (1-10MW)
 - 1.4.3. Small-scale embedded generation (SSEG) (< 1 MW)
 - 1.4.4. Energy Storage: Large scale battery storage

The business cases include multiple renewable energy technologies and scales and have been used to support the identification and implementation of project opportunities in candidate municipalities.

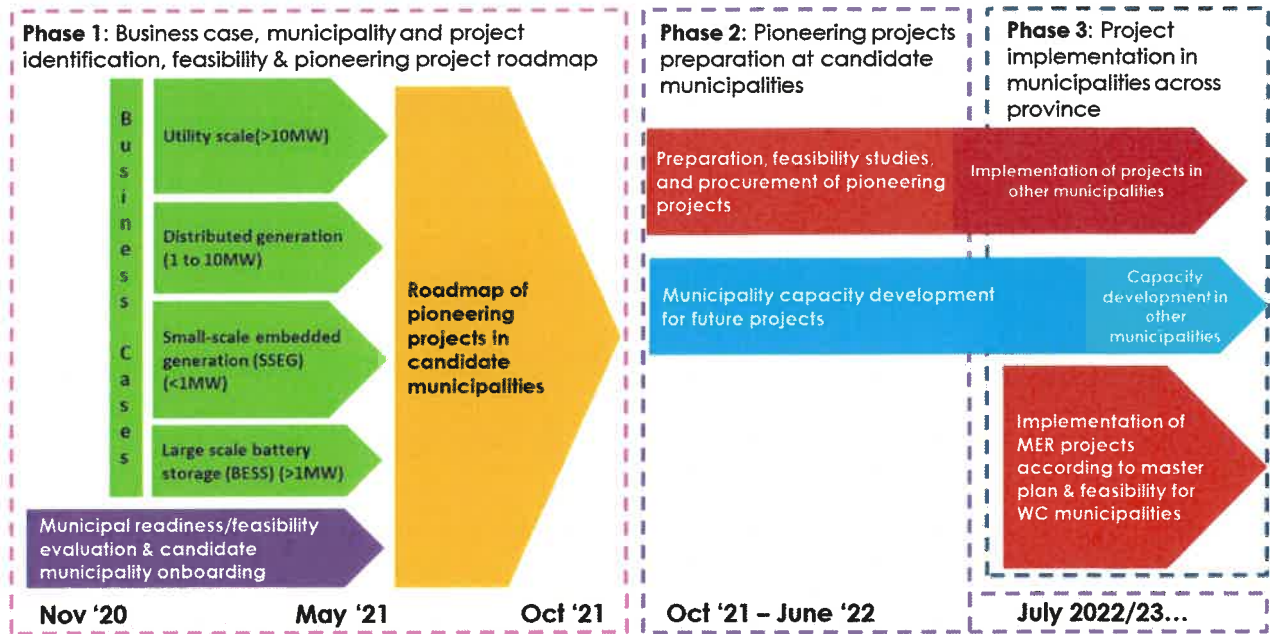


- 1.5. A request for information (RFI) is currently underway that will be used to identify and prioritise the types of projects that will be developed into a roadmap of pioneering projects for phase 2. The roadmap will include the identification of appropriate transaction / procurement and financing mechanisms, steps towards project implementation and municipal capacity gaps for each pioneering project.

2. **Phase 2** involves the implementation of at least 5 pioneering projects (2 in year 2 and 3 in year 3), at selected candidate municipalities including
 - 2.1. Project scoping & development of specific pioneering projects
 - 2.2. The identification of project implementation partners, transaction structures, funding/financing and other project enabling factors to enable implementation. This includes project feasibility studies.
 - 2.3. Municipal capacity development (electricity network capacity and relevant human resource capacity) for implementation of pioneering project and future / further energy projects
 - 2.4. Implementation of specific pioneering projects
 - 2.5. Implementation evaluation including learnings and optimisation for implementation at other municipalities.

3. **Phase 3** involves project implementation in municipalities across province including the:
 - 3.1. Development of a pipeline of further energy projects to inform implementation
 - 3.2. Development of an MER implementation master plan for a programme/pipeline of project implementations across Western Cape municipalities
 - 3.3. Identification of project implementation partners, transaction structures, funding/financing and other project enabling factors to enable implementation at scale across the province.
 - 3.4. Initiation of MER projects implementation across the province.
 - 3.5. Continued support to municipalities to implement identified projects

The diagram below summarises the MER 3-phase high level approach and plan:





3. NATURE AND SCOPE OF SERVICES TO BE RENDERED

The Department requires highly experienced technical specialist expertise over a period of two financial years (2021/22 and 2022/23), to strategically and tactically guide the team including:

1. remainder the MER programme phase 1
2. the structuring and implementation of phases 2 and 3 of the MER programme
3. setting up the MER programme over the long term beyond Phase 3.

The specific services required are grouped in five categories:

1. MER programme strategic development and planning
2. MER programme strategic and tactical implementation
3. MER pioneering and other project strategic and tactical implementation
4. MER candidate and other municipality strategic guidance
5. MER Masterplan for implementation across the Western Cape

and are detailed as follows:

For year 1: FY 2021/22:

Services	Consultants expected outputs/deliverables ¹
<p>1. MER programme strategic development and planning</p>	<p>Deliverables:</p> <ol style="list-style-type: none"> 1. Detailed project implementation plan for the Strategic Advisory Services contract 2. Strategic framework that will guide the MER programme approach including consideration of national, provincial, district and municipal dimensions. 3. Strategic plan for MER programme implementation to consider at least the following functional areas <ul style="list-style-type: none"> • Technical/engineering • Legal/regulation/policy • Financial/contractual/institutional • Socio-Economic, Economic growth and development 4. Status quo assessment of the energy and/or electricity sector in SA & how the MER Initiative would support and / or disrupt the sector. 5. Development of the MER provincial economic growth and development strategy and implementation plan. 6. MER programme risk management plan <p>Strategic advice on the following:</p> <ol style="list-style-type: none"> 7. Update on energy/electricity sector reform, Eskom unbundling, regulations, and energy-related business models 8. Energy sector related risks for the country, the province and for the MER Initiative & proposed mitigation thereof 9. Economic advice on the opportunities and changes underway in energy and/or electricity sector 10. Stakeholder management plan guidance and setting up meetings with and / or engaging with key stakeholders 11. Energy sector related legislative and regulatory lobbying approach
<p>2. MER programme strategic and tactical implementation</p>	<p>Deliverables:</p> <ol style="list-style-type: none"> 1. Design of and implementation plan for programme / project management office for WC renewable energy projects and programme implementation.

¹ Note that strategic advice elements in the services tables are over and above the deliverables required. Service providers should make provision not only to cost and ensure that adequate time is accounted for the development of deliverables, review and finalization of deliverables, but also for the strategic advice.

Services	Consultants expected outputs/deliverables ¹
	<p>2. Documents detailing the technical requirements for programme transaction advisory services required for projects/ programme implementation</p> <p>3. Development of funding and financing strategy and plan for MER programme of energy projects (including positioning of the MER Initiative, identification of relevant funding options, approaches and sources)</p> <p>4. Development of criteria for the selection of transaction, procurement and other supply chain management options in relation to PFMA and MFMA and any other relevant regulations for project implementation</p> <p>Strategic advice on the following:</p> <p>5. Interim arrangements of project management for renewable energy projects</p> <p>6. Inputs into and facilitation of provincial integrated resource plan (IRP) and potentially municipal energy masterplans (mini-IRPs) (IRPs developed through separate contract)</p>
<p>3. MER pioneering and other project strategic and tactical implementation</p>	<p>Deliverables:</p> <p>1. Addendum to MER business case report² indicating any key changes / updates.</p> <p>Strategic advice on the following:</p> <p>2. Development of TORs/RFPs in respect of Transaction Advisory services (project development and management, technical/engineering, financial, legal and regulatory & economic development)</p> <p>3. The evaluation, selection & contracting of transaction advisory, legal and other services.</p> <p>4. Feasibility studies undertaken for and transaction advisory services provided to pioneering projects.</p>
<p>4. MER candidate and other municipality strategic guidance</p>	<p>Deliverables:</p> <p>1. Municipal energy strategic plans for candidate municipalities aligned with MER programme strategic plan</p> <p>Strategic advice on the following:</p> <p>2. Municipal capacity gaps and development plan for candidate municipalities (beyond those for pioneering projects)</p> <p>3. Strategic focus of each candidate municipality based on their pioneering projects & potential other energy projects.</p>

² The MER business case report is an extensive report covering the 4 components detailed in 1.4 and provides detail on technical, financial and legal/regulatory issues for all the components. It also includes detail on socio-economic and economic development, procurement, commercial structuring considerations and project selection process for pioneering projects.

Services	Consultants expected outputs/deliverables ¹
	4. Unblocking of barriers to MER energy project implementation <ul style="list-style-type: none"> • Phase 2 for candidate municipalities
5. MER master plan for implementation across Western Cape	Deliverables: <ol style="list-style-type: none"> 1. Scoping of a draft master plan for MER implementation across the Western Cape (learning from pioneering project implementation progress to date, municipal readiness (i.e. capacity gap analyses), the developing Western Cape Integrated Resource Plan (IRP)³ project etc.) – including options for grouped or pooled municipalities, transaction and procurement options and any other means of leveraging economies of scale at provincial or district level. 2. Development / revision of municipality evaluation criteria for master plan implementation

For year 2: FY2022/23: (to be confirmed during year 1 and subject to budget availability, review of year one outcomes and the need for the services).

Services	Consultants expected outputs/deliverables ²
1. MER programme strategic development and planning	Deliverables: <ol style="list-style-type: none"> 1. Review and adjust strategic plan for MER programme implementation 2. Updated status quo assessment of the energy and/or electricity sector in SA & how the MER initiative would support and / or disrupt the sector. 3. Updated MER provincial economic growth and development strategy and implementation plan. 4. Updated MER programme risk management plan Strategic advice on the following: <ol style="list-style-type: none"> 5. Energy/electricity sector reform, Eskom unbundling, regulations, and energy-related business models 6. Energy sector related risks for the country the province and for the MER Initiative & proposed mitigation thereof 7. Economic advice on the opportunities and changes underway in energy and/or electricity sector 8. Stakeholder management plan updates and setting up meetings with and / or engaging with key stakeholders 9. Energy sector related legislative and regulatory lobbying approach
2. MER programme strategic and tactical implementation	Deliverables:

³ The Western Cape IRP is not part of this contract but is expected to be undertaken during the course of 2021/22 and anticipated to conclude in December 2022

Services	Consultants expected outputs/deliverables
	<ol style="list-style-type: none"> 1. Updated implementation plan for programme / project management office for WC renewable energy projects and programme implementation. 2. Update of funding and financing strategy and plan for MER programme of energy projects (including positioning of the MER Initiative, identification of relevant funding options, approaches and sources) 3. Review of provincial IRP⁴ <p>Strategic advice on the following:</p> <ol style="list-style-type: none"> 4. Interim arrangements of project management for renewable energy projects (if required)
<ol style="list-style-type: none"> 3. MER pioneering and other project strategic and tactical implementation 	<p>Strategic advice on the following:</p> <ol style="list-style-type: none"> 1. Development of TORs/RFPs in respect of Transaction Advisory services (project development and management, technical/engineering, financial, legal and regulatory & economic development) 2. The evaluation, selection & contracting of transaction advisory, legal and other services. 3. Feasibility studies undertaken for and transaction advisory services provided to pioneering projects.
<ol style="list-style-type: none"> 4. MER candidate and other municipality strategic guidance 	<p>Deliverables:</p> <ol style="list-style-type: none"> 1. Municipal energy strategic plans for other municipalities (beyond candidate municipalities as relevant – up to 5) aligned with MER programme strategic plan <p>Strategic advice on the following:</p> <ol style="list-style-type: none"> 2. Municipal capacity gaps and development plan for 5 other municipalities (beyond candidate municipalities as relevant – up to 5) 3. Strategic focus of each candidate municipality based on their pioneering projects & potential other energy projects. 4. Unblocking of barriers to MER energy project implementation <ul style="list-style-type: none"> • Phase 2 for candidate municipalities • Phase 3 for other relevant municipalities with MER projects
<ol style="list-style-type: none"> 5. MER master plan for implementation across Western Cape 	<p>Deliverables:</p> <ol style="list-style-type: none"> 1. Finalisation of a master plan for MER implementation across the Western Cape (learning from pioneering project implementation progress to date, municipal capacity gap analyses, the Western Cape Integrated Resource Plan (IRP)⁵ etc.) – including options for grouped or pooled municipalities, transaction and procurement options and any other means of leveraging economies of scale at provincial or district level.

⁴ The Western Cape IRP is not part of this contract but is expected to be undertaken during the course of 2021/22 and anticipated to conclude in December 2022

⁵ The Western Cape IRP is not part of this contract but is expected to be undertaken during the course of 2021/22 and anticipated to conclude in December 2022

4. EVALUATION METHODOLOGY

4.1. Bids shall be evaluated in terms of the following process:

4.1.1 **Phase 1:** Compliance checking: during this phase, bids will be verified against the minimum requirements as set out in this Terms of Reference.

4.1.2 **Phase 2:** Compliant bids will, thereafter, be evaluated against the criteria and weights for functionality depicted in the following table:

1 – POOR 2 – FAIR 3 – AVERAGE 4 – GOOD 5 – EXCELLENT

	Criteria: Functionality	Weight	Reference
	Experience, expertise & qualifications	60	
1.	<p>Lead advisor strategic consulting experience relevant to the assignment i.e. strategic advisory development and implementation experience in nationally or regionally integrated programmes and projects as an executive level consultant or lead.</p> <p>(Lead advisor to be clearly indicated in the proposal. This should be the lead advisor to the team and may be the same person as the senior energy advisor – see below)</p> <p>(Scored as the number of years' experience advising or managing at an executive/strategic level in national or regional integrated programmes and projects, with the minimum for compliance considered as: 5 to 10 years' experience)</p>	10	7.2 7.3
2.	<p>Senior energy advisor with experience relevant to the assignment. i.e. National and/or sub-national energy advisory, planning and implementation of energy related programmes and projects (e.g. ideally in or with the IPP Office/ NT/ DBSA or similar commercial and financing programme(s) in the energy sectors).</p> <p>(Senior energy advisor to be clearly indicated in the proposal - this may be the same person as the lead advisor - see above)</p> <p>(Scored as the number of years' experience in energy advisory with the minimum for compliance considered as: 5 to 7 years' experience)</p>	10	7.2 7.3

	Criteria: Functionality	Weight	Reference
3.	<p>Experience of key staff⁶ relevant to the delivery of the assignment (as required to support the lead and senior advisor/s). Relevant experience in national and/or sub-national catalytic infrastructure projects (ideally in energy related assignments) with experience in:</p> <ul style="list-style-type: none"> • Project management, • Technical/engineering • Legal/regulation/policy • Financial/contractual/institutional • Socio-economic, economic growth and development <p>(Scored on the average relevant experience of key staff per area with the minimum for compliance considered as: an average of 3-5 years' experience in four of the areas).</p>	30	7.2 7.3
4.	<p>Qualifications of key personnel – lead advisor and senior energy advisor & other key staff⁶</p> <p>(Relevant academic qualifications e.g. in science/ engineering/ economics/ business management/ finance/ law and scored with minimum for compliance considered as: the Lead advisor or the senior energy advisor have at least a Masters' degree, and other key staff each have at least a bachelor's degree in a relevant field.)</p>	10	7.2 7.3
5.	Response, methodology and project plan	40	
5.1.	<p>Strategic response to assignment, including insight, content and context; strategic positioning in energy system, and challenges. Demonstrate comprehension and insight into 4 assignment themes:</p> <ol style="list-style-type: none"> 1) Project directive, objective, goals, scope of assignment, underlying programme and projects, nature and complexity of assignment 2) Context of SA national and sub-national energy/power sector, infrastructure (generation, transmission, distribution), energy transition and power sector reform 3) MER project components (utility, sub-utility, distributed and embedded and SSEG generation and combined with storage) 4) Energy project dimensions (municipalities, technology/solutions, transactions/ procurement). 	15	7.1
5.2.	Proposed methodology & approach, indicating logical structure and rationale of the methodology including any innovative ideas/value add.	15	7.1

⁶ Key staff is defined as up to 5 persons with most time allocated to the project - excluding the lead advisor strategic and senior energy advisor. They could comprise of:

- a) individual employees from the same firm and / or organisation as the lead advisor or senior energy advisor and/or
- b) the formation of a consortium / JV / subcontractor in association with lead advisor strategic consulting

	Criteria: Functionality	Weight	Reference
5.3.	Proposed project plan elements appropriately covered in proposal: 1) Work breakdown structure 2) Timescales 3) Deliverables/outputs 4) Milestones 5) Resources and allocation thereof 6) Monitoring 7) Reporting/communication 8) Stakeholder management 9) Budget breakdown (by year and services)	10	7.1
	Total	100	
	Minimum Threshold	75%	

NB: Bids that score less than 75% of the points for functionality will be disqualified and not evaluated further.

- 4.1.3 **Phase 3:** Thereafter, only qualifying bids are evaluated in terms of the 80/20 preference points system, where the 80 points will be used for price and the 20 points are awarded to the bidder for attaining B-BBEE status level contributor in accordance with their BEE Certificate.

5. DURATION OF CONTRACT

- 5.1. This assignment is over a one-and-a-half-year period (financial year 2021/22 finishing end March 2022 and financial year 2022/23 finishing mid-March 2023).
- 5.2. Commencing 5 October 2021 (to be confirmed)
- 5.3. Completion 15 March 2023
- 5.4. It is anticipated that a lead advisor strategic consulting and senior energy advisor and key staff (up to 5 other persons), will be allocated on average around 50% for the work in both FY 2021/22 and FY 2022/23.

6. REPORTING AND MONITORING

- 6.1. The appointed Strategic Advisor will report to the Director: Energy (Green Economy)
- 6.2. Provide reports (every 2 months) on all strategic advisory inputs (as outlined in section 3). These must include:
- 6.2.1. Progress of work undertaken including items such as value add, key new / innovative ideas and approaches (whether own or sourced from the market / stakeholders but applied to the MER initiative).
- 6.2.2. Stakeholders engaged with and key findings, breakthroughs, networks established, partnerships agreed.
- 6.2.3. Challenges in the energy sector (South African / international)
- 6.2.4. Identified risk updates of the MER Initiative & proposed risk mitigation
- 6.2.5. Deliverables to date
- 6.2.6. Service provider resource allocation and budget spend

6.2.7. Any flags of the MER Strategic Advisory Services contract

6.2.8. Next steps in the Strategic Advisory Services contract and for the DEDAT MER team.

- 6.3. Additional to the outputs required, the service provider will be required to present at and engage with the MER interdepartmental steering committee on a quarterly basis. This is for the steering committee to evaluate progress and to make key decisions and provide guidance related to the development of the MER Initiative implementation.
- 6.4. Monitoring and evaluation will occur through the reports outlined in 6.2 and through meetings between the DEDAT MER project team and relevant members of service provider team. These will be scheduled and managed by the DEDAT Energy Directorate.

7. SERVICE PROVIDERS PROPOSAL

The bidder is required to submit a detailed and comprehensive proposal (maximum 25 pages, not including other supporting documentation required) as a bid in response to this terms of reference. Service providers are required to prepare their proposal in accordance with the instructions outlined below.

Ref	Document Title	Content
7.1.	Proposal	<p>The bidder should specifically respond to the specification of services and outputs identified in Section 3: Nature and Scope of Services, as well as in reference to the key parts of Section 2: Background, specifically noting the project approach and phases.</p> <p>The proposal should comprise of the following:</p> <ol style="list-style-type: none"> 1 Executive Summary - a brief overview of the assignment identifying the main features and benefits of the proposed work. 2 Company / consortium / joint venture overview / sub-contracting arrangement profile (max 2 pages) 3 Understanding of the Scope of Work: <ul style="list-style-type: none"> • Strategic response to the assignment including proposed solution to delivering on the Scope of Work covering all items in Section 4: 5.1. • Proposed methodology & approach to the project including any assumptions made and any additional insight and comments on the assignment covering all items in Section 4: 5.2. 4 Project plan covering all items in Section 4: 5.3
7.2.	Proposed team/ individuals' CVs	<p>CVs (max 5 pages each) of the lead advisor(s) and key employees that will be working on the project, noting their roles, relevance and appropriateness to this project and stating:</p> <ul style="list-style-type: none"> • Qualifications - Provide details of the skills and qualifications for each individual and/or team member (see Section 4: 4) • Number of years' experience ⁷ and expertise relevant to this assignment - Provide details of the professional experience pertinent to the Scope of Work (see Section 4: 1, 2, 3) • Short synopsis of relevant projects that the individual and/or each team member has worked on including roles and responsibilities and, specifically, large scale and complex energy related strategic programmes (see Section 4: 1, 2, 3)
7.3.	Annexure A: Table summary of qualifications, application and experience.	Project team members & roles in team; academic qualifications, estimated hours per month,
	Annexure B: Table summary of project references	Relevant project references (by project and experience) to this particular assignment

⁷ Where there may be a difference in number of years reflected in the CV and Annexure A, Annexure A will be used.

8. BRIEFING SESSION

8.1. A non-compulsory information / briefing session will be held on the 03 September 2021 at 11:00 on the Microsoft Teams platform. Service providers that intend to attend the non-compulsory briefing session will be required to register their interest via email through the procurement practitioner email address supplied. This registration of interest must be done by 30 August 2021 at 16:00 so that an MS Teams meeting invitation can be provided.

9. MINIMUM REQUIREMENTS FOR A VALID BID

9.1. Service providers that fail to adhere to any of the following, will be rendered non-compliant:

9.1.1. Bidders must submit proposals inclusive of VAT before the bid closing date and time.

9.1.2. Bidders must be registered on Central Supplier Database (CSD).

9.1.3. Each party participating in a Joint Venture must be tax compliant and must provide a WCBD 4.

9.1.4. Consortiums must provide a WCBD 4 and must be tax compliant.

10. COMPULSORY RETURNABLE DOCUMENTS

The following documents are compulsory and must be submitted according to the table below. Failure to submit documents listed under Table 1 below will result in disqualification.

Table 1: List of Compulsory Bid Documents and requirements

Document that must be submitted	Description/ Instructions
Proposal and / or portfolio of evidence	Bidders proposal and supporting documentation
WCBD 1	Invitation to bid – Complete and sign
WCBD 3.3	Pricing Schedule
WCBD 4	Declaration of Interest, Declaration of Bidder's Past Supply Chain Management Practices and Certificate of Independent Bid Determination – Complete and sign
WCBD 6.1	Preference Points Claim Form complete and sign NB: ONLY THE B-BBEE STATUS STATED ON THE COMPLETED WCBD 6.1 WILL APPLY TO THE EVALUATION OF THIS BID AND NOT THE B-BBEE STATUS ON THE WCSD OR CSD.

11. JOINT VENTURE/CONSORTIUM

11.1. If a Joint Venture/Consortium claims B-BBEE points, a consolidated B-BBEE scorecard must be submitted.

12. SUB-CONTRACTING

- 12.1. A person awarded a contract must only enter into a subcontracting arrangement with the approval of the department.
- 12.2. A bidder may not be awarded points for B-BBEE status level of contributor if the bid documents indicate that the bidder intends sub-contracting more than 25% of the value of the contract to any other person not qualifying for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 12.3. A bidder awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

13. REGISTRATION ON SUPPLIER DATABASES

- 13.1. Prospective bidders must be registered on the Central Supplier database (CSD) at the time of bid closure.
- 13.2. All prospective bidders who are not registered on the Central Supplier Database are requested to self-register on www.csd.gov.za.
For further assistance with the registration process, please contact the Department of Economic Development or email DEDAT.SCM@westerncape.gov.za or the SCM official as per the details provided in this ToR.
- 13.3. **Registration on databases and compliance of tax status will be verified at the time of the award.**
Where the successful bidder is not tax compliant, the department will notify the bidder in writing of their non-compliant status and the bidder will be requested to submit written proof from SARS of their tax compliance status or proof that they have arranged to meet their outstanding tax obligations within 7-working days.

14. CONTRACTUAL ASPECTS

- 14.1. The contents of this document shall be deemed to constitute the Special Conditions of Contract applicable to this bid and shall be read together with the General Conditions of Contract issued in accordance with Chapter 16A of the Treasury Regulations.
- 14.2. Where, however, the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract shall prevail.
- 14.3. The bid document, together with the specifications contained in this document, shall constitute part of the Contract.
- 14.4. Bidders shall not perform any work or render any services in terms of the Contract unless in receipt of a written instruction to this effect by the Department.
- 14.5. The successful bidder may not assign his/ her obligations.
- 14.6. The successful bidder must advise the Head of Department of Economic Development and Tourism immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

15. DISCLAIMER

- 15.1. Bidders must make and rely on their own investigations and satisfy themselves as to the correctness of all aspects of the bid. The Department will not be liable for any incorrect or potentially misleading information in relation to any part of this document and any accompanying bid documents.
- 15.2. The department reserves the right not to appoint any contracted partner who does not comply with the conditions of this bid or if information is obtained by the department about a bidder that could put the department at risk.
- 15.3. The department reserves the right to cancel this bid should the budget not be available at the time of award to cover the full quote of this tender or if the need does not exist anymore or the specification has changed.

16. ABSENCE OF OBLIGATION

- 16.1. No legal or other obligation shall arise between bidders and the Department unless and until the formal appointment documentation has been signed. The Department is not obliged to proceed with any proposals of any bidder. The Department also reserves the right to request changes to any proposed consortia.

17. INDEMNITY

- 17.1. The successful bidder will indemnify, protect, defend and hold harmless the Department from and against any and all claims, demands, actions and proceedings whatsoever including all fees, costs and expenses incurred in respect thereof arising out of:
 - a) Any claim of any taxes payable by the bidder.
 - b) Any claim for Workmen's Compensation Insurance or for any loss for which the bidder is liable.
- 17.2. Any claim by a third party including any employees of the Department or of the bidder for any loss resulting from any bodily injury and or damages to property by any act or omission of the bidder or any of its employees, servants or agents.

End.