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# ***TERMS OF REFERENCE FOR APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP AN ENERGY AND CLIMATE CHANGE STRATEGY IN THE PUBLIC BUILDING SUB-SECTOR FOR FOUR (4) MONTHS***

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## **1 BACKGROUND**

- 1.1 The Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) estimated that between 1970 and 2004, global greenhouse gas emissions due to human activities rose by 70 percent (IPCC, 2007). While the full implications of climate change are not fully understood, scientific evidence suggests that it is a causal factor in rising sea levels, increased occurrence of severe weather events, food shortages, changing patterns of disease, severe water shortages and the loss of tropical forests.
- 1.2 According to international research (UNEP 2009), the building sector contributes up to 30% of global annual greenhouse gas emissions and consumes up to 40% of all energy. Given the massive growth in new construction in economies in transition, and the inefficiencies of existing building stock worldwide, if nothing is done, greenhouse gas emissions from buildings will more than double in the next 20 years. Therefore, if targets for greenhouse gas emissions reduction are to be met, it is clear that decision-makers must tackle emissions from the building sector.
- 1.3 In responding to this challenge, the South Africa government through the Department of Environmental Affairs developed a National Climate Change Response White Paper (NCCRWP), which was adopted by cabinet and promulgated in October 2011. The NCCRWP is the Government's vision for an effective climate change response and long term transition to climate change resilient and low carbon economy and society. The Paper envisages a wide range and mix of different types of mitigation approaches, policies, measures and actions that optimize the mitigation outcomes as well as job creation and other sustainable development benefits. This mix of measures may include the

adoption of a carbon budget approach for significant GHG emitting sectors, and the use of economic instruments, such as a carbon tax.

- 1.4 Central to the objectives of the NCCRWP and in terms of Section 6.1.3 of the National Climate Change Response Policy (2011), government will define Carbon Budgets for significant greenhouse gas (GHG) emitting sectors and/or sub-sectors as part of its overall approach to climate change mitigation. To this end, the policy sets out that sectors/sub-sectors should within two years of the publication of the policy develop and adopt strategies that sets out the initial carbon budgets to be achieved.
- 1.5 This study will build on the work that is currently being done (i.e. the Mitigation Potential Analysis commissioned by the DEA to develop the sector/sub-sector climate change strategy or mitigation and lower-carbon development strategies/plan by October 2013, the Energy Audits project carried out by the DoE in partnership with the Department of Public Works).

## **2 OBJECTIVES**

- 2.1 The objective is to collect and analyse data or information collected in the public building sector, with emphasis on assessing the potential of viable mitigation and or adaptation options for reducing GHGs, and setting clear and achievable targets and implementation plan for mitigation and or adaptation interventions, and also to recommend best possible data collection processes and monitoring, verification and reporting systems.

## **3 SCOPE OF WORK**

- 3.1 The scope of the energy and climate change strategy is two-fold and will be implemented as follows:

### **3.1.1 Phase 1**

- 3.1.1.1 Development of a detailed project plan with clear time lines and budget break down.

- 3.1.1.2 Data collection, analysis and review of the current mitigation and or adaptation measures in the energy sector in line with appropriate local and international methodologies.
- 3.1.1.3 Develop an energy management baseline and system to determine energy consumption and building-related GHG emissions using a consistent international approach for performance monitoring and reporting, this in line with the available system within the DoE.
- 3.1.1.4 Develop clear guidelines that will support energy efficiency and GHG emission reduction programmes in the public building sector, and define a clear road map on how Energy Efficiency (EE) in the public building sector can be recognised as a Nationally Appropriate Mitigation Action (NAMA).

### **3.1.2 Phase 2**

- 3.1.2.1 The cost or risk matrix (real or perceived) of implementing the GHG reduction interventions in the public building sector.
- 3.1.2.2 Analysis of structural characteristics of political, economic, energy system which make efficiency investment difficult.
- 3.1.2.3 Assessment of Market structures and constraints that prevent a consistent trade-off between specific EE investment and energy saving benefits in the public building sector.
- 3.1.2.4 Assessment of behavioural characteristics of individuals and government entities that hinder energy efficiency technologies and practices in the public building sector.
- 3.1.2.5 Develop a comprehensive, mitigation and/or adaptation model options available for the public building sector including the assessment of a potential Clean Development Mechanism (CDM) programme in this sector.

3.1.2.6 Conduct stakeholder consultation workshop and secretariat duties in Project Steering Committee (PSC) meetings as well as presenting to other committees such as the Department of Environmental Affairs' (DEA), National Committee on Climate Change (NCCC) meetings.

#### **4 PAYMENTS**

4.1 The Department will not make an upfront payment to a successful service provider. Payment will only be made in accordance to the delivery of service that will be agreed upon by both parties and upon receipt of an original invoice.

#### **5 REPORTING REQUIREMENT AND PROGRESS MEETINGS**

5.1 It is envisaged that the Department of Energy will require an initial meeting with the successful bidder(s) to agree on the project process and options to be investigated.

5.2 Progress meeting feedback shall be held as when necessary, but at least twice a month. The venue for these meetings will be a selected venue in Johannesburg or Pretoria. Representatives from the advisors' organisation shall be obliged to attend. Where applicable, conference calls shall be held to facilitate such meetings.

#### **6 COMPLETION DATE**

6.1 The duration of the project is **four (4) months** after signing of the contract with the successful service provider. The funds will be made available in the next financial year for this project since it is going to overlap.

#### **7 COMPULSORY INFORMATION SESSION**

7.1 Briefing session will be held on Friday, **22 November 2013** at the Department of Energy, at 192 Corner Paul Kruger and Visagie Streets at 10H00.

## **8 TAX CLEARANCE CERTIFICATE**

- 8.1 The bidder is required to submit an original and valid Tax Clearance Certificate issued by the South African Revenue Services together with the bid documents before the closing date and time of the bid. Failure to comply with this condition will invalidate the bid.

## **9 CONFIDENTIALITY OF INFORMATION**

- 9.1 The names of all the members of the team must be disclosed for the prior approval of Department of Energy. Any changes, replacements and/or additions should be submitted for prior approval of Department of Energy.
- 9.1.1 A bidder is affiliated with a firm or entity that has been hired (or is proposed to be hired) by Department of Energy or the lender.

## **10. EVALUATION METHODOLOGY**

### **10.1. Cost**

- 10.1.1 The service provider will be requested to provide a quote regarding the work to be undertaken for this project.
- 10.1.2 The total cost must be VAT inclusive and should be quoted in South African currency (i.e. rands).

### **10.2. Broad-Based Black Economic Empowerment**

- 10.2.1 Provisions of the Preferential Procurement Policy Framework Act (PPPFA) 2011 and its regulation will apply in terms of awarding points.
- 10.2.2 Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims.
- 10.2.3 Bidders who do not submit their B-BBEE status level verification certificates or are non-compliant contributors to B-BBEE will not qualify for preference points for B-BBEE.
- 10.2.4 A trust, consortium or joint venture must submit a consolidated B-BBEE status level verification certificate for every separate bid.

10.2.5 Accounting Officers must ensure that the B-BBEE Status level Verification Certificates submitted are issued by the following agencies:

**10.2.5.1 Bidders other than EMEs**

- (a) Verification agencies accredited by SANAS.
- (b) Registered auditors approved by IRBA.

**10.2.5.1 Bidders who qualify as EMEs**

- (a) Accounting officers as contemplated in the CCA; or
- (b) Verification agencies accredited by SANAS; or
- (c) Registered auditors (Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates).

10.2.6 The table below depicts the B-BBEE status level of contribution:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

**10.3 Company Experience**

10.3.1 Service providers should at least have five (5) years' experience in the climate change, energy and environmental policies and strategies. This must be

supported by proof from 3 contactable referees indicating that similar project was executed.

#### **10.4 Team leader and team members' experience**

10.4.1 Team Leader must have at least three (3) years' experience in energy management and individual team members must have at least two (2) years' experience in Climate Change, energy and environmental polices. The CV's of the team leader and team members must be attached to the technical proposal as proof. Details of the team leader and team member should indicate their designated responsibilities.

#### **10.5 Qualification**

10.5.1 Team leader and team members must possess a minimum of a Masters Degree or at least a Bachelor's Degree in the relevant discipline (e.g. Natural Sciences, Energy studies and Environmental Management).

10.5.2 Copies of certified certificates must be attached to the proposal as proof, failure to attach, bidders will forfeit points.

#### **10.6 Project Plan**

10.6.1 Project plan with intermediate and final outputs and identified timeframes/milestones.

10.6.2 Proposed Methodology.

10.6.3 Management of the project.

### **11. EVALUATION CRITERIA**

11.1 Bids will be evaluated on **80/20** point system as outlined in the PPPFA of 2011. The proposals will be evaluated in two phases:

#### **Phase 1:**

Bidders will be evaluated based on functionality. The minimum threshold for functionality is **70 out of 100 points**. Bidders who fail to meet minimum threshold will be disqualified and will not be evaluated further for price points.

No	Criteria	Weights
1	<p><b>Company Experience:</b></p> <ul style="list-style-type: none"> <li>❖ Provide a letter to the DoE from three contactable referees indicating that similar project was executed. The service provider must have five (5) years' experience in the field of Energy Management; experience of Climate Change, Energy and Environmental Policies and Strategies.</li> </ul>	<p><b>10</b></p> <p>10</p>
2	<p><b>Team leader and team members:</b></p> <ul style="list-style-type: none"> <li>❖ The Team Leader must have at least three (3) years' experience in the field of Climate Change, Energy Management and Environmental Policies.</li> <li>❖ Individual team members must have at least two (2) years' experience in the field of Climate Change, Energy Management and Environmental Policies. CV's of the team leader and team members must be attached to the technical proposal as proof.</li> </ul>	<p><b>20</b></p> <p>10</p> <p>10</p>
3.	<p><b>Qualifications:</b></p> <ul style="list-style-type: none"> <li>❖ Team leader must possess a minimum of a Masters Degree in the relevant discipline (e.g. Natural Sciences, Energy studies and Environmental Management). Copies of certified certificates must be attached to the proposal as proof, failure to attach, bidders will forfeit points.</li> <li>❖ Team members must possess a minimum of a Bachelor's Degree in the relevant discipline (e.g. Natural Sciences, Energy Studies and Environmental Management). Copies of certified certificates must be attached to the proposal as proof, failure to attach, bidders will forfeit points.</li> </ul>	<p><b>20</b></p> <p>10</p> <p>10</p>

<b>4</b>	<b>Project Plan:</b> <ul style="list-style-type: none"> <li>❖ Intermediate and final outputs and identified timeframes/milestones.</li> <li>❖ A clear research methodology must be indicated to the proposal. The methodology must outline how the planned work will be carried out and should be according to each phase or deliverable of compiling the technical report.</li> <li>❖ Management of the project. Detailed work plans, including timetable for key deliverables.</li> </ul>	<b>50</b>
		10
		25
		15
<b>Total</b>		<b>100</b>

**For purpose of evaluating functionality, the following values will be applicable:**

<b>0=</b>	<b>Very Poor</b>	Do not meet the requirements
<b>1=</b>	<b>Poor</b>	Will not be able to fulfil the requirements
<b>2=</b>	<b>Average</b>	Will partially fulfil the requirements
<b>3=</b>	<b>Good</b>	Will be able to fulfil the requirements
<b>4=</b>	<b>Very Good</b>	Will be able to fulfil better in terms of the requirements adequately
<b>5=</b>	<b>Excellent</b>	Will fulfil the requirements exceptionally

**Phase 2:**

<b>Price</b>	<b>90</b>
<b>B-BBEE compliance</b>	<b>10</b>

## 12. FORMAT AND SUBMISSION OF THE PROPOSAL

- 12.1 All the standard bidding documents (SBD) must be completed in all respects by bidders. Failure to comply will invalidate a bid.
- 12.2 Bidders are requested to submit two (2) copies: 1 original plus copy of the proposal and bid documents.

## 13. CLOSING DATE

- 13.1 Proposals must be submitted on or before **29 November 2013** at Department of Energy, 192 Corner Visagie and Paul Kruger Streets, Pretoria in the bid box marked Department of Energy. **No late bids will be accepted.**

## 14. ENQUIRIES

- 14.1 All technical enquiries to be directed in writing to:

Mr Thebe Mamakoko

Tel: 012- 406 7679

Email: Thebe.Mamakoko@[energy.gov.za](mailto:energy.gov.za)

- 14.2 All bid enquiries to be directed to:

Ms Lebogang Mosuwe/Ms Daisy Maraba

Tel: 012- 406 7742/7748

Email:[Lebogang.Mosuwe@energy.gov.za](mailto:Lebogang.Mosuwe@energy.gov.za)/[Daisy Maraba@energy.gov.za](mailto:Daisy.Maraba@energy.gov.za)