

Terms of Reference

ASDU 01/2020 - Provision of Energy Services to Freedom Farm and Malawi Camp

1. Information and contact details

The Alternative Service Delivery Unit – The Alternative Service Delivery Unit (ASDU) has been established to design, facilitate and manage the provision of energy services to unserved¹ and unserviceable² communities, on behalf of relevant stakeholders. ASDU applies an adaptive co-design framework to facilitate community led energy provision. The ASDU partnership model is built on three interrelated fundamentals of modern service delivery - social inclusion/mobilisation³, customised technical design and financial sustainability. ASDU is being implemented by the GreenCape Sector Development Agency (GreenCape) and is directed by GreenCape's institutional identity, governance, standards and compliance frameworks.

The GreenCape Sector Development Agency - GreenCape is a non-profit organisation, established in 2011, that drives the widespread adoption of economically viable green economy solutions from the Western Cape. GreenCape works at the interface between business, government and academia in order to identify and remove barriers to economically viable green economy infrastructure solutions in developing countries, thereby catalysing their replicable and large-scale uptake to enable each country and its citizens to prosper.

Airports Company South Africa - Airports Company South Africa was formed in 1993 and, although majority owned by the South African Government, is legally and financially autonomous and operates under commercial law. Airports Company South Africa SOC Ltd (the Company) owns and manages a network of nine airports in South Africa, including the three main international gateways of O.R. Tambo International, Cape Town International and King Shaka International Airports. In 2017, the nine airports facilitated nearly 41 million passengers.

Name of implementing institution:	The GreenCape Sector Development Agency
Contact email:	ASDUtenders@greencape.co.za
Telephone number:	021 811 0250

¹ Currently no traditional government lead utility services being provided.

² Areas where it is not possible to provide government lead utility services due to location (i.e. flood plain) or land ownership (private land) etc.

³ In-depth process is to identify community priorities, resources, needs and solutions in such a way as to promote representative participation, good governance, accountability and peaceful change.

GreenCape Sector Development Agency

18 Roeland St, Cape Town, 8001, South Africa

+27 21 811 0250 / info@green-cape.co.za / www.green-cape.co.za

Company Registration No. 2012/039750/08

Refer to the GreenCape website for director details

2. Background

2.1. Freedom Farm

Freedom Farm is located on Robert Sobukwe Road in Cape Town, on land belonging to the Airports Company of South Africa (ACSA) and the Municipality of Cape Town. This community has been prioritised for relocation to a formal housing development on Symphony Way. This housing development is led by the City of Cape Town, and the beneficiaries of the programme will be relocated in ~2023. Freedom Farm is home to close to 2000 people. Residents have been living in the area for as long as 30 years, with the average resident having lived in Freedom Farm for 12 years. There is no formal electricity in this settlement and limited communal water points. The unemployment rate in the area is close to 65% and more than 50% of school age children (0-18 years) are not in school. **Please see detailed intervention brief for more information.**

2.2. Malawi Camp

Malawi Camp is located on Robert Sobukwe Road in Cape Town, on land belonging to the Airports Company of South Africa (ACSA) and the Municipality of Cape Town. This community has been prioritised for relocation to a formal housing development on Symphony Way. This housing development is led by the City of Cape Town, and the beneficiaries of the programme will be relocated in ~2023. Malawi Camp is home to more than 1000 people. Residents have been living in the area for as long as 30 years, with the average resident having lived in Malawi Camp for 13 years. There is no formal electricity in this settlement and limited communal water points. Safety has become an issue in this community. The unemployment rate in the area is close to 55% and more than 50% of school age children (0-18 years) are not in school. **Please see detailed intervention brief for more information.**

2.3. Description of the Project

The overall goal of the project is to support the two communities of Freedom Farm and Malawi Camp in meeting their energy needs while upskilling them and developing local social enterprise. Over the past year the project has already completed the following:

- Site feasibility assessments.
- Extensive social mobilisation of both communities
- In-depth community enumerations (data available on request)
- Understanding the needs of these communities and developing customized intervention briefs detailing the priority energy intervention

These activities should not be repeated by selected partners going forward.

2.4. Partners required

GreenCape is looking for three categories of partners in order to ensure an equitably balanced approach to address the problem of electrification in these areas. An entity submitting a tender can fulfil the role of one or more of the three categories. In other words, a tenderer has the option of tendering for one, two, or all three of the roles. Each tender must indicate clearly; to which role or roles the tender relates.

Table 1: Partner categories and qualities

Partner category	Description
Social mobilization partner	A partner with the expertise and ability to build on the social mobilisation work already undertaken by GreenCape. This partner plays the role of building community participation as the foundation for the social impact element of the final intervention.
Context appropriate technical partner	A partner that will provide the context appropriate technical intervention based on the settlement datatype as per the individual intervention brief. Examples can include but are not limited to Home Solar Systems, microgrids, small scale biogas / waste-to-energy, energy hubs and solar Appliances.
Business model partner	A partner that will provide the innovative business model based on the settlement data provided, the technical approach selected and the social foundation. Examples can include but are not limited to partnerships between companies and institutions, distributor-dealer channels, proprietary distribution, franchise models, renting or leasing systems and pay-as-you-go models.

2.4.1. Required Competency of Partners

GreenCape and ASDU are looking for partners with a strong record in social mobilisation, context appropriate technical intervention implementation and business model development.

Partners should have the following skills and competencies:

- Demonstrable experience in providing sustainable energy services to low income communities in South Africa.
- At least 3 years' work experience in relevant areas.
- Experience in working with communities.
- Excellent communication skills.
- Proficiency in English and language appropriate to the community.
- Project and stakeholder management experience.

3. Project Outputs / Deliverables

Over the next three years (April 2020 to December 2022), with the support from the Alternative Service Delivery Unit, this project is expected to do the following:

Objective 1: Provide energy to Freedom Farm and Malawi Camp as per intervention brief

Objective 2: Promote community mobilisation and empowerment as per intervention brief

Objective 3: Create local skills and jobs (economic and social development)

Linked to the above objectives, the following are the output deliverables:

Deliverable 1: Sustainable Electrification for +-900 homes (Freedom Farm and Malawi Camp).

Deliverable 2: Establishment of an operations and maintenance business/operation.

Deliverable 3: Monitoring and evaluation.

Deliverable 4: Community exit plan⁴.

⁴ Both communities are being relocated from 2023. A plan needs to be developed and implemented for the infrastructure post this relocation.

3.1.1. Key milestones and dates

The following milestones are expected from this project:

#	Key Activity	Indicative Time Frame
1	Start of installation of context-suited energy technology per community	April 2020
2	Establishment and operation of social diffusion model to address critical needs per community	April 2020 – December 2021
3	Detailed context-suited financial model for ongoing operations per community	April 2020 – December 2021
4	Maintenance and support	April 2020 – December 2022

4. Location and Site Characteristics

Please refer to intervention briefs for Freedom Farm and Malawi Camp.

5. Expected interventions per area

Please refer to intervention briefs for Freedom Farm and Malawi Camp.

6. Proposal time lines

In terms of timelines, we expect the following:

- Request for proposals released: 24 February 2020
- All Expressions of Interest received: 09 March 2020
- Expressions of Interest reviewed: 11 March 2020
- Short list request for proposals sent: 11 March 2020
- All proposals received: 25 March 2020
- Proposals reviewed: 27 March 2020
- Winning proposal notified: 31 March 2020

Installation is expected to begin in April/May 2020. Ongoing maintenance and support is expected until at least 31 December 2022.

7. Project budget

A funding cap is set at R4000 – R4500 per household energised, which will be allocated to the cost of intervention (capital expenditure (CAPEX) and operating expenditure (OPEX)). GreenCape recommends a co-investment should be raised or provided by the Tenderer. Cost per household energised will be used as the primary financial assessment tool. This will be calculated by taking the combined CAPEX and OPEX divided by total number of households serviced. Price shall be judged based on the Pricing Proposal in the Request for Proposal.

GreenCape recommends a built in cost for households for the provided service (on a service or unit basis) as a mechanism for community involvement and financial sustainability. Once the 36-month period has passed, the intervention should be running as a standalone and financially sustainable entity.

8. Reporting Requirements

GreenCape will require the following reporting:

- Monthly progress updates on the last day of the calendar month.
- Successful implementation updates on a quarterly basis.
- Annual performance reports (based on monitoring and evaluation tool).

8.1. Monitoring and evaluation tool

Quarterly and annual performance reports indicating achieved vs expected performance and trends in performance based on the below table will be required. A tracking tool will be provided by GreenCape.

Table 2: ASDU Monitoring Indicators

Dimension	Indicator	Measures
Technical	Domestic Energy supply	Capacity (W/HH) Duration (usage in 24 hours) Reliability (outage days/month) Affordability (customer payment patterns)
	Area lighting	Capacity (community coverage) Duration (Night hours) Reliability Quality Safety
	Energy consumption	Daily Consumption (Wh/HH) System Operation
Economic	Economic Growth	Economic activities
	Local governance	Local operator ability
Social	Community involvement	Inclusion in ownership / Management Participation in project meetings
	User satisfaction	Energy system Area lighting Price Governance
	Household wellbeing (user stories)	Education Health Safety Community unity
	Environmental sustainability	Indoor air quality improvements (user stories) CO2 emissions reductions (estimates)

9. Contact with GreenCape

Please submit the attached Expression of Interest by Monday, 09 March 2020.

Any enquiry regarding this Expression of Interest or a submitting of a response shall be submitted in writing to GreenCape at ASDUtenders@greencape.co.za with **“TOR No ASDU 01/2020 - The provision of Energy Services for Freedom Farm and Malawi Camp”** as the subject.

Any other contact with GreenCape personnel involved in this tender is not permitted during the process other than as required through existing service arrangements or as requested by the GreenCape as part of the process.