

REQUEST FOR QUOTATION (RFQ)

GREENCAPE CCT UK PACT PROJECT 2022 – ALTERNATIVE SANITATION PROVISION FOR INFORMAL SETTLEMENTS

Established in 2010, GreenCape is a non-profit organisation that drives the widespread adoption of economically viable green economy solutions from South Africa. GreenCape works with businesses, investors, academia, and government to unlock the investment and employment potential of green technologies and services, and to support a transition to a resilient green economy. Our aim is to be globally relevant in driving the uptake of green economy infrastructure solutions in the developing world.

One of our current projects for UK PACT focuses on supporting the implementation of the City of Cape Town's Infrastructure Planning and Delivery Framework (IPDF) and in one of the work packages for this project, we are assisting the City of Cape Town in exploring what viable opportunities exist to provide sanitation to the City's informal settlement residents, utilising alternative models of service provision.

As part of this work package, we require a service provider to undertake **research and analysis to identify and evaluate alternative sanitation delivery models**.

Interested organisations are invited to submit quotations to undertake this work.

BACKGROUND TO THE PROJECT

The City of Cape Town's Water and Sanitation (W&S) Directorate provides a range of sanitation solutions to informal settlements. Installation of flush toilets is generally prioritised. Where it is not possible to provide full flush toilets (e.g. due to technical, legal, infrastructural, land or zoning constraints), the City offers three main types of non-sewered sanitation solutions: chemical toilets and two container-based sanitation¹ (CBS) options: portable flush toilets (lightweight, plastic, in-home toilets) and container toilets (plastic toilets housed within concrete structures, shared between households).

Through a competitive bidding process, the City appoints service providers to supply and deliver the two CBS toilets (City owns the assets). Via a separate procurement process, the City also appoints two service providers to service the toilets a minimum of three times per week. During servicing, the dirty tanks are collected and replaced with clean tanks. The dirty tanks are transported to Borchers Quarry WWTW where they are cleaned and emptied. The excreta is treated by the City in the WWTW, together with the seweraged wastewater that enters the plant. For chemical toilets, the City currently procures two service providers from which it leases the toilets (the assets are owned by the service providers). The service providers are also responsible for

¹ Container-based sanitation (CBS) refers to a sanitation system where toilets collect human excreta in sealable, removable containers (also called cartridges) that are transported to treatment facilities.

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Refer to the GreenCape website for director details

servicing the toilets (excreta is also transported to Borchers Quarry). The service provider contract periods are typically all 3 years.

The current service delivery model (as outlined above) is unlikely to be a sustainable, long-term approach to meeting the rapidly growing demand for sanitation in informal settlements in Cape Town (some projections estimate that 53% of all new households over the next 20 years will likely be informal²). Alternative service delivery models should therefore be explored.

Internationally, there are examples where alternative service delivery models have been used to provide safe, affordable, rapidly deployed container-based sanitation solutions for dense urban informal settlements, with high customer satisfaction levels. Some of the reasons these models are successful include:

- They adopt a customer-centric approach and maintain high service standards with robust monitoring and evaluation processes
- They have strong community engagement processes, and engage with communities to identify preferred toilet designs (often at a city-level) and adjust service schedules to suit individual community needs
- They have the flexibility to adapt their toilet designs and servicing schedules (to meet community needs, to optimise their logistics, to minimise health and safety risks and to reduce costs).
- They make use of user-pay models, as they find that if a desirable service is offered there is generally a willingness to pay
- They are able to generate additional revenue streams, e.g. through the beneficiation of the excreta into valuable products (e.g. animal protein, fuel briquettes, fertilizer etc.) that lower the overall costs of service provision. They also have the ability to generate other revenue from other sources, such as advertising on the toilets or carbon credits etc.
- They often operate across the full value chain, providing end-to-end servicing, which lowers costs, streamlines operations and supports a customer-centric approach
- They often rely on donor or municipal funding to cover the remaining costs that aren't covered by the revenue streams.

In South Africa, current sanitation service delivery models are often rigid, with limited flexibility or adaptability to community needs (often due to the procurement process). GreenCape's project aims to help the City of Cape Town explore alternative sanitation service delivery models that have the potential to unlock improved, sustainable, customer-centric sanitation. Such models may include:

- the City acting as a **regulator** (to set and maintain standards) rather than a procurer
- the City **changing the scope or the nature of its procurement** (e.g. appointing service providers that are responsible for end-to-end services across the sanitation value chain: from toilet (user-interface) supply through to beneficiation of the excreta, or outcomes/performance-based procurement)
- the City **subsidising sanitation using a free basic alternative sanitation subsidy**: In South Africa, examples exist in the electricity space where the free basic electricity allocation from the municipality is utilised for alternative service provision, for example in Enkanini in

² City of Cape Town's Water Services Development Plan 2022/23- 2026/27, 2040 Planning Scenario

Stellenbosch. However, to the best of our knowledge, this approach has not been explored in South Africa for W&S provision to low-income households. The subsidy could potentially be used in conjunction with innovative procurement mechanisms that could enable low-income households to choose from an array of registered sanitation service providers.

- The City acting as a **service provider**, where it undertakes the sanitation services itself, using its own internal resources and staff.

SCOPE OF WORK

In support of GreenCape's project, the appointed service provider will be expected to undertake research and analysis to identify and evaluate alternative sanitation delivery models that will include the following activities:

- Identify and outline alternative sanitation delivery models that are potentially viable for the City. This will be done in collaboration with GreenCape and the potential models listed in the previous section (regulator; changing the scope of nature of the procurement; free basic alternative sanitation subsidy; service provider) should be among those explored
- Provide an overview of the legislative, regulatory and procurement requirements that would need to be fulfilled for these models to be viable
- Evaluate the cost effectiveness of these models for recipients, as well as the financial implications for the City of pursuing these models
- Outline the potential impact these models could have on service delivery standards and levels
- Propose a practical consideration of community engagement and acceptance for the potential models of service delivery (noting that current services are provided free of charge, it is anticipated that a strong value proposition would be needed for this model, including consideration of community revenue generation and employment)
- Propose how the models could potentially interface with the City's formal services model (e.g. disposal of waste at landfill, treatment plants etc.)
- Outline the risks and mitigating factors associated with each alternative service delivery model

The appointed service provider is also expected to work closely with a gender equality and social inclusion (GESI) expert that GreenCape will appoint separately. The service provider is expected to collaborate with the GESI expert to enable them to support this analysis and help inform the design and identification of service delivery models that maximise on gender and social impacts.

The appointed service provider would be expected to work closely with GreenCape (regular catch ups), and GreenCape will provide input and guidance where needed.

DELIVERABLES

- Inception report
- Final report covering the scope of work, including any key recommendations (in Word format. And other associated files, e.g. spreadsheets)
- Progress meetings with GreenCape and City of Cape Town (PowerPoint presentations may be required from the service provider)

DATE OF DELIVERY

The scope of work must be completed by 15 November 2022.

GENERAL INFORMATION

1. Any quotation submitted after the closing date and time shall **not** be considered.
2. GreenCape reserves the right to cancel the procurement process without notice at any time and not make any appointment on this project.
3. All quotations will be evaluated on the basis of a functionality/price/B-BEEE weighting of 50/30/20. B-BBEE points will be calculated as per the table set out in Annexure A to this RFQ.
4. Each bidder must include in its quotation a confirmation that it does not and will not have any actual or potential conflict of interest in submitting its quotation (see Declaration of Interest attached as Annexure B to this RFQ).
5. Functionality will be based on the following criteria: relevant experience (50%) and proposed work plan (50%)
6. The acceptance of a quotation and the awarding of this project or any part thereof to a bidder will be communicated in writing by GreenCape.
7. Following acceptance of a quotation, the appointed bidder will be expected to enter into a service level agreement and a non-disclosure agreement with GreenCape.
8. The successful quote submitted by the bidder will form part of the service level agreement and may not be amended at any time after acceptance unless agreed to in writing by GreenCape and the service provider.
9. The appointed bidder will be expected to comply, inter alia, with the following:
 - 9.1. any applicable health and safety rules and regulations, including, but not limited to, the provisions of the Occupational Health and Safety Act No. 85 of 1993;
 - 9.2. registration and good standing with the Commissioner for Compensation for Occupational Injuries and Diseases and having the necessary employer's liability insurance in respect of its employees/agents in line with the provisions of the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993, as amended; and
 - 9.3. sufficient insurance to cover its liabilities in respect of the services to be provided and any other insurances that may specifically be required by GreenCape in relation to its appointment on this project.

SUBMISSION REQUIREMENTS

Interested organisations are invited to submit a quote for the outlined scope of work that should include the following:

1. Quotation for the work, broken down by activity
2. A brief work plan that outlines the proposed approach and activities that would be taken to achieve the required scope of work. The work plan should include:
 - a. a description of the proposed activities to achieve the required scope of work
 - b. the timeframes for each activity
 - c. a risk register and mitigation plan that addresses any key project risks.
3. CVs of proposed team and team structure/organogram
4. Company profile, indicating previous projects with similar requirements
5. Tax Clearance Certificate

6. Company Registration Certificate
7. Declaration of Interest (Annexure B)
8. BEE credentials with certificate or affidavit as relevant
9. Letter of good standing from the Compensation Fund in South Africa (COID)
10. Proof of required insurances

Please email the above documentation to Samuel Pillay at samuel@greencape.co.za by [6 July 2022], using the reference: GreenCape UKPACT Sanitation Informal Settlements RFQ 2022. Please note that a failure to submit any of the required documentation could result in the bidder being excluded from the tender process.

For any queries related to this RFQ, please email: samuel@greencape.co.za



Annexure A: B-BBEE score weighting

Table 1 – B-BBEE score weighting

B-BBEE Level Status of Contributor	Number of Points
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-compliant	0



Annexure B: Declaration of Conflict of Interest

Any legal person/s having a relationship with persons employed by The GreenCape Sector Development Agency or any of the funders listed in this RFQ may make an offer/s in terms of this invitation to bid. In view of the possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to The GreenCape Sector Development Agency or any of the funders listed in this RFQ, it is required that the bidder or his/her authorized representative declare his/her interest as required below.

- 1. Have you previously provided services/products to The GreenCape Sector Development Agency or any of the funders listed in this RFQ?

YES NO
If yes, please furnish further particulars:

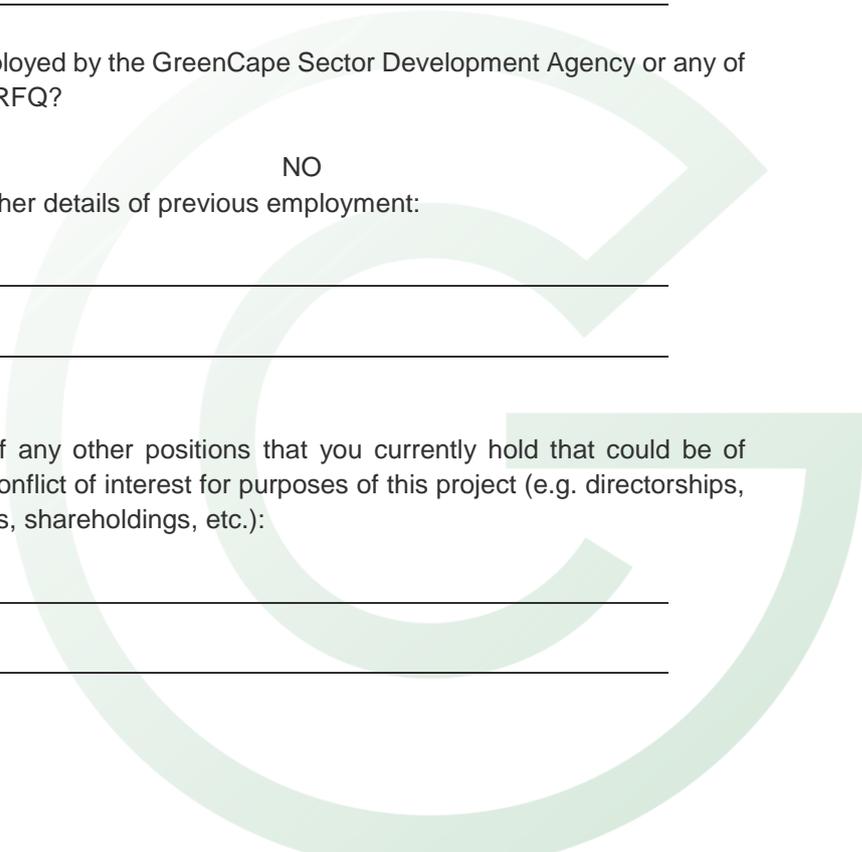
- 2. Do you have any relationship (family, friend or otherwise) with employees of The GreenCape Sector Development Agency or any of the funders listed in this RFQ?

YES NO
If yes, please furnish further particulars:

- 3. Were you previously employed by the GreenCape Sector Development Agency or any of the funders listed in this RFQ?

YES NO
If yes, please specify further details of previous employment:

- 4. Please provide details of any other positions that you currently hold that could be of relevance to assessing conflict of interest for purposes of this project (e.g. directorships, partnerships, trusteeships, shareholdings, etc.):



I am aware that in the event of not accurately declaring any of the above, The GreenCape Sector Development Agency is entitled to terminate the agreement, and take any further action it deems necessary.

I hereby confirm that all the information provided above is true and correct.

SIGNATURE

DATE

FULL NAME

CAPACITY

