

Terms of Reference

Technical Advisor on Energy Efficiency Policy and Programmes - International Consultant

Location: South Africa (international-based with two country visits to South Africa as agreed in advance with UNDP and Department of Energy)

Application Deadline: 9 June 2017

Category: Appliance energy efficiency; climate change mitigation; incentives

Type of Contract: Individual Contract (International Consultant)

Assignment Type: Assist with finalization of policy recommendations related to an appliance standards and labelling project

Languages Required: English

Starting Date: (date when the selected candidate is expected to start): 19 June, 2017

Duration of Initial Contract: 50 days

Expected Duration of Assignment: 50 days

Background:

The South African government through the Department of Energy (DoE) in collaboration with the Department of Trade and Industry (the dti), and the United Nations Development Programme (UNDP) is implementing the project, *Market Transformation through the Introduction of Energy Efficiency Standards and the Labelling of Household Appliances in South Africa* (S&L Project). The project's objective is removing inefficient appliances from the South African market and encouraging adoption of new minimum energy performance standards (MEPS). The project forms an integral part of the measures/interventions designed to reduce electricity consumption and the carbon footprint of the residential sector. The project paves the way for the continuous introduction of energy efficiency improvements into the appliances and equipment industry.



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Over the past four years, Government, supported by the South African Bureau of Standards (SABS) and the National Regulator for Compulsory Specifications (NRCS) in consultation with industry and all affected and interested bodies, has led a process of reviewing compulsory and voluntary standards and specifications applicable to selected household electrical appliances (white goods), with the intention to introduce energy efficiency requirements. During this process, several issues with the potential to negatively affect the successful implementation of the new energy efficiency requirements were identified. Amongst these, were those that required a analysis and understanding of the appliance manufacturing base, the type and nature of the market available locally - in particular the type of customers and their purchasing patterns. The outcome of this analysis informed the need to complement the compulsory implementation of MEPS with various well-structured economic incentives and other policy instruments that can make energy efficiency investments more attractive to both the manufacturing industry and users of these appliances, particularly by lowering inhibitive upfront costs. The economic instruments are also meant to overcome market barriers for cost-effective electrical appliances in South Africa. However, considering the difficult economic conditions, low cost and non-financial incentives should be prioritized.

Government has commissioned a process to review existing and previous national incentives schemes, which align with this project, and if necessary design a new scheme to support this initiative. It would be useful to review international examples of innovative and successful, as well as sub-optimal and less successful approaches. It is envisaged that the final incentive scheme(s) to be adopted will ensure a significant increase in the uptake of energy efficient appliances. For locally manufactured appliances, upstream incentives (which are paid to the manufacturer and not the end consumer) could be considered.

A clear policy framework is required for the successful implementation of any market based incentive scheme. Such a framework should address an implementation roadmap and standardized approaches for implementers of the scheme to manage potential risks or shortcomings associated with MEPS and elimination of energy inefficient appliances from the market.



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UNDP is seeking to recruit an S&L incentive policy expert to review completed and current work being done on incentive policy, and then consolidate the findings to develop final policy recommendations to be considered and incorporated in future planning of policy formulation and budget allocations. The S&L incentive policy expert will also support the South African National Energy Development Institute (SANEDI) in executing a pilot incentive programme.

The S&L incentive policy expert will report to the Project Manager and the Project Management Team, and will work closely with colleagues from the DoE and SANEDI.

Requirements

The consultant should be familiar with South Africa's national policy(ies) relating to energy efficiency and national incentives (i.e. energy efficiency and other appliances, such as those in industrial and local manufacturing sectors). S/he is required to have a working knowledge of previous, existing and emerging energy efficiency incentives programmes undertaken in the country, such as Eskom's IDM programmes.

Duties and Responsibilities

1. Review the incentive policy studies undertaken to date on the S&L Project, identify gaps and provide input and recommendation to address shortcomings in comparison to international S&L incentive programmes.
2. Provide oversight and strategic guidance to the consultants who are soon to commence with the following study: *To Assess and Evaluate Market-Based Economic Incentive(s) Policies*, and with support from the Project Manager, take responsibility for ensuring that the final report meets DoE requirements
3. Provide inputs and recommendations to guide the proposed implementation structure and activities in relation to the proposed pilot incentive approach that is due to commence

under the project in June 2017. The consultant will also be required to monitor the execution of the pilot incentive and provide input.

4. Provide policy recommendations to extend the pilot to other appliances for the purposes of accelerating the uptake of energy efficient appliances country-wide.
5. Deliver a presentation on the role of incentives and their impact (both positive and negative) in comparison to international practice at a regional workshop provisionally scheduled in South Africa in October/November 2017.

Expected Outputs and Deliverables:

The consultant shall prepare and submit:

1. **Deliverable 1: Technical Advisory Report:** A report detailing the strength, weaknesses and gaps that may affect positively or negatively the implementation of the proposed incentive. The report should also look in to structural framework requirements necessary to manage the proposed incentive.
2. **Deliverable 2:** Organize a half-day workshop during the first country visit, where all relevant stakeholders will discuss research findings and opportunities for financial and non-financial incentives
3. **Deliverable 3:** Participate and present at the regional workshop

Institutional Arrangement:

The consultant will report to, and seek approval/acceptance of outputs from, the Project Manager, UNDP and the Department of Energy.

Payment terms:

Deliverables	Description	Proposed due date	Payment Schedule
1. Inception Report, Country Visit and Workshop	Outline of approach to support SANEDI and structure of Deliverable 1 Report	24 July 2017	40%
2. Support SANEDI Incentive Programme and Consultants	Evidenced by project progress and performance assessment report, supported by timesheets	1 September 2017	20%
3. Consolidated Policy Report	Final report detailing lessons learned and policy recommendations to improve the approach for S&L incentives	30 September 2017	30%
4. Conference	Acceptance of final report by the DoE Second country visit and participation at regional conference	October 2017	10%

Duration of the Work:

The duration of the consultancy is up to 50 days within the period 19 June – 30 November 2017, inclusive of two 5-day country visits



Duty Station:

The consultancy assignment will be home-based, with two trips to South Africa. The consultant is required to send an all-inclusive financial proposal.

Required Skills and Experience:

The selection of consultants will be aimed at maximizing the overall qualities in the following areas [weighting applied to each quality is shown in brackets, summing to 100]:

- Proven experience (10 years) in analysis and evaluation of S&L incentive programmes- practical and research based [30]
- Demonstrated understanding of the South African context (programme and existing policies) and South Africa S&L programme status. [30]
- Ability to support the execution of the SANEDI incentive programme [20]
- Excellent analytical, writing, advocacy, presentation, and communications skills are required [10].

Education:

- Master's degree in Engineering, Energy and Developmental Studies, Physics, Business Management or relevant field [10]

Language:

- English

Response Format

To facilitate the analysis of responses, all interested parties are required to prepare their response in accordance with the instructions outlined in this section. All proposals should be electronically generated. The contract will be awarded to the lowest priced technically qualified proposal.



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Where 70% is the minimum technical score of the following overall criteria:-

- Experience
- Understanding of SA Context
- Ability to support SANEDI Incentive Programme
- Analytical writing, advocacy, presentation and communication skills.
- Qualification

Applicants are required to submit the following:

- A Technical Proposal: Letter of Interest, stating why you consider your service suitable for the assignment;
- Personal CV highlighting qualifications and experience in similar projects;
- Work references - contact details (e-mail addresses) of referees (organisation for whom you've produced similar assignments);
- Financial proposal indicating consultancy fee and a breakdown of expenses (unit price together with any other expenses) related to the assignment.

Applicants are required to submit the following documents to **procurement.za@undp.org** on or before the **9th June 2017** with the subject line: **Job Code Title and Reference Number.**

When submitting her/his application, the Consultant is asked to clearly mark on the cover letter the position being applied for: International Consultant Incentive Policy Specialist on Energy Efficiency