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**TERMS OF REFERENCE FOR APPOINTMENT OF A SERVICE PROVIDER TO REVIEW AND RECALCULATE THE ENERGY SAVINGS AND RELATED GREENHOUSE GAS EMISSIONS REDUCTIONS ATTRIBUTABLE TO THE IMPLEMENTATION OF THE SOUTH AFRICAN STANDARDS AND LABELLING PROJECT. THE ENTIRE ASSIGNMENT IS TO BE COMPLETED IN A PERIOD OF 8 WEEKS.**

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## **1 BACKGROUND**

**1.1** The South African government through the Department of Energy in collaboration with the Department of Trade and Industry (**the dti**), is implementing the appliance energy efficiency Standards and Labelling (S&L) Project, which is aimed at removing inefficient household appliances and encouraging the penetration of new energy efficient appliances in the South African market.

**1.2** The project objectives will be achieved through the introduction of mandatory Minimum Energy Performance Standards (MEPS) and a product labelling system. The MEPS will set the minimum energy classes and prohibit the penetration of appliances that have energy performance below the minimum performance level. These MEPS and labels will be introduced for the following appliances:

- |                    |                              |                    |
|--------------------|------------------------------|--------------------|
| - Air Conditioners | - Audio & video equipment    | - Dish washers     |
| - Electric geysers | - Washer-dryer combination   | - Washing machines |
| - Tumble dryers    | - Fridge-freezer combination | - Freezers         |
| - Fridges          | - Electric lamps             | - Electric ovens   |

**1.3** Replacement of inefficient appliances will contribute towards the reduction of electricity demand and related Greenhouse Gas (GHG) emissions. The project inception documents set a lifetime direct post-project cumulative emissions

avoided target of 33.9 million tonnes CO<sub>2</sub>eq. A baseline study conducted in 2014 estimates post-project emissions reduction of 5.5 million tonnes CO<sub>2</sub>eq.

- 1.4 A further discrepancy in the emissions reduction targets is from the Department of Environment's report, the 'South Africa's Greenhouse Gas Mitigation Potential Analysis (2014)', which indicates that 47,7 million tonnes CO<sub>2</sub>eq potential emissions can be avoided by introducing energy efficient appliances in residential buildings over the period 2000 to 2050.

## 2 OBJECTIVES

- 2.1 The objective of this assignment is to review and rationalise the reduction targets against a justifiable baseline year. The service provider will also recalculate the S&L Project's lifetime (direct and indirect) emission reduction targets and determine the emissions avoided due to technological advances in the period between the S&L Project inception in 2011 and the introduction of MEPS in 2015.

## 3 PROJECT SUPERVISION

- 3.1 The service provider will be under the overall supervision of S&L Project management team and their daily work will be coordinated with the Project Manager. The service provider will have to ensure that the expected outputs are completed on time and that they comply with the specific project criteria and requirements.

## 4 SCOPE OF WORK

- 4.1 The scope of work will include the following tasks and expected deliverables:

	Activities and Tasks	Means of Verification
1.	<ul style="list-style-type: none"><li>▪ Inception meeting</li><li>▪ Review of energy savings and related emission reduction targets:<ul style="list-style-type: none"><li>- Review S&amp;L Project initiation report.</li></ul></li></ul>	<ul style="list-style-type: none"><li>▪ Report: Analysis of potential source of discrepancy in energy savings and the reduction emissions targets and recommended actions.</li></ul>

	Activities and Tasks	Means of Verification
	<ul style="list-style-type: none"> <li>- Review the Fund for Research into Industrial Development, Growth and Equity Study (socio-economic impacts S&amp;L Project) report.</li> <li>- Review the Baseline Study (emission reduction) report of 2014.</li> <li>- Review relevant sections of the South Africa's Greenhouse Gas Mitigation Potential Analysis report.</li> <li>- Review the project's mid-term review report.</li> </ul>	
2.	<ul style="list-style-type: none"> <li>▪ Recalculate the S&amp;L Project's lifetime energy savings and related emission reduction targets:               <ul style="list-style-type: none"> <li>- Propose a baseline year for recalculation.</li> <li>- Recalculate direct GHG emissions avoided during project's implementation period.</li> <li>- Recalculate direct post-project GHG emissions avoided (2020, 2026, 2030 and 2050).</li> <li>- Recalculate the lifetime indirect GHG emissions avoided.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Proposed baseline year and recalculated targets discussed with key stakeholders, including representatives from the Department of Environment and Department of Energy.</li> </ul>
3.	<ul style="list-style-type: none"> <li>▪ Determine the emissions avoided due to technological advances:               <ul style="list-style-type: none"> <li>- Assess the 2011 MEPS and related reductions in electricity demand.</li> <li>- Assess technological advancement that had impact on the reduction targets of listed appliances.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Report on energy savings and emissions avoided due to technological advances.</li> </ul>

	Activities and Tasks	Means of Verification
	- Calculate emissions avoided as a result of advancement in technology	

## 4.2 Outputs and Schedule:

4.2.1 The project will commence following the signing of a contract with the successful bidder.

4.2.2 The project is expected to have duration of no longer than 8 weeks and the following table provide some guidance in this regard.

Output	Estimated Duration to Complete
<ul style="list-style-type: none"> <li>Project inception meeting</li> <li>Report: Analysis of potential source of discrepancy in the energy savings and reduction emissions targets and recommended actions.</li> </ul>	3 Weeks
<ul style="list-style-type: none"> <li>Proposed baseline year and recalculated targets discussed with key stakeholders, including representatives from the Department of Environment and Department of Energy.</li> </ul>	3 Weeks
<ul style="list-style-type: none"> <li>Report on energy savings and emissions avoided due to technological advances.</li> </ul>	2 weeks

## **5 PAYMENTS**

- 5.1** The UNDP 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.
- 5.2** The contract price will be all inclusive; all costs (professional fees, travel costs, living allowances, communications, consumables, etc.) that could possibly be incurred by the service provider must be factored into the final amount submitted in the proposal.
- 5.3** The contract price will be fixed regardless of changes in the cost components.

## **6 REPORTING REQUIREMENT AND PROGRESS MEETINGS**

- 6.1** It is envisaged that an initial meeting with the successful bidder will be held to agree on the project process and project work plan.
- 6.2** Progress meeting feedback will be held twice a month: a brief update in the first two weeks of the month and a detailed meeting at the end of each month. The venue for these meetings will be at the Department of Energy in Pretoria. All relevant project team members shall be obliged to attend. Where applicable, conference calls shall be held to facilitate such meetings.

## **7 COMPLETION DATE**

- 7.1** The duration of the project is 8 weeks after signing of the contract with the successful service provider.

## **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 Copyright and Intellectual Property**

- 9.1** The Department of Energy will become the owner of the information, tools, methodologies, documents, programmes, advice, recommendations and reports collected, furnished and/or compiled by the service provider during the course of, and for the purposes of executing deliverables in this terms of reference.
- 9.2** The copyright and intellectual property of all information, tools, methodologies, documents, programmes, advice, recommendations and reports compiled by the service provider during the course and for the purposes of executing these terms of reference will vest in the Department of Energy.

## **10 EVALUATION METHODOLOGY**

### **10.1 Cost**

- 10.1.1** The service provider must provide a quote regarding the work to be undertaken for this project. The financial proposal should indicate an all-inclusive fixed total contract price, supported by a breakdown of costs as per template provided.
- 10.1.2** The total contract price must be VAT inclusive and should be quoted in South African currency.

### **10.2 Company Experience**

- 10.2.1** The company should at least have the following:
- a) At least 7 years proven experience in demand side energy analysis and economics field.
  - b) Experience in determining GHG emissions reductions as well as development and administration of carbon offset projects.
  - c) Proof of project managing demand-side energy assessment projects.
- 10.2.2** The company must include at least 3 contactable references as proof of experience in related projects.

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

10.3.1 Team Leader must have at least five (5) years' experience in demand-side energy analysis

10.3.2 Individual team members must have at least two (2) years' experience in demand side energy analysis and/or economics analysis.

### **10.4 Qualification**

10.4.1 Team leader and team members must at least have the following:

- a) Advanced degree in energy studies and/or relevant engineering field.
- b) Relevant technical area of specialisation in demand-side energy analysis and/or quantification of greenhouse gas emissions (CV's of the team leader and team members must be attached to the technical proposal as proof.)

### **10.5 Project Plan**

10.5.1 Project plan should include intermediate and final outputs and identified timeframes/milestones.

10.5.2 Proposed Methodology.

10.5.3 Management of the project (Project team structure, meetings, reporting, etc.).

10.5.4 The successful service provider may be required to present their Project Execution Plan.

## **11 EVALUATION CRITERIA**

11.1 The proposals will be evaluated in phases outlined below:

**Phase 1:** Bidders will be evaluated based on functionality/technical capability, which constitutes 70% of the evaluation points. 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	<b>Company Experience</b> <ul style="list-style-type: none"> <li>▪ At least 7 years proven experience in demand side energy analysis and economics field.</li> <li>▪ Experience in determining GHG emissions reductions as well as development and administration of carbon offset projects.</li> <li>▪ Proof of project managing demand-side energy assessment projects.</li> </ul>	<b>20</b> 5  10  5
2	<b>Experience of Team leader and team members</b> <ul style="list-style-type: none"> <li>▪ Team Leader must have at least five (5) years' experience in demand-side energy analysis</li> <li>▪ Individual team members must have at least two (2) years' experience in demand side energy analysis and/or economics analysis.</li> </ul>	<b>20</b> 10  10
3.	<b>Qualifications</b> <ul style="list-style-type: none"> <li>▪ Team leader and team members must at least have the following: <ul style="list-style-type: none"> <li>- Advanced degree in energy studies and/or relevant engineering field.</li> </ul> </li> </ul>	<b>20</b>   10



	- Relevant technical area of specialisation in demand-side energy analysis and/or quantification of greenhouse gas emissions (CV's of the team leader and team members must be attached to the technical proposal as proof.)	10
4	<b>Project Plan</b> <ul style="list-style-type: none"> <li>▪ Project plan should include intermediate and final outputs and identified timeframes/milestones.</li> <li>▪ Proposed Methodology.</li> <li>▪ Management of the project – Project team structure, meetings, reporting, etc.</li> </ul>	<b>40</b> 5  25  10
<b>Total</b>		<b>100</b>

**Phase 2:** The quoted price for the services will have a maximum of 30% of the evaluation points.

<b>Price</b>	<b>30</b>
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**Phase 3:** Interviews may be conducted with shortlisted service providers.

## 12 FORMAT AND SUBMISSION OF THE PROPOSAL

**12.1** Interested service providers must submit a letter of confirmation of interest and availability.

**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 **12h00 pm 09 October 2015** at UN House, Metropark Building, 351 Francis Baard Street, Pretoria **.No late bids will be accepted.**

### **14 ENQUIRIES**

**14.1** All enquiries to be directed in writing to: [procurement.za@undp.org](mailto:procurement.za@undp.org)

### **15 Documents attached to the ToR**

**15.1** Request for Proposal form

**16.2** ANNEX 2 - FORM FOR SUBMITTING SERVICE PROVIDER

**16.3** ANNEX 3 - General Terms and Conditions for Services