

TERMS OF REFERENCE

RENEWABLE ENERGY: BIOMASS ALTERNATIVE ENERGY FEASIBILITY STUDY AND BUSINESS PLAN

1.1 PROJECT TITLE

Renewable Energy: Biomass Alternative Energy Feasibility Study and Business Plan

1.2. PROJECT DESCRIPTION

Renewable energy has been identified as one of the key growth industry sectors with high growth potential in South Africa. Enterprise iLembe, situated on the North Coast of Kwazulu-Natal, would like to therefore conduct a feasibility study and a business plan for the utilisation of biomass as an alternative energy solution for rural households that have no access to power. The focus of the study would be on technologies for off-grid electrification and enterprise development opportunities within the District.

2. BACKGROUND

The iLembe District Municipality

The iLembe District Municipality is situated on the east coast of South Africa, in the KwaZulu-Natal Province. iLembe is one of the 11 district municipalities of KwaZulu-Natal province in South Africa and also the smallest District Municipality in the province, with a total population of 606 809. iLembe is located between two of Africa's busiest ports, Durban and Richards Bay, iLembe is therefore well situated not only to local but also international markets. Despite its strategic location, iLembe faces numerous economic challenges such as the high levels of poverty in the rural inland areas, which contrasts with rapid development along its coastal regions. The District has been proactive in trying to develop broad based interventions to facilitate local economic development in response to its challenges of high rates of unemployment and correspondingly high levels of poverty.

Enterprise iLembe:

Enterprise iLembe is an economic development agency wholly-owned by the iLembe District Municipality mandated to pursue and facilitate investment, economic development and empowerment in iLembe. The objective of Enterprise iLembe is to improve the competitiveness of the iLembe region by creating an environment that will enable local business to compete successfully on the international stage.

3. TASK DESCRIPTION AND EXPECTED OUTPUTS

Enterprise iLembe invites proposals from suitably qualified and experienced service providers to conduct a Renewable Energy: Biomass Alternative Energy Feasibility Study.

The proposal submitted would have to state a recommended technology and include enterprise development opportunities for the recommended technology.

The outputs expected from the study are:

- Recommended technology to be utilised;
- Feasibility study and a business plan of the recommended technology; and
- Enterprise development opportunities for the recommended technology.

NB: This will be a turnkey project to implementation.

The successful service provider will be required to interact with the iLembe District Municipality, Enterprise iLembe, Ward Councillors, Ward Committee Members , Traditional Leaders and Tribal Authorities that will be affected by this study.

The feasibility of the project should be informed by demand-supply approach to the market instead of supply-demand approach. The study should demonstrate a clear understanding of the market and as a result an evidence of market analysis conducted must be clearly documented to support the findings of the study.

All relevant legislations that govern Renewable Energy projects must be taken into consideration. Below are some of the suggested documents that can be reviewed or taken into consideration in order to ensure an all-inclusive approach to the project; these include but are not limited to:

- 1) iLembe LED Strategy and Agriculture Sector Plan (2007)
- 2) Local Municipality's (4) LED Strategies
- 3) iLembe District and Local Municipality Integrated Development Plans
- 4) Related By Laws of each Local Municipality

Please note that a proposal is expected to have a breakdown of activities / milestones and the budget thereof.

PROJECT TIMEFRAME

The project should be completed within three (3) months from date of appointment.

4. CRITERIA FOR EVALUATION

Service providers must be registered on the database of Enterprise iLembe and must provide Tax Clearance Certificates. A B-BBEE Certificate will have to be submitted with the proposal in order to claim preference points in terms of the 80/20 points scoring system.

NB: Failure to submit a tax clearance certificate will result in your proposal being disqualified.

Procurement Policy

Quotations will be evaluated in terms of the Procurement Policy of Enterprise iLembe and shall be applied as follows:-

- All proposals received shall firstly be evaluated on functionality and thereafter only those who qualify for the next stage of evaluation will be evaluated in terms of the PPPFA (No.5 of 2000) and the 2011 B-BBEE Regulations.

Any proposal that fails to achieve a minimum of 60 points on the functionality evaluation shall not be evaluated further and will be deemed to be non-responsive.

Functionality Evaluation

The functionality evaluation points will be applied as per the table below;-

Competency	Point Allocation	Maximum Points
Competency, specialist input and experience of the consultant/s. Proposals should include a summary of proposed team members educational qualifications and work experience	0 years	0
	1 – 5 years	10
	5 – 10 years	15
	Above 10 years	20
Understanding of the project brief, originality and relevance of the proposed plan		40
Value adding component of proposal (original ideas that will add value to the project)		30

Only service providers who achieve a total of 60 points for functionality in terms of the above will then be evaluated in terms of the 80/20 points scoring system. Service providers wishing to claim preferential points must attach B-BBEE certificate.

The 80/20 preference point scoring system will be applied with points allocated as follows:-

- 80 points for the price;
- 20 points for B-BBEE status level

The 20 preference points will be allocated based on B - BBEE status level of contribution and shall be allocated as per table that follows:-

Status Level of Contributor	Preference Points on scorecard
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-contributor	0

5. CLOSING DATE FOR PROPOSALS

Proposals can be e-mailed to krisantha@enterpriseilembe.co.za or hand delivered to Enterprise iLembe Offices at the Sangweni Tourism Centre, Cnr Link Road & Ballito Drive, Ballito.

Closing Date for submission of proposals: **14 August 2015 at 10h00**