REQUEST FOR PROPOSALS - CITY OF TSHWANE SUSTAINABLE PUBLIC PROCUREMENT STRATEGY

1. ABOUT THE SACN

The South African Cities Network (SACN) established in 2002, is a network of the largest municipalities in the country. It is mandated to promote good governance and management of its member cities using the knowledge of large city government experiences within the global and national economic development contexts; and to promote partnerships between or among the spheres of government in the interests of enhancing good city governance in South Africa.

The goal of the SACN is to enable South African cities’ understanding of, preparedness for, and performance in playing their respective roles in driving local and national development. Towards this, the SACN has established the following Strategic priorities for the period:

i) **enable cities to act with a better understanding** by enhancing their supporting policy, planning and data infrastructure;

ii) **transform the built environment function in cities**, in particular by enabling effective strategies and systems for addressing spatial planning and land use, sustainable human settlements, and public transport; and

iii) **deal decisively with key vulnerabilities facing cities**, in particular around the issues of natural resources, municipal finances, human capacity, and socio-political stability.

It is against this background that the SACN has entered into a memorandum of understanding with the City of Tshwane (CoT) to support its research endeavours on transitioning into the green economy as envisaged in its Growth and Development Strategy 2055. It is through this support that the SACN is releasing this Request for Proposals (RfP) for writing up the City’s Sustainable Public Procurement Strategy in close collaboration with the City Sustainability Unit (CSU).
2. BACKGROUND

The City of Tshwane’s Vision 2055 commits itself to a path of sustainable economic growth, one in which economic growth is decoupled from the natural resource use and negative impacts. As a municipality, a sustainable path of economic growth and development can be pursued in several ways including facilitating inclusive urban design, providing sustainable forms of public transport, and supporting demand management interventions, to mention a few. One of the most powerful tools at its disposal is its behavior as a purchaser - what it purchases reinforces its own values and objectives as well as sending out powerful signal to the market about what goods and services it requires in order to deliver on its mandate in a responsible and sustainable way.

Since 1994, public governance has been the use of public procurement as a policy instrument to promote particular socio-economic objectives with the most obvious example being preferential procurement. More recently, public procurement is seen as important for promoting local economic development by promoting local and small enterprise. Whilst an overarching strategy does not exist for sustainable public procurement, there are emerging pockets of best practice that are collectively pointing to a steady move towards greener procurement.

Sustainable procurement aims to achieve the sustainable utilization of natural resources, waste minimization and pollution reduction, sustainable energy and water use, local economic development and positive social impacts due to economic and environmental best practice. It is facilitated through the establishment of standards and credible accreditation and certification systems, which demonstrate that a product or service is produced or delivered in a sustainable way.

3. MAIN OBJECTIVES OF THE SUSTAINABLE PROCUREMENT STRATEGY

The development of a Sustainable Procurement Strategy exists for the following main objectives:

- Intensively drive a city-wide sustainable procurement development strategy direction by way of systematic actions;
- Develop a systematic integration and mainstreaming guideline with clear action, and
- Undertake a thorough value chain analysis of products and services as a way of mainstreaming sustainability into city procurement processes.
3.1 Specific Objectives

The specific objectives are:

- Outline the city’s environmental, economic and social conscious purchasing practices.
- Ensure that there is embedding of sustainable procurement through specifications and contract conditions that is observed city operations.
- Through this process develop a robust contract performances measurement processes and its monitoring against the key performance indicators.
- Ensure that procurement professionals understand the importance of sustainable procurement and are sufficiently trained in this area.
- Stimulate the market to innovate and produce more sustainable options that will contribute towards the reduction of greenhouse gas emissions.

4. SCOPE OF WORK

The service provider is required to write up a comprehensive City of Tshwane Sustainable Public Procurement Strategy which incorporates amongst others, the following in detail:

4.1 Situational Analysis

- Mapping of procurement responsibilities, key areas of spend, key suppliers, existing sustainable procurement activities if any. This should result in a database of the key suppliers with both traditional and sustainable products.
- Intensive analysis of all internal related regulatory/legislative frameworks and other documents like the IDP, Tshwane Integrated Environmental Policy (TIEP); Supply Chain Management Policy; strategies; guidelines; by-laws to determine if sustainable / green procurement elements are being encouraged.
- Undertake supplier market analysis to determine considerations, constraints and challenges that will impact on Tshwane achieving sustainable procurement goals.
- Reflect comprehensively on the impact of sustainable procurement on internal expenditure as well as at the supply side (can illustrate using one product).
- Map out internal supply chain processes for key spend areas which have to integrate green procurement.
- Undertake a thorough value chain analysis by amongst others examining the economic activities and identify where Tshwane can stimulate local business in such a value chain.
4.2 Sustainable Procurement Approaches

This section includes identifying sustainable procurement approaches that could be guided by the following amongst others:

- Identify high sustainability impact spend categories through an identification of criteria, standards, certification systems which could be used within Tshwane's procurement activities.
- Undertake a whole life costing analysis/comparison of top 15 goods mostly procured by the city and provide recommendations to ensure that decision-making consider whole life costing, associated risks, measures of success and implications for society and environment.
- Outline an overall approach to be undertaken for the strategic sourcing of material and commodities and creating a platform for suppliers to be green sensitive and comply with green/sustainable procurement requirements.
- Identify accreditation systems and components for the alignment of process and approach.
- Identify key projects (with at least 4 capital projects) to be used as low hanging fruits to illustrate elements of sustainable procurement.

4.3 Elements of an implementation plan for sustainable procurement

- Develop a realistic Sustainable/Green Procurement Implementation Plan that can be integrated into the supply chain management policies as well as for use during tender evaluation.
- The Plan must include but not limited to, issues of performance monitoring and evaluation for sustainable procurement e.g
  - A set of indicators for city projects (Capital and Operational) which could be used as checklist for the City’s Procurement Committees’ e.g. water use efficiency & conservation; renewable energy/ energy efficiency; waste recycling & reuse; indigenous vegetation preservation & restoration etc.
  - Determine sustainability requirements which are mandatory and those which are desirable.
  - Define steps towards setting up of quantified targets for the implementation of sustainable procurement.
  - Define a process of engaging suppliers and service providers of the City in order to get a buy-in.

4.5 Sustainable procurement stakeholder engagement

- Undertake awareness-raising through stakeholder engagement for city officials suppliers and other key stakeholders on sustainable procurement principles. This is to ensure that all the relevant stakeholders understand the importance of sustainable procurement and are sufficiently engaged in this area.
5. OUTPUTS / DELIVERABLES

The service provider is required to deliver the following:

a) A comprehensive Sustainable Procurement Strategy with a realistic Implementation Plan with time frames.
b) Stakeholder engagement on how to engage/implement sustainable procurement. The proposal must be clear on how the service provider sees the implementation (frequency and at what point in the project) of this engagement.
c) A power point presentation (maximum 20 slides) on the process of mainstreaming sustainability into procurement processes in order to realise the practical implementation of the sustainable procurement strategy moving forward. This should be a standard information sharing presentation that CSU can use in various forums of the City regarding the integration/ mainstreaming of sustainable procurement.
d) Three (3) hard copies of the final report and an electronic master copy. All draft reports should be submitted electronically on MS Word version to both the SACN and the City Sustainability Unit.

6. TIMEFRAME

It is expected that the work will take approximately three months from the time of contracting, based on a typical five day week. Therefore, the assignment should be carried out from July to August 2016.

7. STRUCTURE OF THE PROPOSAL AND COMPETENCIES REQUIRED

- Company ownership profile
- Contact person and details of offices
- Good understanding and interpretation of the scope of work for execution of task
- Proposed methodology/approach for the process and write up of Tshwane Sustainable Public Procurement Strategy
- CV’s that reflect on project management, report writing and administrative skills of proposed project team – indicating experience and capacity to engage in the execution of the work
- Work plan that can be confirmed and updated from the date of appointment outlining various project activities, timelines and reporting stages leading to the completion of the project
- Costing (inclusive of rates for all team members) and timeframes for delivering on the project. Costing should be in South African Rands and VAT inclusive.
8. EVALUATION CRITERIA

Proposals will be evaluated on the basis of a relative assessment of value for money, which will be assessed on the basis of (a) professional fee structure inclusive of VAT with explicit rate fees and time; (b) qualification and track record of team members (including previous relevant projects); (c) good understanding of the scope of work (RfP and methodology); (d) empowerment of previously disadvantaged groups as measured by technical involvement in the project.

9. INVOICING AND GENERAL CONDITIONS

- Contracting is subject to the service provider signing a contract with the SACN with standard terms and conditions
- Invoices must indicate the task and/or output and should include a short description of work done referring to any reports, as per the agreed payments schedule
- Payments for milestone completed will be done within 30 days of submission of invoice
- All invoices to be addressed to the SACN
- The SACN reserves the right to commission only a portion of the work
- The SACN reserves the right to retain a portion of the service provider’s fees pending completion of related work.

10. GENERAL

Copyright of information obtained through the course of the project is the property of the City of Tshwane and may not be sold or re-produced by the service provider without the prior permission of the City.

11. SUBMISSION DEADLINE AND CONTACT DETAILS

Completed proposals must be emailed to Sadhna Bhana at Sadhna@sacities.net on or before 03 June 2016. Clearly marked hard copy proposals may be hand delivered to:

SA Cities Network
Joburg Metro building, 16th floor
158 Loveday Street, Braamfontein
2017
(C/o Sadhna Bhana)

Queries on the call for proposals can be done telephonically on +27 11 407 6206 during office hours. We encourage electronic submission of technical queries with provision of response time factored in, in order not to jeopardise the quality of proposal.