

Request for Proposals (RFP)



Request for Proposal

“Budget and financial feasibility analysis for the
Waste Division in the City of Ekurhuleni”

December 2022

1. Background

1.1 About C40

The C40 Cities Climate Leadership Group connects nearly 100 of the world's greatest cities, representing 650+ million people and one-quarter of the global economy. Created and led by cities, C40 is focused on tackling climate change and driving urban action that reduces greenhouse gas emissions and climate risks, while increasing the health, well-being, and economic opportunities of urban citizens.

The current chair of the C40 is the Mayor of London Sadiq Khan; the three-term Mayor of New York City Michael R. Bloomberg serves as President of the Board. C40 is governed by a Steering Committee made up of C40 member city mayors, elected by their peers to represent the geographic diversity of the network. C40's work is made possible by three strategic funders: Bloomberg Philanthropies, Children's Investment Fund Foundation (CIFF), and Realdania.

C40 positions cities as a leading force for climate action around the world. Working across multiple sectors and initiative areas, C40 convenes networks of cities providing a suite of services in support of their efforts, including direct technical assistance; facilitating peer-to-peer exchange; research, knowledge management, and communications.

As a climate organization of the world's greatest cities, C40 supports its members to move on to a low carbon development pathway, adapt to climate change, curb GHG emissions, and engage in partnerships among themselves and with global organizations, national governments, the private sector, and civil society.

1.2 Transforming Cities Waste Management Project

Currently, organic waste (food waste and other biodegradable waste) comprises between 30% and 60% of the total municipal solid waste generated in African cities, and this organic waste contributes up to 20% of city greenhouse gas emissions, primarily as methane and carbon dioxide from landfills and dumpsites. In terms of city powers and transformational potential, action to reduce organic waste disposal represents an immense opportunity to reduce methane emissions and deliver significant local benefits on public health and sanitation and job creation.

According to the latest International Panel for Climate Change (IPCC) Report¹, addressing methane emissions is the single fastest and most effective way to

¹ <https://www.ipcc.ch/report/ar6/wg2/>

address current global warming, and African cities have a unique opportunity to contribute to this global mission by implementing sustainable waste management systems. C40 is working with cities to dramatically reduce current and future emissions by strategically engaging political leadership in order to deliver the most impactful waste management priorities captured in their respective Climate Action Plans, while also building technical, institutional, and operational capacity in the supported cities.

The Transforming Cities Waste Management Project looks into supporting cities to transform waste management practices, ultimately reducing methane emissions. The Project provides two African cities, Ekurhuleni and Abidjan, with the preliminary tools needed to establish sustainable waste management systems and the foundational requirements to put them on a pathway toward zero waste. Cities are high-impact change agents and improving waste management is a key opportunity for cities to reduce methane emissions, and a key priority for mayors, as shown in the Pathway Towards Zero Waste.

There are three expected outcomes from the Transforming City Waste Management Project:

1. Development of waste baseline data - including waste composition, and mass flow analysis across the City.
2. Technical Financial analysis of the City's budget and historical expenditure and;
3. Development of a comprehensive project implementation pipeline to inform an implementation plan for sustainable waste infrastructure.

In the City of Ekurhuleni, C40 Cities is supporting the City in closing collection gaps, improving residual waste disposal solutions, phasing out organics from disposal, and creating and upskilling jobs and understanding and improving of how waste expenditure within the waste division is funded and distributed and how revenues are generated. The project will develop a budget and financial state analysis of the City's budget and historical expenditure for its waste sector.

2. Local context in Ekurhuleni

The City of Ekurhuleni Metropolitan Municipality (CoE; "the City") is home to an estimated 3.8 million people. The CoE is an important industrial and logistics hub in the Gauteng Province, South Africa. Through the implementation of the ²Growth and Development Strategy 2055 (GDS 2055), the City aims to become a "delivering, capable, sustainable" city by 2055. The City of Ekurhuleni is situated in the Eastern region of the Gauteng Province and is bordered by the metropolitan municipalities of Johannesburg and Tshwane. The City covers 15.6% of Gauteng's land mass

² <https://www.foresightfordevelopment.org/sobipro/55/116-ekurhuleni-growth-and-development-strategy-2025>

(1,975km²). It is the fourth largest (by population) of the eight metropolitan municipalities in South Africa. The CoE was established as a metropolitan municipality during the restructuring of local government in 2000, and consists of nine towns, namely Alberton, Benoni, Boksburg, Brakpan, Edenvale, Germiston, Kempton Park, Nigel, Springs, and 17 townships, including the well-known townships of Tembisa, Daveyton, Kwa-Thema, and Katlehong.

As part of its development strategy, the City has prioritized responding to climate change through various initiatives, including the development of a Green City Action Plan³. The plan identifies actions including city-level policies, investments, and planning strategies — that can help the City meet its climate mitigation and sustainability targets.

Specific targets pursued in the Green City Action Plan (GCAP), which are aligned with the City's existing Ekurhuleni + Challenge 2030 targets, are as follows:

- 25% reduction in fossil fuel energy use
- 20% reduction in private fossil fuel vehicle kilometres travelled
- 50% reduction in waste sent to landfill
- 20% improvement in water security
- 20% reduction in greenhouse gas emissions

The City has committed to prioritizing waste action plans as detailed in the GCAP with the intention of reducing the amount of waste disposed of at landfills and dumpsites, and reducing generation of the associated greenhouse gases (GHG) emissions. Through the Pathway Towards Zero Waste, the City has committed to providing a cleaner, healthier, more resilient, and inclusive environment by providing timely, city-wide waste collection, diverting at least 30% of organic waste, and reducing waste disposal emissions by at least 30% by 2030.

3. Summary, Project purpose, and Description

3.1 Summary

C40 Cities, in collaboration with CoE, is looking at appointing a consultant or a consultancy firm/consortium to assess the city budget-related waste management expenditure and identify potential interventions on a 5-10 year horizon that the city can implement to improve operational efficiency, with a particular focus on reducing waste generation, increasing diversion and treatment and reducing waste disposal, outlining potential models for future investments and operating expenditure to deliver best practice sustainable waste management.

³ <https://ekurhuleni.gov.za/wp-content/uploads/2022/05/CoE-GCAP-Summary-Report-E-Version-20-05-22.pdf>

3.2 Purpose

This Request for Proposal seeks a consultant (also referenced to as Service Provider) to provide a city budget and financial state analysis/ assessment to the waste management division of the City of Ekurhuleni.

3.3 Project aims and objectives

C40 proposes the following outcomes to be delivered through the financial analysis:

- Audit of the waste division financial statement of the City of Ekurhuleni.
- Expression of an independent opinion on the financial statements, financial position, and waste management activity cash flows.
- An understanding of how waste management operations are funded within the city budget, and where capital expenditure for waste management infrastructure is generated, and where funding deficiencies are observed.
- Recommendations on how waste operations and budget can be amended and/or optimised to improve cost estimate and savings.

3.4 Project activities and expected outcomes

The consultant will perform tasks including, but not limited to:

- Provide financial analysis on the City budget and historical expenditure on waste management-related institutions (i.e detail how waste management operations are funded through the city budget; and where waste capital expenditure is generated) and assess how waste management activities are funded in the City (i.e landfill tariffs charges etc).
- Review the Waste Management Department budget over the last five (5) years.
- Review and analyze the waste budget, City's financial expenditure, and historical expenditure on waste management activities.
- Engage with the City's Chief Financial Officer (CFO), Finance Department, Waste Manager/Senior Management Team/ Deputy Head and Financial consultant.) to collect data on waste management expenditures, planning capacity, operational limitations, cost recovery structures, etc.
- Examine the challenges in terms of waste management financials (revenue streams, expenditure).
- Provide financial analysis on the City's financial expenditure on waste management activities and provide recommendations to improve cost estimates and savings.
- Establish the monetary value of different waste streams and the recycling potential of these wastes.
- Collating information regarding landfill rates and tariffs charged and understand how Waste Management activities are funded in the City, including, but not limited to residential users (low, middle high income),

formal and informal household, commercial, industrial, public spaces, produce markets, etc.

- Development of potential models for possible future investments and OpEx expenditure to deliver best-practice sustainable waste management that delivers a clean city in a resilient, inclusive, and equitable way while reducing methane emissions.
- Development of a model that will inform decision-making and prioritize waste actions.
- Provide recommendations into City's budget timelines and include some recommendations into 2023/24 - 2025/26 Medium Term Revenue and Expenditure Framework (MTREF) to improve cost estimates and savings.
- Work with and share information with other consultants in Ekurhuleni, who are also undertaking waste support under aligned contracts with C40.

These will all be compiled into a **financial analysis report** that details City expenditures around waste management and potential models for possible future investments and operational expenditure to deliver best practice sustainable waste management and informs decision-making and prioritizes waste actions.

3.4.1. Project Meetings

- Kick-off meeting with C40 project team and CoE project team.
- Bi-weekly update meetings and progress meetings with the C40 project team and CoE project team (and other meetings as necessary).
- Project close-out meeting.

3.5 Final Deliverables

- Kick-off meeting report.
- Financial analysis report that details City expenditure around waste management and potential models for possible future investments and operational expenditure to deliver best practice sustainable waste management and informs decision-making and prioritizes waste actions.
- Project close-out report.

4. Proposal guidelines

This RFP outlines the requirements for a restricted tender with a competitive process, where a minimum of three (3) service providers are required to respond. C40 cities reserve the right not to appoint.

4.1. Essential requirements

When submitting a proposal, the following should be included and clearly described:

- Names, affiliations and contact information about the service provider and contact details.
- How the bidder's proposal and services will meet the project objectives, making reference referring to the project scope and deliverables.
- A timeline, indicating the different deliverables, milestones, and contact moments with C40 – adequate review periods should be included.
- An overview of the project team and outlining key roles and responsibilities of each team member.
- An overview of expertise and experience in waste management and multi-stakeholder consultations.
- Work approach and coordination with C40 and the City team, specifying required input and resources.
- Clear cost breakdown structure, work plan, methodology, and explanation of expenses.
- Any risks and assumptions made in planning this work - where risks are identified, appropriate alternatives and mitigation strategies should be outlined.
- Reference letters or letters of recommendation and contact details from previous work conducted related to the abovementioned activities.

4.2. Optional criteria

Bidders are encouraged to include evidence or references of their relevant expertise, ideally including, but not limited to:

- Motivation about collaborating with C40 and supporting the delivery of the Budget and financial feasibility analysis.
- Examples of previous relevant work of a similar scale and structure, explaining the output and impact achieved. References from previous clients are welcome, as well as any links to websites where previous work can be seen.
- Description of corporate social responsibility (CSR) or internal guidelines that show the commitment to a healthy and inclusive working environment.

Please note: Proposals should be written in English, saved in pdf format, and should not exceed 10 pages of text. Reference material may be placed in annexes. Individual CVs should not exceed 2 pages.

All documentation should be provided in an editable and portable document format, compatible with computer software used by C40 and C40 cities. Editing, formatting, and presentation of electronic files should be of a consistent, professional, and publishable standard. All documentation to be shared with cities or other external partners should only feature C40's name and logo; successful bidders may not use their own name(s) or logo(s) except with prior written permission by C40. All project deliverables, content, and intellectual property will be owned by C40.

4.3 Contract

Contract terms and conditions will be negotiated upon the selection of the winning bidder for this RFP. All contractual terms and conditions will be subject to review by the C40 Legal Department and will include scope, budget, schedule, and other necessary items pertaining to the project. Please note this is a contract for professional services and not a grant opportunity. Organizations unable to accept contracts for professional services should not submit bids. The work will be completed on the [C40 Standard Service Provider Agreement](#).

These terms and conditions are non-negotiable. Organizations unable to accept them as drafted should not submit bids in connection with this opportunity. If C40 is unable to execute a contract with the winner of this competitive process, we reserve the right to award the contract to the second-highest bidder.

4.4 Subcontracting

If the organization submitting a proposal needs to subcontract any work to meet the requirements of the proposal, this must be clearly stated. All costs included in proposals must be all-inclusive of any outsourced or contracted work. Any proposals which call for outsourcing or contracting work must include a name and description of the organizations being contracted.

4.5 Programme management

The City Advisor from C40 will oversee the project and be an active partner, along with the waste technical lead. The successful bidder will be expected to foster close and constructive working relations with the project manager.

5. RfP and project timeline

All proposals are due no later than 23 January 2023. Any proposals received after this date and time will not be considered.

Evaluation of proposals will be conducted from the submission deadline to COB SAST 10 February 2023. If additional information or discussions are needed within this window, the bidder(s) will be notified.

The selection decision for the winning bidder will be made no later than COB SAST 10 February 2023. Notifications to bidders who were not selected will be completed by 28 February 2023.

Project timeline:

5 – 23 December 2022	Questions and answer period
23 January 2023	Submission deadline for proposals
23 -10 February 2023	Selection of successful bidders and contracting period
14 February 2023	Kick-off meeting
17 February 2023	Submission of kick-off report
17 March 2023	Financial analysis draft report
20-24 March 2023	First commenting period (through stakeholder workshop)
7 April 2023	Financial analysis draft final report
10 - 14 April 2023	Second commenting period (through stakeholder workshop)
19 April 2023	Final Report and Closeout meeting

Please note that these dates are to be used as a guide and are subject to change.

6. Project budget

Total project costs (incl. VAT and other 'hidden' costs) should not exceed **ZAR 200,000.00**

The proposal should indicate a cost breakdown structure, outlining the costs for each activity of the project. All costs included in the proposal must be all-inclusive, referring to any VAT, copyright or bank fees, etc. Costs should be stated as one-time or recurring costs. C40 does not pay contractors more frequently than once per month. All budgets are to be prepared in ZAR.

7. Bidder profile and evaluation criteria

The service provider is expected to have substantial knowledge of Economics, Accounting, Financial Management, and financial modeling in the South African context.

The proposed project team should have the following experience and expertise:

- Demonstrated experience /working knowledge in government finances including an excellent understanding of policies that govern public expenditure such as PFMA.
- Relevant qualifications and professional registration or equivalent in the following fields Accounting, Financial Management or Economics. Certified Internal Auditor (CIA or Chartered Accountant (CA) (SAICA) in charge of the project.
- A minimum of eight (8) years of relevant work experience in a project team leader role in the field regarding similar assignments.
- The prospective consultant must have completed similar work with national/provincial/ local government with a proven track record.

All project team members must be included in the proposal. Appointed service providers shall not delegate, subcontract or assign all or any portion of the services to any third party without obtaining prior written permission from an authorized representative of C40 Cities.

The proposals will be evaluated against the criteria in the table below. The contract will be offered to the bidder with the highest overall score.

Evaluation criteria	Percentage
Expertise and experience on Financial Management/ Economics/ Accounting / Financial modeling at a local level	30 %
Expertise and experience on local government finances and MFMA	25%
Interpretation of brief and quality of proposal	25 %
Project management, work approach, methodology and timeline	10 %
Value for money	10 %

8. Compliance with C40 Policies

C40 expects third parties to be able to abide by these C40 policies

- Ethical Business Conduct Policy [here](#)
- Environmental Policy [here](#)
- Equity, Diversity and Inclusion Policy [here](#)
- Safeguarding Policy [here](#)
- Whistleblowing Policy [here](#)
- Global Travel and Expenses Policy - [if applicable - [here](#)]

9. Submissions and questions

Each bidder must submit 1 copy of their proposal to the following point of contact by 23 January 2023.

- Phumelele Makhanya, pmakhanya@c40.org
- Jessica Kavonic, jkavonic@c40.org

Please also direct any questions regarding this project to this address.

10. Terms and Conditions

C40 Cities Climate Leadership Group reserves the right to change or cancel the above requirements at any time, without incurring any liability towards any interested party and/or any obligation to inform any interested party of the grounds for its action. All costs incurred in connection with the submission of this RFP are non-refundable by C40 Cities Climate Leadership Group.