



ASDU: Nomzamo Agricultural Village

Briefing session for energy technical service providers

RFP ASDU 01/2024

21 November 2023



Welcome

Purpose of the meeting:

To give technical energy service providers enough information to tender for the project, in addition to the Request for Proposals document.

Objectives of the meeting:

- To inform the interested service providers of the profile and priorities of the community (intervention brief);
- show them what the community looks like (video); and
- detail the tender process, including timelines and FAQ.

Contents

- The ASDU and its relationship to GreenCape
- Nomzamo Agricultural Village: an overview
 - General information
 - Data results
 - Intervention brief
- Video walk-through
- Tender process and timelines
- Q&A

The Alternative Service Delivery Unit

The Alternative Service Delivery Unit



A community led, data driven, independent off-grid service delivery unit that oversees the design, facilitation and implementation of tailored service delivery models that are **financially sustainable, technically sound and socially inclusive.**



ASDU and GreenCape

- **ASDU is being implemented by the GreenCape Sector Development Agency (GreenCape) and is directed by GreenCape's institutional identity, governance, standards and compliance frameworks.**
- GreenCape is a South African NPO that drives the widespread adoption of economically viable green economy solutions
- We help unlock the investment and employment potential of green tech and services





The ASDU's two components

Ecosystem enabling and Community

- **Ecosystem enabling**

- Policy reform
- Advocacy and market development
- Municipal support

- **Community**

- On-the-ground / Grassroots level
- Community co-design
- Partnerships with private sector
- Projects you hear about which are directly impacting people's lives



The ASDU's two components

Ecosystem enabling and Community

- **Ecosystem enabling**
 - Policy reform
 - Advocacy and market development
 - Municipal support
- **Examples:**
 - Free Basic Alternative Energy subsidy design
 - Alternative public lighting cost benefit analysis and pilot
 - Training for decision-maker series
 - Community engagement design and support
 - Alternative SMME business promotion
 - Energy services for backyarders
 - Green economy innovations for service delivery
- **Community**
 - On-the-ground / Grassroots level
 - Community co-design
 - Partnerships with private sector
 - Projects you hear about which are directly impacting people's lives
- **Examples:**
 - Witsand
 - Freedom Farm
 - Malawi Camp
 - **Nomzamo Agri Village**



EMBASSY OF DENMARK

Agora
Energiewende



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Aid Programme



INETTT
International
Network of
Energy Transition
Think Tanks



**FRIEDRICH NAUMANN
STIFTUNG** Für die Freiheit.



**CITIES
NETWORK**

Community projects

The innovation

- **Witsand**
 - 11 Solar powered Wi-Fi enabled streetlights
 - 12000 monthly connections
 - Innovative payment model
- **Freedom Farm and Malawi Camp**
 - 587 solar home systems
 - 3 internal lights
 - 24 inch flat screen LED TV
 - Community fund
- **Nomzamo Agri Village**



Nomzamo Agricultural Village

An overview

Nomzamo agricultural village



- Ermelo; Msukaligwa Local Municipality
- Next to an abandoned mine – rehabilitation plan between DMRE and CER
- 681 households
- Department of Public Works currently owns the land. No discussions of evictions since they took over 6 years ago.
- Khuthala environmental care group – local leadership and CBO
- No service delivery protest or unrest in past year
- Local municipality is cooperative and open
- District municipality is also eager to support
- Some level of economic activity – spaza shops; car washes; ECD centres; farming, etc.

NOMZAMO AGRI VILLAGE

- Legend**
- CHURCH
 - CRECHE
 - NOMZAMO AGRI VILLAGE
 - PIT TOILET
 - RESTAURANT
 - SALON
 - SEWER MAIN
 - SEWER PLANT
 - SPAZA SHOP
 - TAILORING SHOP
 - WATER TAP



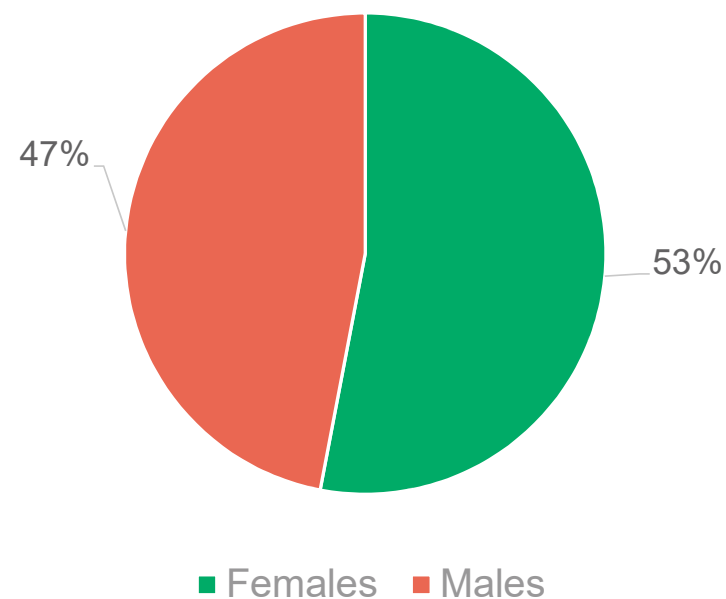
Household data

The average person has been living in Nomzamo since 2019

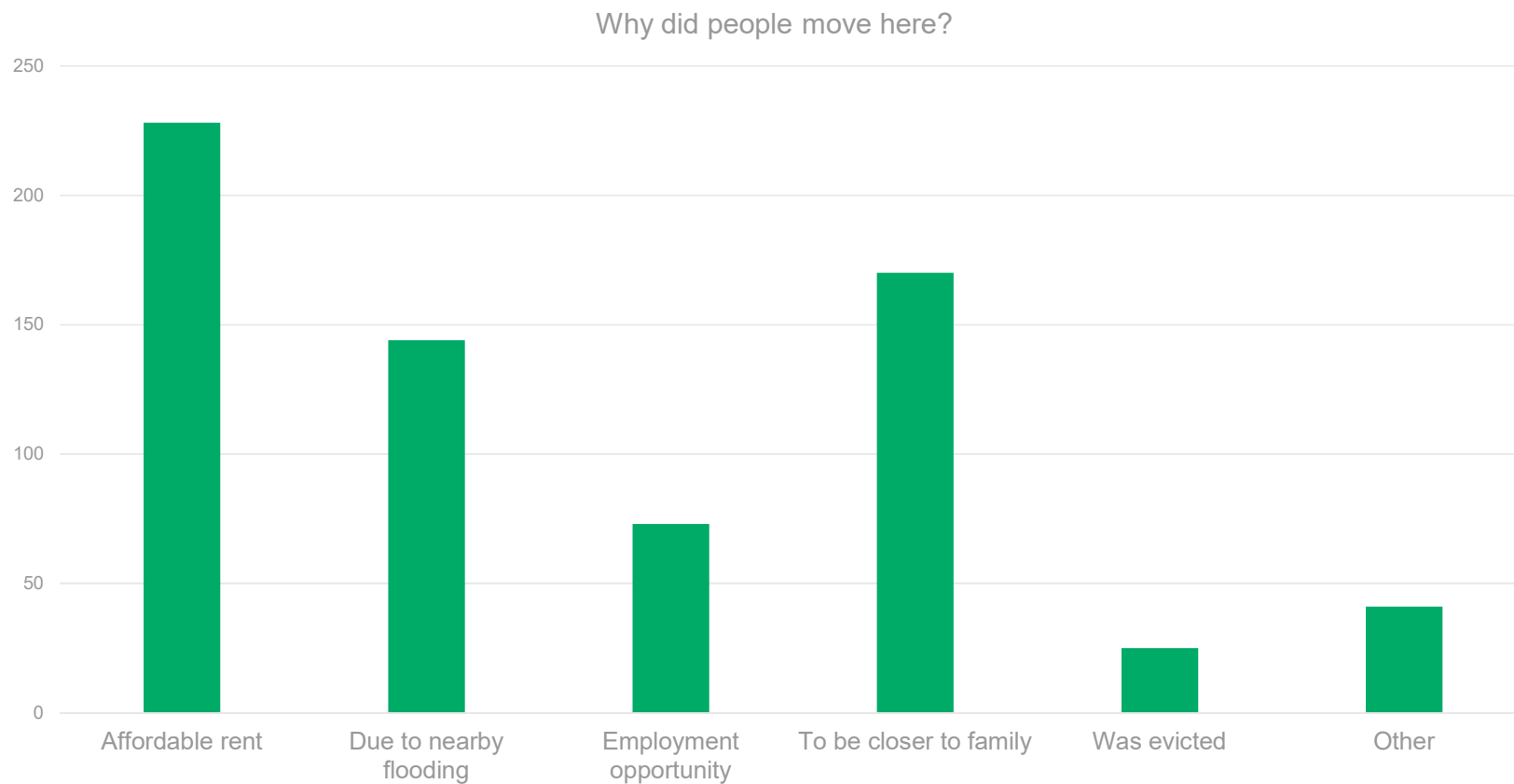
Household size

Total households enumerated	681
Average household size	3.00
Population (total)	2097
Adult population (18y +)	1139
Child population (0-17y)	958

Gender distribution (by %)

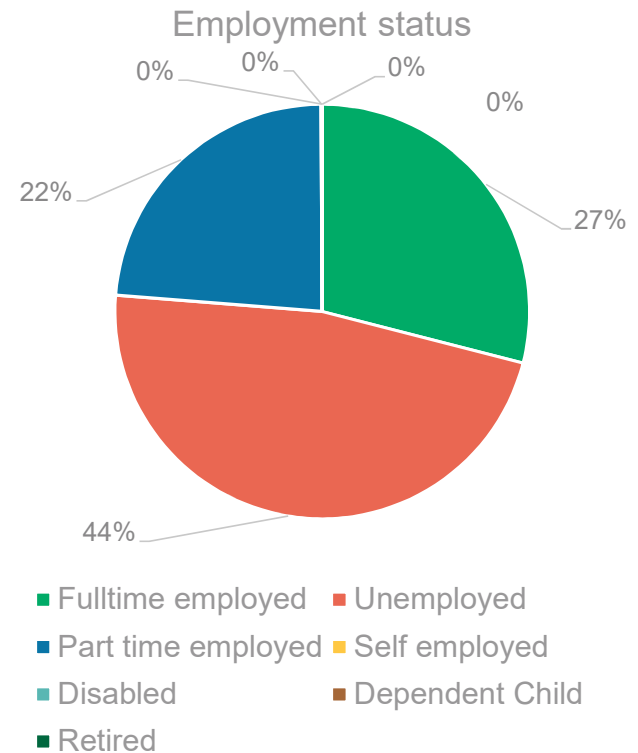
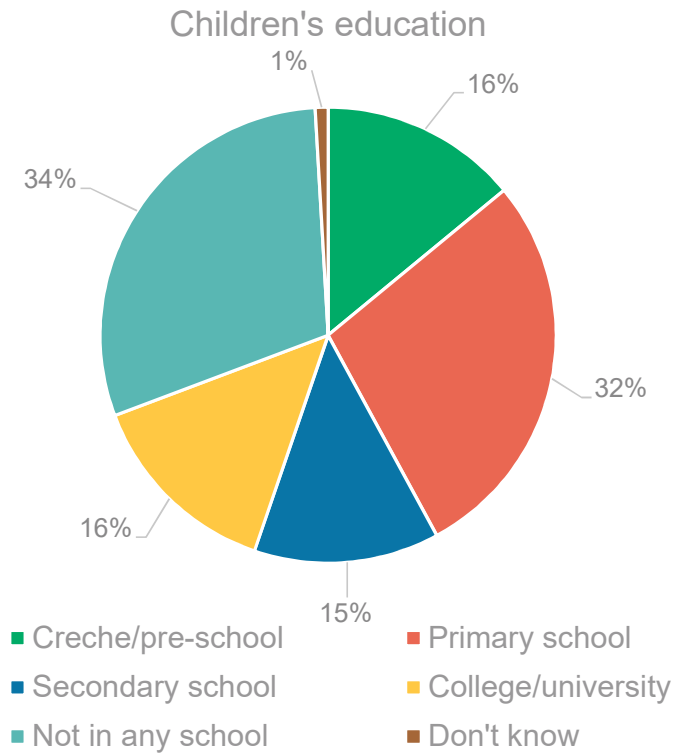


Why did people move here?



Education and employment

35% of school age children are not in school; 56% of the community is unemployed



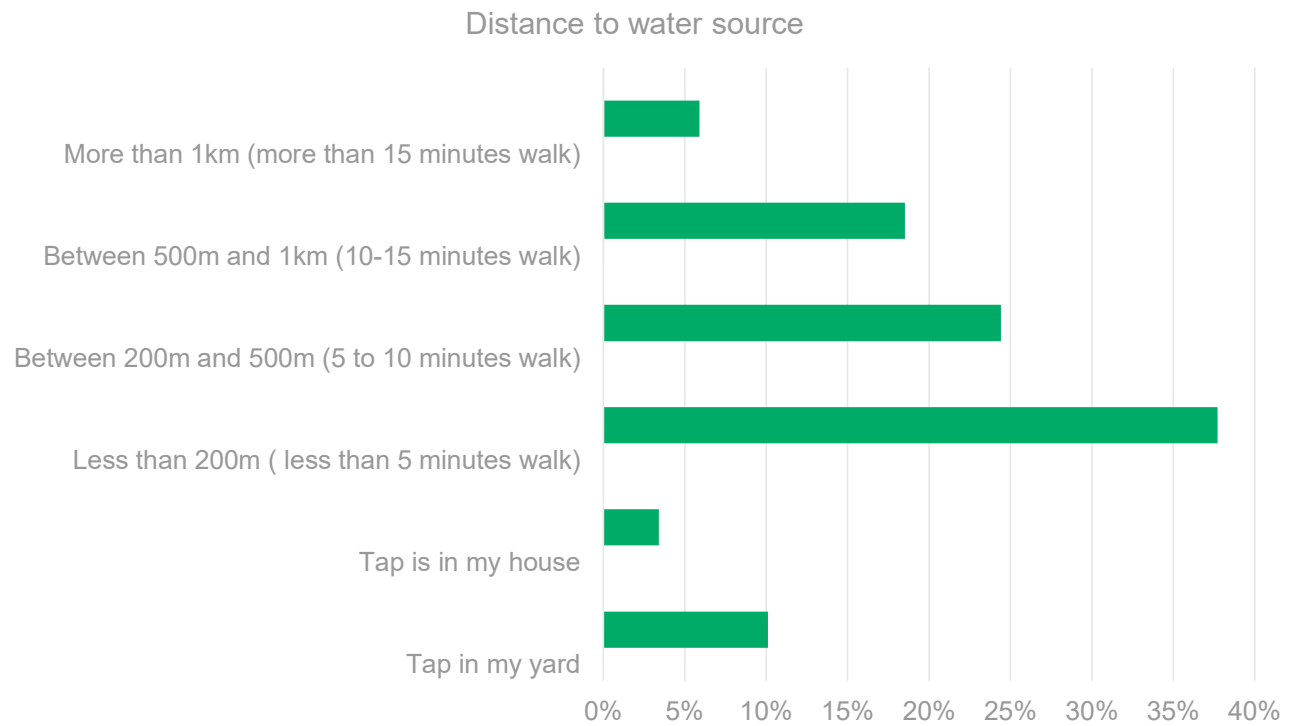
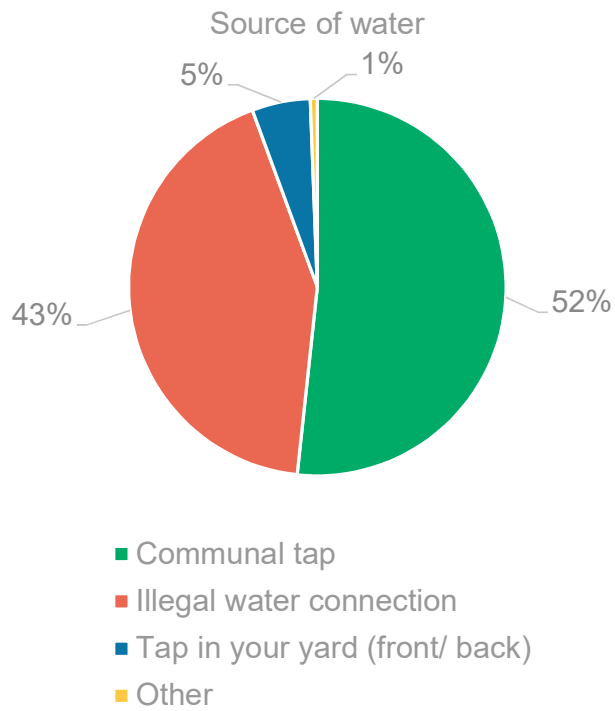
Home structure type

Average home – informal, 15m², 2 rooms made out of zinc

- Structure use
 - 97% used for residential only
- Structure (roof and walls)
 - 98% zinc and/or wood
- Average structure size
 - 15 m²
- Average number of rooms
 - 2 (including kitchen)

Access to services

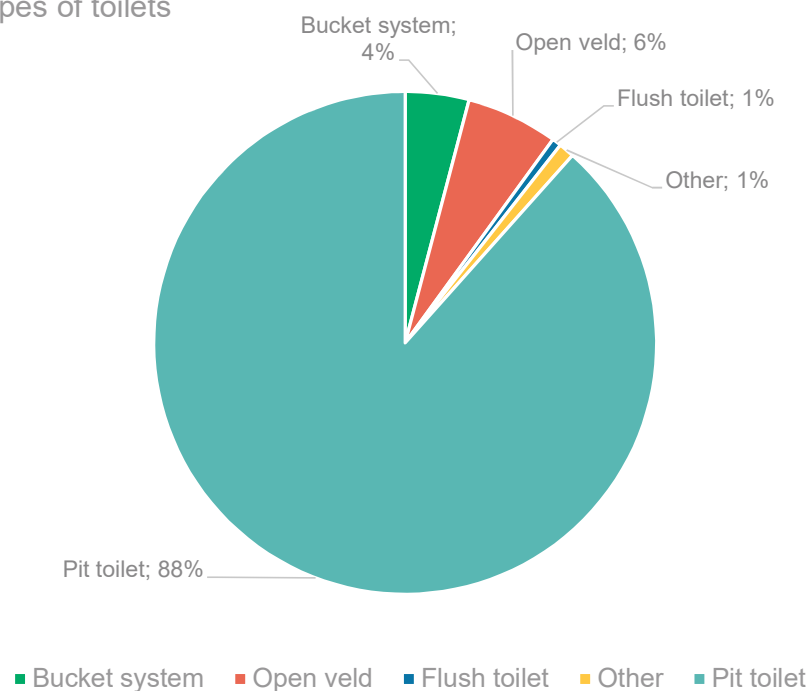
Water



Access to services

Sanitation

Types of toilets



- There are no toilet facilities provided by local government in the entire settlement
- Majority depend on low quality self-dug pit latrines erected in yards of households
- When they are full, a new pit is dug
- 79% said that they do not feel safe enough to use the toilet at night*

Access to services

Solid waste management

- Nomzamo Agri Village does not receive any form of solid waste management from the municipality
- Landfill is about to be closed
- There are 2 recyclers/reclaimers in Nomzamo who pay residents for clean recyclables
- Lots of recycling activities available around Ermelo

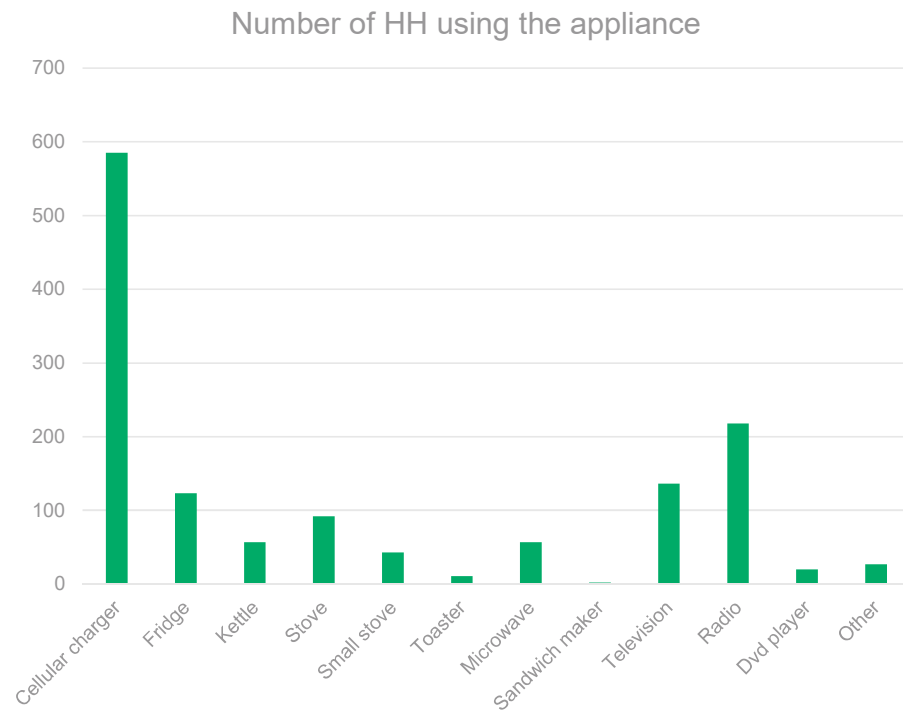
Access to services

Electricity

- No formal/legal electricity connection available in this community
- Other forms of energy include:
 - Gas
 - Paraffin
 - Candles
 - Coal
 - Cowdung
 - Wood
- Most people use coal; wood or a combination of the two for cooking
- Some use paraffin for cooking and lighting
- Some use gas for cooking
- Some use solar for lighting
- Most use candles for lighting
- No area lighting

Appliance use

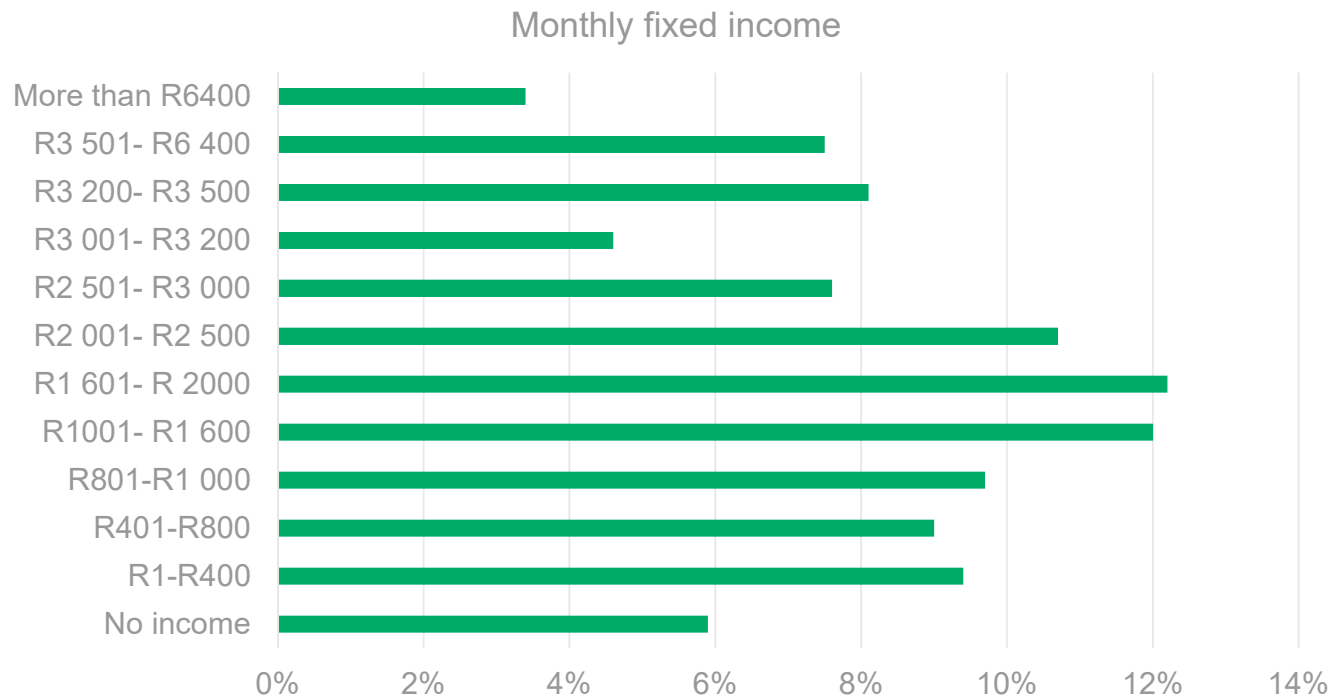
Cellphone chargers, TV's and radios are most common appliances



- Those with fridges and microwaves and large power using appliances don't use them. They brought them with from previously electrified suburbs.

Monthly (fixed) income per household

89% of households earn or receive less than R3500 per month



Monthly expenses per household: Food

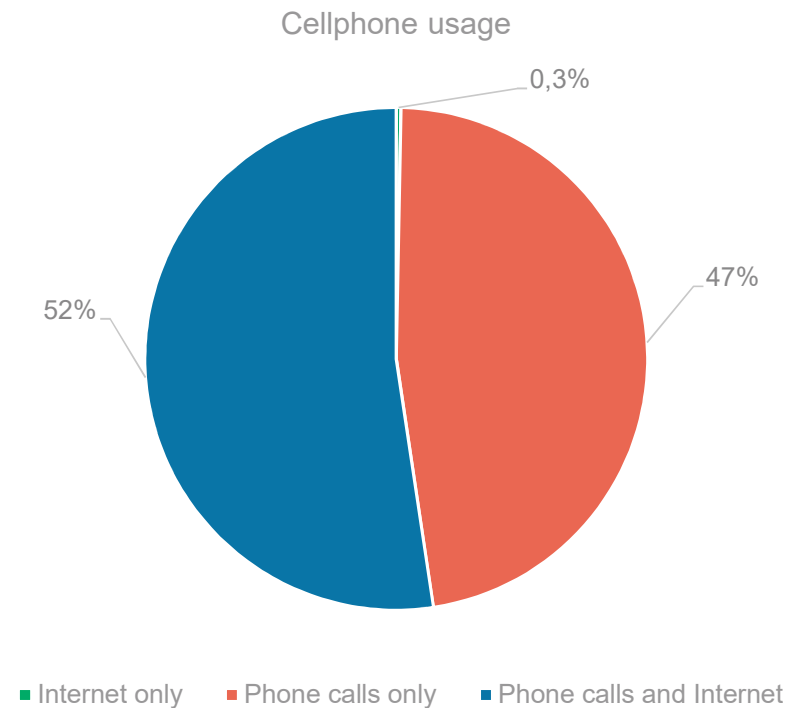
Most of the income is spent on food, phone and energy

- High food costs are attributed to the lack of refrigeration where they are restricted from buying perishable goods in bulk
- Food costs are dependent on household size
- Households spends R750 per month, on average, in many cases, more than half monthly income

Monthly expenses per household: Phone

Most of the income is spent on food, phone and energy

- Spending between R50 and R200 per month on data and airtime, on average
- Each household has 2 phones, on average
- Most people make use of daily specials





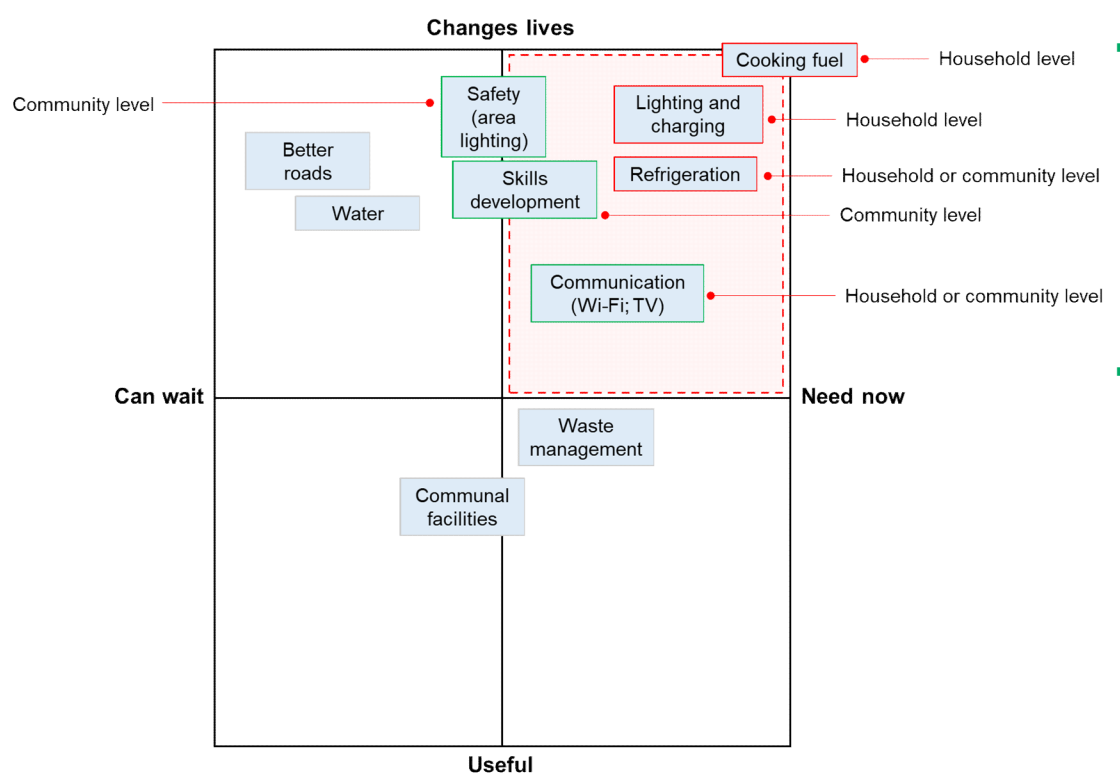
Average monthly expenses per energy source per household

These are the costs per household **depending** on the energy source they use

Energy	Purpose	Usage	Cost	Monthly cost
Coal	Cooking	20l/2 days	R35/10l	R700
Wood	Cooking	25kg/2 days	R100/week	R400
Paraffin	Cooking/lighting	5 litre/day	R30/litre	R1500
Gas	Cooking	9kg/month	R315/9kg	R315
Candles	Lighting	2/night	R7,50 candles (original – last 2 days) R6,00 candles (fake – last 1 day)	R225 pm (original) R360 pm (fake)

Nomzamo's main priorities

Intervention brief is available



Top priorities:

- Home-level solution for more efficient and cost-effective cooking fuel
- Home-level electricity (internal lights and charging of small appliances in individual homes).
- Home- or community level refrigeration (the ability to refrigerate food in their homes or to set up and power a community butchery or other communal facility)

Secondary priorities: While these are not critical or urgent, they would add a lot of value to this community, especially paired with one/more of the above:

- Community level safety in the form of public area lighting;
- Skills development opportunities and job opportunities; and
- Home- or community level connectivity (the ability to connect to the internet – potentially community-level; and to watch television and listen to the radio – household level)

Insights from Nomzamo

Intervention brief is available

- **Willingness to pay for a service:** The communities are willing to pay for safe, reliable and affordable services up to R350 per month (but their preference will be for solutions that do not have a fixed monthly cost but that can instead be paid for as they use them, i.e. pay as you go). This is dependent on the quality of service this offers, and how many of the identified needs can be solved for. The willingness to pay for a service is a trend we are observing in all of the communities we are working in, however, the capacity to pay is different for each one.
- **Level of service:** Most of the issues that were prioritized can be solved on an individual household level. This eliminates certain types of interventions; or requires the combination of different types of services and business models for success.
- **Most valuable appliances to be powered:** Fridge, TV, lights, cellphone chargers.

What does the community look like?

Video walk-about

Tender process and timelines

Partnership model for this project



Primary funder:



ROYAL DANISH EMBASSY
Pretoria



GreenCape

Secondary funder:



Social
implementation
partner



Community being served:

Nomzamo Agri Village



Partnership model for this project



Primary funder:



ROYAL DANISH EMBASSY
Pretoria



Secondary funder:



NEW ZEALAND
HIGH COMMISSION
Te Aka Aorere

**Technical and
financial
implementation
partner/s**



Social
implementation
partner

Community being served:

Nomzamo Agri Village



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Project objectives

- **Objective 1:** Provide energy services to Nomzamo Agricultural Village as per intervention brief
- **Objective 2:** Work with social partner to promote community mobilisation and empowerment as per intervention brief
- **Objective 3:** Create local skills and jobs (economic and social development)



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Project deliverables

- **Deliverable 1:** Provide sustainable energy service to at least 300 households **at the community members' election**
- **Deliverable 2:** Establishment of an operations and maintenance business/operation which functions independently from GreenCape / the Project, in terms of which community members will purchase energy from the Tenderer/as set up by the Tenderer's system (including local skills development and job creation)
- **Deliverable 3:** Monitoring and evaluation of the project using ASDU M&E Tool at regular intervals
- **Deliverable 4:** Community sustainability plan on how the project will continue post GreenCape support

Key milestones and dates

#	Key Activity	Indicative Time Frame
1	Start of installation of context-suited energy technology as selected by the community	March - April 2024
2	Detailed context-suited financial model for ongoing operations independent from the project within the community	March 2024 – September 2024
3	Maintenance and support	March 2024 – project independence

Funding available

- A capital budget of R1 800 000 will be allocated to the capital cost of intervention to serve at least 300 households and/or to subsidise monthly costs of the households for the duration of The Project. GreenCape recommends a co-investment should be raised or provided by the Tenderer.
- Cost per household energised **along with service provision quality** will be used as the primary financial assessment tool. This will be calculated by taking the combined CAPEX and OPEX divided by total number of households serviced. Price shall be judged based on the Pricing Proposal of the RFP.
- Once the Operations and Maintenance Period (“O&M Period”) has passed, the intervention should be running as a standalone and financially sustainable independent entity, without any further expectation of funding from GreenCape or its funders.
- The final funding model (how funding will be dispersed) will be designed based on final successful tender selected.



Tender programme

RFP No ASDU 01/2024 The provision of Energy Services for Nomzamo Agricultural Village

1. Request for proposals published: 21 November 2023
 2. Site visit: 12 January 2024. Details to be announced*
 - 3. All proposals received: 23h59 on 19 January 2024**
 4. Proposals reviewed: 09 February 2024
 5. Winning proposal notified: 16 February 2024
 6. Contract finalised: March 2024
-
- Installation is expected to begin in March/April 2024.
 - Ongoing maintenance and support is expected until project is able to run independently.

Tender evaluation

The evaluation scoring is summarised in the following table

- Site visit
- Proposal submission
- Screening for compliance
- Technical evaluation (competence and experience and suitability)
- Financial evaluation (only for technically competent)
- Final comparative adjudication (technical, financial, B-BBEE and additional differentiating factors)

Phase	Maximum Points
Technical evaluation	35
Site visit attendance	10
Financial evaluation	30
B-BBEE evaluation	20
Comparative adjudication	5
Total	100

Q&A

FAQ Sheet will be published on the website



Thank you

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