Terms of reference (ToRs) for the procurement of services below the EU threshold

giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Piloting the Green Hydrogen Community Development Toolkit	Project number/ cost centre: 21.2230.7-003.00

0. List of abbreviations

BMU	German Federal Ministry of the Environment
CDTK	Community Development Toolkit
CO_2	Carbon Dioxide
CV	Curriculum Vitae
EU	European Union
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
GH2	Green Hydrogen
HBS	Heinrich Böll Stiftung
HIS	Information Handling Services
IIO	Investment Infrastructure Office
KfW	Kreditanstalt für Wiederaufbau (German development bank)
Mtpa	Million tons per annum
PPT	Powerpoint
PtX	Power-to-X (derivatives of hydrogen)
SIP	Strategic Integrated Project
ToRs	Terms of reference

1. Context

In the context of a rapidly decreasing global carbon budget and urgency to identify adequate solutions for decarbonizing the so-called heavy-to-abate sectors, the demand for green hydrogen (GH2) and green hydrogen-based products (PtX), such as ammonia and synthetic jet fuels, is steadily increasing. Many off takers (e.g., Germany, the EU, Japan, etc.) are willing to pay a premium price and to sign long-term supply agreements to stimulate GH2/PtX market development. Green hydrogen, however, also offers domestic use opportunities to countries like South Africa, characterised by favourable solar and wind energy conditions, sufficient mineral resources and existing hydrogen value chains and industries. A recently published IHS Markit report for South Africa (2021) estimated that by mid-century, "over 2 Mtpa hydrogen will be in domestic use, contributing between 6 and 8 percent of final energy use in the country". Combined with the potential for export, 1.8 Mtpa, green hydrogen / PtX thus presents a promising option for contributing to the sustainable transition of the South African energy and industry sector

Given this potential, and within the framework of the German National Hydrogen Strategy, the South African-German Cooperation recently agreed on launching several initiatives in the field of green hydrogen and power-to-x (PtX) in South Africa. Besides a financial component implemented by KfW and a project funded by the German Ministry in charge of Environment (BMU: 'PtX Pathways'), a technical component called 'H2.SA' has been initiated focusing on supporting South African stakeholders from the public and private sector as well as civil society in setting up favourable regulatory, institutional and technical framework conditions for a green hydrogen economy. In detail, four work streams have been defined:

- WS 1: Strategy, Policy and Regulatory Framework
- WS 2: Private Sector Cooperation
- WS 3: Capacity, Research and Innovation
- WS 4: Sustainability and Just Transition

The political partner of H2.SA is the Investment Infrastructure Office (IIO) in The Presidency and the project implementation period is July 2021 to December 2025.

One key aspect of the H2.SA project includes the active support of private companies engaged in the build-up of the South African hydrogen economy. Companies involved in the development of green hydrogen projects typically have extensive expertise in renewable energies, hydrogen, and infrastructure projects. However, some project developers are less well-versed in including affected communities in the project planning and in setting up a robust community development system from the start.

In an attempt to fill this gap, GIZ has developed a practical, user-friendly, and customisable green hydrogen community development toolkit (CDTK) for green hydrogen projects. While green hydrogen is a relatively new topic, community development is well-established and has been integrated in business practice guides of various industries (i.e., mining, oil/gas, garment, etc.) as well as associations/organisations (i.e., International Finance Corporation, World Bank, International Council on Mining and Metals, etc.). The CDTK has taken inspiration from these existing best practices to build on tried and tested practices, to save time, and to avoid duplicating efforts. The CDTK is intended to enable private and public developers/owners of green hydrogen projects in South Africa to proactively integrate community development into their overall management systems and project planning. The current version of the CDTK is attached to these Terms of Reference for reference.

The objective of this assignment is to offer support to project developers for the piloting of this toolkit. This would ideally lead to (1) improved community development practices of green hydrogen projects in South Africa, (2) lessons learnt and feedback from the piloting, and (3) an updated and improved version of the CDTK.

2. Tasks to be performed by the contractor

The assignment comprises a total of ten tasks, which are divided into three phases. The contractor is responsible for providing the following services:

- **Phase 1: Information and project selection**
  - Task 1.1: Task clarification and kick-off meeting
  - Task 1.2: Review GIZ's existing GH2 project database and update where necessary
  - Task 1.3: Conduct information sessions on the CDTK with project developers
  - Task 1.4: Select five projects to support in piloting the CDTK
- **Phase 2: Piloting the CDTK**
  - Task 2.1: Develop a gap analysis for each of the selected projects in terms of community development
  - Task 2.2: Support the projects in the implementation/ piloting of the CDTK
  - Task 2.3: Collect lessons learnt and feedback from piloting the CDTK
- **Phase 3: Updating the CDTK**
  - Task 3.1: Develop case studies from the CDTK piloting
  - Task 3.2: Update the CDTK based on tasks 2.3 and 3.1
  - Task 3.3: Organise workshops to present the updated CDTK

In addition, the contractor is responsible for the logistics of all events from phase 1 - 3.

Phase 1: Preparation and project selection

Task 1.1: Task clarification and kick-off meeting

The service provider is responsible to prepare, organise and follow up a kick-off meeting with the H2.SA team. The goals of this meeting include:

- Clarification of all tasks listed above and agreement on how to interpret and implement them
- Develop a joint understanding of how the CDTK can be piloted and what the main objectives are
- Provide a work plan outlining all milestones for all deliverables and proposing a coordination mechanism
- Share a resource estimation for the anticipated activities, incl. proposal for expert days and required expenses
- Review GIZ's invoicing requirements to ensure efficient processing of future invoices
- Review GIZ's and H2.SA's communication and visibility guidelines

In addition, the service provider shall present their strategy and work plan to H2.SA and receive/implement feedback. The service provider shall provide a kick-off meeting report as well as an integrated work and resource plan following the meeting. The latter shall include a gantt chart outlining the timelines for all activities as well as the number of expert days allocated to each activity.

Deliverable: Work and resource plan; kick-off meeting report.

Task 1.2: Review GIZ's existing GH2 project database and update where necessary

The H2.SA team already developed a database of most of South Africa's green hydrogen and PtX projects. The database includes most Strategic Integrated Projects (SIPs) and projects waiting for this status (pre-SIPs) as well as selected additional initiatives. The service provider will have access to this database and could make additions and updates where needed.

The database could be the starting point to contact project developers and assess their current project status and their current/planned community development engagement.

Deliverable: No dedicated deliverable.

Task 1.3: Conduct information sessions on the CDTK with project developers

The contractor is responsible for planning and organising in-person information sessions with green hydrogen project developers to present the CDTK developed by GIZ. The sessions should be conducted in different regions depending on the location of projects and project developers. Depending on the location and project developers' needs, the sessions could address several projects at the same time or also be exclusive to one project developer. Overall, these sessions intend to present the CDTK, highlighting how it could add value to green hydrogen projects and how projects could use it. They will also serve as a platform to share information on the piloting of the toolkit, how the piloting or implementation could benefit projects, and request applications from projects.

The design and style of the sessions should cater for an interactive engagement with the participants with significant parts of the agenda reserved for group work, discussions, and question/answer. Additionally, the contractor shall share information on how applications will work specifying the type of support the project developers will be provided.

Deliverable: Three to five information sessions

Task 1.4: Select three to five projects to support in piloting the CDTK

The contractor shall select three to five projects that will be supported during the piloting phase of the CDTK. To offer a fair opportunity to all interested project developers, the contractor shall launch a call for applications for piloting support. The process as well as eligibility and selection criteria shall be drafted by the contractor for GIZ's feedback and approval. The contractor is also responsible for receiving and assessing the applications based on the agreed requirements. However, GIZ shall be looped in before any decision pertaining to the selection of projects to be supported.

In addition to the above call for the application process, projects can also be directly supported for piloting if the contractor and GIZ deem them particularly suitable. After the selection process, the contractor shall schedule bilateral kick-off meetings with all selected project developers to discuss specific support needs and identify the next steps (e.g., an in-person meeting at the project site).

Deliverable: List of selected projects incl. their profiles

Phase 2: Piloting the CDTK

Task 2.1: Develop a gap analysis for each of the selected projects in terms of community development

The contractor is responsible for developing a gap analysis for each of the selected projects. This gap analysis aims to assess the projects' status (i.e., what stage/phase they are at) in terms of their overall project and community development more specifically, and to determine specific areas where they would need support. The contractor shall therefore engage and ideally work jointly with project developers to identify potential areas of support.

In addition, the contractor shall compile a gap analysis report that may also include recommendations for each project according to their specific needs. The report is purely for internal use and can be a Word, Excel, or PowerPoint document, depending on the service provider's preference.

Deliverable: Gap analysis report

Task 2.2: Support the projects in the implementation/piloting of the CDTK

Objective

The contractor is responsible for supporting project developers in piloting the toolkit based on their needs or in any specific areas they might need support on during the implementation period as emphasised in the gap analysis report (see task 2.1). This task intends to enable project developers in South Africa to proactively integrate community development into their overall management systems, project planning, and operations throughout the project's lifetime.

Approach

The contractor can support projects in various ways tailored to the specific needs of each project. This could include training project staff or appointed service providers for community development on the use of the CDTK. It could involve planning sessions or strategic workshops to integrate elements of the CDTK in project plans and/or management systems. It could also involve assisting and accompanying projects as they apply CDTK elements, followed by debriefs. The contractor shall jointly with each project decide on bespoke support measures. These can include in-person meetings/support or virtual meetings.

Kick-Off Workshop

In order to identify this customised support strategy, the contractor shall organise an in-person workshop with each project to navigate through the CDTK, clarify questions, and discuss the next steps. The design and style of these workshops should cater for an interactive engagement with the participants with significant parts of the agenda reserved for group work, discussions, and question/answer.

Optional: Collaboration with Heinrich Böll Stiftung (HBS)

HBS is a German political foundation that has been working on community engagement and consultations in South Africa for several years. GIZ cooperates with HBS in an activity called H2Watch, which seeks to actively engage potential green hydrogen project host communities with an intent to develop capacities for meaningful engagement between citizens, government, and developers. The intended outcome of H2Watch is to ensure that South African civil society at both local and national levels have access to credible and relevant information on green

hydrogen, are capacitated to engage with green hydrogen-related policy developments, as well as support frontline community efforts to ensure that green hydrogen projects are structured in a manner that upholds their rights, reflects their interests, and contributes to the realisation of a just energy transition in South Africa.

Some CDTK tools require broad and effective community and stakeholder engagements and/or trust based on previous interactions. In these cases, it might be beneficial to leverage H2Watch as HBS has built significant trust and a far-reaching community engagement network in different project locations. This is optional and should be pre-approved by the project developer.

Important disclaimer

This entire task is built on the following assumptions:

- Green hydrogen project developers in South Africa have an interest in community development and would like to work with GIZ on this topic
- They are sufficiently interested to start working on community development early in their project phase
- Five projects with such an interest can be identified and have sufficient support needs to accommodate the allocated number of days

While these assumptions are reasonable and based on direct interactions with several project developers, they cannot be taken for granted. Should one or more of these assumptions prove inaccurate, it might not be possible to use all expert days allocated to this task. As this is by far the most time-consuming task, this could have a significant impact on the total number of expert days and therefore on the amount that can be invoiced to GIZ.

GIZ explicitly points out that the days included in these terms of reference and later in the contract are “up to” days. This number should be seen as a best-case scenario for the piloting of the CDTK, which is not guaranteed, beyond GIZ’s control, and dependent on the needs of project developers. Should the implementation of this – or any other – task not be possible – or only partially be possible – not all allocated expert days will be used.

Deliverable: Short bimonthly PPT presentation on support measures with projects

Task 2.3: Collect lessons learned and feedback from piloting the CDTK

The contractor is responsible for collecting lessons learned and feedback received from the piloting phase. The lessons learned and feedback could focus on the CDTK’s structure, design, content, or applicability. The goal is to improve the CDTK’s practical relevance for green hydrogen projects, to ensure it is as user-friendly as possible, and to make sure it meets best practices required by project partners and investors. The feedback can also focus on the piloting itself, e.g., what type of support could be offered to make it easier and more efficient for project developers to use the toolkit.

In addition to engaging with project developers for their feedback, communities shall be approached as well to learn about their experience in the process and to identify what could be improved from their perspective. The contractor shall compile a summary of lessons learned and feedback, and make recommendations in a short report (Word, Excel, or PowerPoint). The

report is purely internal and would summarise the key findings and recommendations to be addressed and included in the CDTK under Task 3.2.

Additionally, the contractor shall take professional photographs of selected activities, representing the full CDTK piloting process from first engagement to community consultations to debriefing, etc. The pictures must be in digital format (jpeg, tiff, or raw format) and the resolution should be at least 20 megapixels; suitable for large-format printing. The contractor shall send a long list of photos to GIZ, from which 50 photos will be selected for editing by the photographer (or another service provider) appointed by the contractor.

Deliverable: Lessons learned report and a selection of 50 edited pictures

Phase 3: CDTK update

Task 3.1: Develop case studies from the CDTK piloting

The contractor is responsible for developing three case studies from the piloting of the CDTK. The case studies are intended to offer additional insights into how the implementation of the CDTK is received on the ground and to further explore better practices that will assist in updating the toolkit. The contractor shall propose three themes drawn from the analysis of lessons and share them with GIZ for feedback prior to taking on the task.

The design of case studies shall also be able to showcase the first outcomes of the piloting process and shall be written in an engaging tone of voice. Each case study must not be more than three pages and shall be submitted to GIZ for their comments and feedback.

Deliverable: Three case studies

Task 3.2: Update the CDTK based on tasks 2.3 and 3.1

Based on the lessons learned and feedback from the piloting phase, including the case studies, the contractor is responsible for updating the toolkit. It should follow the initial CDTK design and structure and should make adjustments, additions, or deletions where needed to improve its useability, structure, and/or content.

It shall also follow or use the same methodological approach; ease of use, relevance, and contextualisation are key requirements for the methodological approach. The updated version of the CDTK must be easy to use for project developers. In particular, a modular approach should enable companies to assemble and customise their own community development strategy. To ensure this, the CDTK's content should be limited to relevant tools and information – description of tools, how to use them, when to use them, case studies, etc. – while providing links to sources and further reading to contextualize the guidelines.

Deliverable: Updated CDTK

Task 3.3: Workshops – Annual CDTK review workshop with GIZ and project focal points

The contractor is responsible for planning and organising in-person review workshops with project focal points or other relevant stakeholders to identify and discuss lessons learned and

present the draft updated CDTK. The workshops aim to get feedback from the participants in order to revise the updated toolkit where necessary. The design and style of the workshops should cater for an interactive engagement with the participants with significant parts of the agenda reserved for group work, discussions, and question/answer. The contractor shall organise the first review workshop internally with GIZ and organise the second review and final workshops with project focal points and other relevant stakeholders.

Deliverable: Three review workshops

Certain milestones, as laid out in the table below, are to be achieved during the contract term:

Milestones/process steps/partial services	Deadline/place/person responsible
Work and resource plan; kick-off meeting report	December 2023
Three to five information sessions	April 2024
List of selected projects incl. their profiles	June 2024
Gap analysis report	July 2024
First review workshop	November 2024
Feedback report and pictures	April 2025
Three case studies	May 2025
Submission of updated CDTK - Draft	July 2025
Second and third review workshop	September 2025
Submission of Final CDTK	October 2025
Project handover	November 2025

Period of assignment: from 1 December 2023 until 30th November 2025.

3. Concept

In the tender, the tenderer is required to show *how* the objectives defined in Chapter 2 (Tasks to be performed) are to be achieved, if applicable under consideration of further method-related requirements (technical-methodological concept). In addition, the tenderer must describe the project management system for service provision.

Note: The numbers in parentheses correspond to the lines of the technical assessment grid.

Technical-methodological concept

Strategy (1.1): The tenderer is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1 Context) (1.1.1). Following this, the tenderer presents and justifies the explicit strategy with which it intends to provide the services for which it is responsible (see Chapter 2 Tasks to be performed) (1.1.2).

The tenderer is required to present the actors relevant to the services for which it is responsible and describe the **cooperation (1.2)** with them.

The tenderer is required to describe the key **processes** for the services for which it is responsible and create an **operational plan** or schedule (1.4.1) that describes how the

services according to Chapter 2 (Tasks to be performed by the contractor) are to be provided. In particular, the tenderer is required to describe the necessary work steps and, if applicable, take account of the milestones and **contributions** of other actors (partner contributions) in accordance with Chapter 2 (Tasks to be performed) (1.4.2).

Project management of the contractor (1.6)

The tenderer is required to explain its approach to coordination with the GIZ project. In particular, the project management requirements specified in Chapter 2 (Tasks to be performed by the contractor) must be explained in detail.

The tenderer is required to draw up a **personnel assignment plan** with explanatory notes that list all the experts proposed in the tender; the plan includes information on assignment dates (duration and expert months) and locations of the individual members of the team complete with the allocation of work steps as set out in the schedule.

The tenderer is required to describe its backstopping concept. The following services are part of the standard backstopping package, which (like ancillary personnel costs) must be factored into the fee schedules of the staff listed in the tender in accordance with Section 3.3.1 of the GIZ AVB:

- Service-delivery control
- Managing adaptations to changing conditions
- Ensuring the flow of information between the tenderer and GIZ
- Assuming personnel responsibility for the contractor's experts
- Process-oriented steering for implementation of the commission
- Securing the administrative conclusion of the project

4. Personnel concept

The tenderer is required to provide personnel who are suited to filling the positions described, based on their CVs (see Chapter 6), the range of tasks involved, and the required qualifications.

The below-specified qualifications represent the requirements to reach the maximum number of points in the technical assessment.

Team leader

Tasks of the team leader

- Overall responsibility for the advisory packages of the contractor (quality and deadlines)
- Coordinating and ensuring communication with GIZ, partners, and others involved in the project
- Personnel management, in particular identifying the need for short-term assignments within the available budget, as well as planning and steering assignments and supporting local and international short-term experts
- Regular reporting in accordance with deadlines
- Ensure all projects are supported according to their specific needs

Qualifications of the team leader

- Education/training (2.1.1): university degree (Master) in Community Development / Sustainability / Social Studies / Energy Studies / Business Administration or another relevant
- Language (2.1.2): C2-level language proficiency in English
- General professional experience (2.1.3): 8 years of professional experience in the Corporate Sustainability, Community Development / Engagement, Management, or Energy sector
- Specific professional experience (2.1.4): 4 years in Community Development / Engagement, Corporate Sustainability
- Leadership/management experience (2.1.5): 5 years of management/leadership experience as a project team leader or manager in a company
- Regional experience (2.1.6): 6 years of experience in projects in Southern Africa (region), of which 4 years in projects in South Africa (country)
- Development cooperation (DC) experience (2.1.7): 2 years of experience in DC projects

Short-term expert pool with minimum 2, maximum 4 members

For the technical assessment, an average of the qualifications of all specified members of the expert pool is calculated. Please send a CV for each pool member (see below Chapter 6 Requirements on the format of the bid) for the assessment.

Tasks of the short-term expert pool

- Organize and coordinate interactive trainings/workshops on the CDTK
- Closely work with project developers to identify their needs and develop support measures
- Implement identified support measures according to project developers' specific needs
- Ensure collection of lessons learned and feedback
- Develop case studies and update the CDTK
- Participate in internal/external workshops and meetings where needed

Qualifications of the short-term expert pool

- Education/training (2.6.1): all experts with university qualification (Master) in Community Development / Sustainability / Social Studies / Energy Studies or another relevant,
- Language (2.6.2): all experts with C2-level language proficiency in English
- General professional experience (2.6.3): 1 expert with 6 years of professional experience in the Community Development / Engagement sector, 1 expert with 6 years of professional experience in the Energy sector
- Specific professional experience (2.6.4): 1 expert with 3 years of professional experience in Green Hydrogen or Renewable Energy Project Development, 1 expert with 3 years of professional experience in Socio-Economic Impact Assessments.
- Regional experience (2.6.5): 2 experts with 5 years of experience in southern Africa (region), 2 experts with 3 years of experience in South Africa (country)
- Development cooperation (DC) experience (2.6.6): 2 experts with 2 years of experience in DC
- Other (2.6.7): Not applicable

The tenderer must provide a clear overview of all proposed short-term experts and their qualifications.

5. Costing requirements

Assignment of personnel and travel expenses

Accommodation costs which exceed a reasonable amount and the cost of flights and other main forms of transport can be reimbursed against evidence

All business travel must be agreed in advance by the officer responsible for the project.

Sustainability aspects for travel

GIZ would like to reduce greenhouse gas emissions (CO_2 emissions) caused by travel. When preparing your tender, please incorporate options for reducing emissions, such as selecting the lowest-emission booking class (economy) and using means of transport, airlines, and flight routes with a higher CO_2 efficiency. For short distances, travel by train (second class) or e-mobility should be the preferred option.

If they cannot be avoided, CO_2 emissions caused by air travel should be offset. GIZ specifies a budget for this, through which the carbon offsets can be settled against evidence.

There are many different providers in the market for emissions certificates, and they have different climate impact ambitions. The Development and Climate Alliance (German only) has published a list of standards (German only). GIZ recommends using the standards specified there.

Specification of inputs

Fee days	**Number of experts**	**Number of days per expert**	**Total**	**Comments**
Designation of TL	**1**	**75**	**75**	Time sheets to be provided
Designation of short-term expert pool	**1 pool**	**300**	**300**	Time sheets to be provided
Travel expenses	**Quantity**	**Price**	**Total**	**Comments**
Per-diem allowance in the country of assignment				
Overnight allowance in the country of assignment				Against proof
Transport	**Quantity**	**Price**	**Total**	**Comments**
Domestic flights				
CO_2 compensation for air travel	**30**	**R200**	**R6000**	A budget is earmarked for settling carbon offsets against evidence.

Travel expenses (airport transfer) • **Airport transfer** • **Car rental** • **Driven kilometres** • **Taxi / Uber**				
Other costs	**Number**	**Price**	**Total**	**Comments**
Flexible remuneration	**1**	**R350000**	**R350000**	A budget of ZAR 350000 is foreseen for flexible remuneration. Please incorporate this budget into the price schedule. Use of the flexible remuneration item requires prior written approval from GIZ.
Workshops	**8**			
Procurement of materials and equipment	**1**			The budget contains the following costs Printing, workshop materials, and other consumables.

Workshops and training

Please describe in your concept how you implement GIZ's minimum standards for sustainable event management (see annexes to the terms of reference).

The contractor implements the following workshops/training/ information sessions:

- 3 – 5 information sessions on the CDTK with project developers
- 3 workshops on CDTK updates and progress of the piloting

6. Requirements on the format of the tender

The structure of the tender must correspond to the structure of the ToRs. In particular, the detailed structure of the concept (Chapter 3) should be organised in accordance with the positively weighted criteria in the assessment grid (not with zero). The tender must be legible (font size 11 or larger) and clearly formulated. It must be drawn up in English.

The complete tender must not exceed 10 pages (excluding CVs). If one of the maximum page lengths is exceeded, the content appearing after the cut-off point will not be included in the assessment. External content (e.g., links to websites) will also not be considered.

The CVs of the personnel proposed in accordance with Chapter 4 of the ToRs must be submitted using the format specified in the terms and conditions for application. The CVs shall not exceed 4 pages each. They must clearly show the position and job the proposed person held in the reference project and for how long. The CVs can also be submitted in English.

Please calculate your financial tender based exactly on the parameters specified in Chapter 5 Quantitative requirements. The contractor is not contractually entitled to use up the days, trips, workshops or budgets in full. The number of days, trips and workshops and the budgets will be contractually agreed as maximum limits. The specifications for pricing are defined in the price schedule.

7. Annexes

- Final CDTK