

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

Consultancy to conduct a technical assessment of Article 6 registry options for South Africa	Project number/ cost centre: 20.2159.0-024.00
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0. List of abbreviations

AG	Commissioning party
AN	Consultant
AVB	General Terms and Conditions of Contract for supplying services and work
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
COAS	Carbon Offset Administration System
DoEE	Department of Electricity and Energy
DFFE	Department of Forestry, Fisheries and the Environment
FK	Expert
FKT	Expert days
GHG	Greenhouse Gas
ITMOs	Internationally Transferred Mitigation Outcomes
KZFK	Short-term expert
MRV+	Monitoring, Reporting and Verification plus
NDCs	Nationally Determined Contributions
REDD+	Reducing emissions from deforestation and forest degradation in developing countries and additional forest-related activities that protect the climate
SDGs	Sustainable Development Goals
ToRs	Terms of reference
UNFCCC	United Nations Framework Convention on Climate Change

1. General Information

Brief information on the project

The German Federal Ministry for Economic Cooperation and Development (BMZ) commissioned the Article 6 Capacity Building project as a component of GIZ NDC Assist II global project. The component started in January 2023 with a duration until December 2025. It aims to support national authorities in Rwanda, South Africa and Peru in taking informed decisions on the implementation of Article 6 activities in their countries, which activities contribute both to NDC achievement and SDG financing. For that aim, the component supports relevant actors in the countries to build strategic guidance, processes, procedures, or practical examples for the implementation of cooperation mechanisms under Article 6 of the Paris Agreement. The processes and procedures may include, among others, long-term policy support on sectoral potential analysis, authorisation procedures, and governance structures relevant for Article 6 implementation as well as the support in the development of policy guidelines for an ambitious use of Article 6. An integral part of the project is to foster exchange and learning formats on the use of Article 6 between the three partner countries and beyond. The above support will lead to an increased readiness of host countries to use Article 6 of the Paris Agreement in line with their NDCs achievement. In addition, the component works with regional and global platforms (e.g., the NDC Partnership) to promote knowledge sharing on lessons learned in partner countries.

In South Africa, the political partner institutions are the Department for Forestry, Fisheries and the Environment (DFFE) and the Department of Electricity and Energy (DoEE).

Context

By referring to Article 6 in its updated NDCs, South Africa sets for itself a mandate for establishment of a domestic process of engagement. Part of the above engagement process and infrastructure is a carbon registry to facilitate tracking, monitoring and reporting of emissions reductions including their tracking and transfer of ITMOs, Share of Proceeds, Overall Mitigation of Global Emissions. CMA 3 and 4, decisions were taken under 6.2 (cooperative approaches) as well as 6.4 mechanism in which parties need to be able to have registries to enable tracking, reporting and accounting as well as viewing and pulling of information. Essentially, registries are one of the many of participation requirements that need to be fulfilled by host parties that opt to engage in Article 6.

Under the UNFCCC, an international registry to accommodate countries that do not have their own registries to enable 6.2 activities is currently being developed. The 6.4 mechanism is also in development to support Article 6.4 activities. There are other related infrastructure linkages such as, the Agreed Electronic Format, the Central Accounting and Reporting Platform/database, inter-operability between these registry systems and others. Whilst some of these issues remain pending under UNFCCC negotiations, it is clear that the systems of infrastructure(s) must be founded and be informed by robust principles to enable the objects of tracking, reporting and accounting. However, the principle of environmental integrity, avoidance of double counting and sustainable development remain paramount

At country level, there are a number of systems that were initially developed or conceived for purposes of administering carbon markets, this is the case in relation to management of offsets scheme that is part of carbon pricing. This is not the only system that can be checked at country level, as there are other registries to administer offsets. Currently, the Carbon Offset Administration Systems (COAS) in South Africa facilitates for the listing, transfer and retirement of carbon credits to offset carbon tax liabilities. An analysis of the suitability of the COAS as well as any other local or internationally available registry options in accordance with the registry requirements for article 6 would be necessary to support the South African Governments decision regarding a suitable system option in accordance with the registry requirements for Article 6. The registry should have ability to capture sector specific data and ensure interoperability with the national Monitoring, Reporting and Verification + (MRV+) system, the National Green House Gas (GHG) Inventory and other corresponding sector registries (e.g. existing soil carbon registry and the upcoming REDD+ registry) as well as international registries. The analysis should also include recommendations on the various options available to host the Article 6 registry for South Africa, what gaps exist in these /options and how gaps can be addressed.

To this end, the Article 6 Capacity Building project, in partnership with DFFE as the focal point for Article 6 under the Paris Agreement and DoEE as the earmarked administrator for Article 6.4 mechanism in South Africa, seeks to contract a national consultant to conduct a technical assessment of Article 6 registry options for South Africa.

2. Tasks to be performed by the contractor

The objective of this work is to:

- analyse and articulate the extent of the gap in relation to article 6 registry requirements, as they resulted from CMA 3, CMA 4 and other developments on registry informing the scope of registries under UNFCCC negotiations.
- identify technical adaptability of the various systems to accommodate any changes, including cost benefit analysis, extent of risk as well as other considerations an expert can put forward depending on the model followed.
- provide recommendations on suitable registry options and the associated pros and cons.

Thus, the consultant is responsible for providing the following services:

1. Project Inception

- Inception workshop
- Inception report to be drafted

2. Draft Report which includes:

- Assessment of existing systems to recommend registry options
- Details the results of the analysis undertaken

3. Final Report which includes:

- Facilitate a workshop with key stakeholders from Government to discuss the draft report and write up proceedings of that workshop
- Input received and comments addressed from the workshop
- Recommendations on which systems to consider, including clear guidelines or scope of development of the registry that South Africa can use to house Article 6 activities, and how to address any gaps, as appropriate

Furthermore, the consultant is responsible for:

- The consultant provides equipment and supplies (consumables) and assumes the associated operating and administrative costs.
 - The consultant manages costs and expenditures, accounting processes and invoicing in line with the requirements of GIZ.
- The consultant reports regularly to GIZ in accordance with the current AVB of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

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

Milestones/partial works	Date/location/responsibility	Criteria for acceptance
M1. Final Inception Report	One month after contract signature (team leader)	Approved by GIZ project team and political partners
M2. Draft Analysis	Three months after contract signature (team leader)	Approved by GIZ project team and political partners
M3. Final Approved Analysis	Two months after submission of the draft analysis (GIZ and team leader)	Approved by GIZ project team and political partners

In the following sections the milestones identified above are described in detail in terms of how they are to be delivered.

Project Inception Phase

The project inception phase is key to ensuring the proper foundation for the effective delivery of the project is laid. This includes ensuring that all key stakeholders involved in the project have a common understanding of how the project will be managed to achieve its aims.

The following tasks will be undertaken:

- a. Once the contract has been signed by all parties, a meeting will be held between the consultant's team, GIZ and the political partners. This will identify key issues that need to be addressed to underpin the effective delivery of the project, including the project management arrangements. The consulting team will write up the minutes from this

meeting. Please note that the consultant will be expected to minute all meetings they are involved with, throughout the project, as one of their project obligations. During this initial meeting the political partners and GIZ will share their expectations of the analysis and share guidance on the scope of work.

- b. After this meeting has been held the consultant will write up the results of the inception process in the form of a draft inception report. This will be sent out for comment and based on comments received, finalised by the consultant.

The milestones, timeline and responsibility for this specific service are as follow:

Milestones/partial works	Date/location/responsibility	Criteria for acceptance
M1. Final Inception Report	One month after contract signature (team leader)	Approved by GIZ project team and political partners

Development of a Draft Report

The consultant will undertake all activities that will enable it to develop a comprehensive draft analysis.

The following tasks will be undertaken:

- a. The consultant will identify, review and analyse relevant national and international existing systems and registries against the Article 6 registry requirements. The analysis should include a detailed comparison of pros and cons for each registry option available that are catered to the South African context as well as a review of up-to-date international guidance and criteria for registries.
- b. The consultant will draft a comprehensive report based on the analysis conducted and share it with GIZ and the political partners for comment. The draft analysis should include preliminary recommendations.

The milestones, timeline and responsibility for this specific service are as follow:

Milestones/partial works	Date/location/responsibility	Criteria for acceptance
M2. Draft Report	Three months after contract signature (team leader)	Approved by GIZ project team and political partners

Development of a Final Report

In this phase a workshop will be held to discuss the draft report and based on comments received a final report will be written.

The following tasks will be undertaken:

- a. GIZ will host stakeholders from relevant line departments from the Government for a workshop where the consultant will present the outcomes of their analysis and gather further input or comments to be incorporated into the final draft. This workshop will be designed and facilitated by the consultant with the support of the GIZ. The inputs received in the workshop must be written up by the consultant.
- b. Based on the workshop proceedings and any comments received a final analysis, which includes recommendations, will be written and submitted to GIZ and the political partners for approval.

The milestones, timeline and responsibility for this specific service are as follow:

Milestones/partial works	Date/location/responsibility	Criteria for acceptance
M3. Final Approved report	Two months after submission of the draft analysis (GIZ and team leader)	Approved by GIZ project team and political partners

Period of assignment: from 25 October 2024 until 31 March 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 **Error! Reference source not found.** 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 for the services for which it is responsible and describe the **cooperation (1.2)** with them.

The tenderer is required to present and explain its approach to **steering** the measures with the project partners (1.3.1) and its contribution to the **results-based monitoring system** (1.3.2).

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 **Error! Reference source not found.** (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).

The tenderer is required to describe its contribution to knowledge management for the partner (1.5.1) and GIZ and to promote scaling-up effects (1.5.2) under **learning and innovation**.

Project management of the contractor (1.6)

The tenderer is required to explain its approach for 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 lists all the experts proposed in the tender; the plan includes information on assignment dates (duration and expert days) 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

Further requirements (1.7)

None applicable.

4. Personnel concept

The tenderer is required to provide personnel who are suited to filling the positions described, on the basis of their CVs (see Chapter 0), 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 and the political partners
- Personnel management
- Presenting (interim) findings, reports and drafts to the stakeholders involved in the assignment
- Regular reporting in accordance with deadlines

Qualifications of the team leader

- Qualifications (2.1.1): Master's degree in environmental studies, law, political/economic sciences or a related field
- Language (2.1.2): C2-level language proficiency in English
- General professional experience (2.1.3): 10 years working experience on Environment and climate change programs, measurement reporting and verification systems/programs, preferably in developing countries.
- Specific professional experience (2.1.4): 5 years experience on regulatory and policy advice and development of institutional frameworks in the environment and climate change landscape. Specifically, prior engagement with carbon market frameworks including article 6 guidance provisions elaborated under CMA 3 and 4 as well as developments under the 6.4 Supervisory Body on elaboration of Rules Modalities and Procedures (please clearly show examples of this).
- Leadership/management experience (2.1.5): 5 years of leadership experience as project team leader in a project.
- Regional experience (2.1.6): 3 years of experience in Africa.
- Development cooperation (DC) experience (2.1.7): Not applicable
- Others (2.1.8): 4 years' experience in the UNFCCC climate change negotiations

Key expert 1

Tasks of key expert 1

- Research and development of content concerning the described tasks
- Interaction with national stakeholders at work level

Qualifications of key expert 1

- Qualifications (2.2.1): University degree in Environmental Studies, Data Analytics, Economics, Planning, Law, Political Science or a related field
- Language (2.2.2): C2-level language proficiency in English.
- General professional experience (2.2.3): 3 years working experience on Environment and climate change programs, measurement reporting and verification systems/programs, preferably in developing countries.
- Specific professional experience (2.2.4): 3 years experience on regulatory and policy advice and development of institutional frameworks in the environment and climate change landscape. Specifically, prior engagement with carbon market frameworks including familiarity with article 6 (please clearly show examples of this).

- Leadership/management experience (2.2.5): Not applicable
- Regional experience (2.2.6): 1 years of experience in Africa.
- Development cooperation experience (2.2.7): Not applicable
- Others (2.2.8): 2 years' experience in the UNFCCC climate change negotiations

Key expert 2

Tasks of expert 2

- Research and development of content concerning the described tasks
- Interaction with national stakeholders at work level

Qualifications of expert 2

- Qualification (2.3.1): University degree in Information Systems, Information Technology, or a related field.
- Language (2.3.2): C2-level language proficiency in English.
- General professional experience (2.3.3): 3 years developing environmental MRV+ systems/programs (please clearly show examples of this).
- Specific professional experience (2.3.4): Not applicable
- Leadership/management experience (2.3.5): Not applicable.
- Regional experience (2.3.6): 1 years of experience in Africa.
- Development cooperation experience (2.3.7): Not applicable.
- Others (2.3.8): Not applicable.

Soft skills of team members

In addition to their specialist qualifications, the following qualifications are required of team members:

- Team skills
- Initiative
- Communication skills
- Socio-cultural skills
- Efficient, partner- and client-focused working methods
- Interdisciplinary and critical thinking
- Exceptional interpersonal skills, including the ability to work with a variety of personalities in a diplomatic manner and to communicate effectively both orally and in writing with culturally diverse internal and/or external contacts.

5. Costing requirements

Assignment of personnel and travel expenses

Per-diem and overnight accommodation allowances are reimbursed as a lump sum up to the maximum amounts permissible under tax law for each country as set out in the country table in the circular from the German Federal Ministry of Finance on travel expense remuneration (downloadable at <https://www.bundesfinanzministerium.de>).

Accommodation costs which exceed this up to 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

The following basic calculations for the contract for works are a reference value based on the acceptance criteria for each partial work/milestone specified in Chapter 2 (Tasks to be performed by the contractor).

Since the contract to be concluded is a contract for works, we would ask you to offer your services at a lump sum price.

In addition, the assessment of the financial bid is also based on the underlying daily rate. Please also provide the underlying daily rate. A breakdown of days is not required.

The following basic calculations for the contract for works are a reference value based on the acceptance criteria for each partial work/milestone specified in Chapter 2 (Tasks to be performed by the contractor).

Since the contract to be concluded is a contract for works, we would ask you to offer your services at a lump sum price.

In addition, the assessment of the financial bid is also based on the underlying daily rate. Please also provide the underlying daily rate. A breakdown of days is not required.

Milestones/partial works	Estimated expert days for orientation	Deadline/place/person responsible
M1. Final Inception Report	5	One month after contract signature (team leader)
M2. Draft Report	15	Three months after contract signature (team leader)
M3. Final Approved report	10	Two months after submission of the draft analysis (GIZ and team leader)

Travel expenses	Quantity	Number per expert	Total	Comments
Per-diem allowance in country of assignment	5	3	15	Up to 5 days per expert

Overnight allowance in country of assignment	4	3	12	Up to 4 nights per expert
Transport	Quantity	Number per expert	Total	Comments
Flights <i>National</i>	1	3	3	Return travel to the place of delivery of the work in Pretoria, South Africa

Flexible remuneration

A budget of EUR 2 000.00 is foreseen for flexible remuneration (e.g. for any unforeseen expenses). Please incorporate this budget into the price schedule. Use of the flexible remuneration item requires prior written approval from GIZ.

Workshops, events and trainings

One workshop is required to be held to discuss the draft report. The workshop will be organised by GIZ.

GIZ supports a Sustainable Event Management approach in its work. In this regard GIZ's South Africa office has developed Minimum Standards to support this. These are attached as an annex to this ToR (see Annexure 3). Though not binding on consultants, GIZ's contractors are encouraged to adopt them as far as reasonably possible in any project.

The contractor implements the following workshops:

- Workshop to discuss the draft report.

Please describe in your concept how you implement the minimum standards specified above.

6. Inputs of GIZ or other actors

GIZ and the project political partners (i.e. DFFE and DMRE) other actors are expected to make the following available:

- GIZ covers logistics for workshop: venue, equipment, catering.
- GIZ provides contacts of key local partners.
- Government representatives provide necessary information to aid the analysis

7. 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 (language).

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 (language).

As the contract to be concluded is a contract for works, please offer a fixed lump sum price that covers all relevant costs (fees, travel expenses etc.). The price bid will be evaluated on the basis of the specified lump sum price. In addition, please also provide the underlying daily rate. A breakdown of days is not required.