



public works
& infrastructure

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Public Works and Infrastructure
REPUBLIC OF SOUTH AFRICA



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MEDIA STATEMENT BY MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE, PATRICIA DE LILLE, MP

Request for Information (RFI) open for the Integrated Renewable Energy and Resource Efficiency Programme (iREREP) to generate revenue and savings across the Department of Public Works and Infrastructure (DPWI) property portfolio.

On 2 September 2021, I announced that the Request for Information (RFI) for the Integrated Renewable Energy and Resource Efficiency Programme (iREREP) would open on 20 September 2021 and today that process is opening.

The Department of Public Works and Infrastructure (DPWI), supported by National Treasury's Government Technical Advisory Centre's (GTAC) transactional advisor has today, 20 September 2021, published the RFI for the commencement of the Integrated Renewable Energy and Resource Efficiency Programme (iREREP).

I am delighted to announce the start of the RFI process for this Programme, which will be the largest programme for the procurement of renewable energy and resource efficiency for public facilities.

The DPWI as the largest landlord and facilities manager in the country, has a responsibility to not only deliver and manage quality infrastructure but to combat climate change and sustainable development through its mandate - such as providing buildings for government service delivery.

With South Africa grappling with load shedding, water shortages and accelerated effects of climate change, all of which have far reaching consequences on society, our response as government to these challenges must be citizen-centric, focussing on the well-being of our people, protecting the environment, improving citizens' lives and addressing the injustices of our past.

The RFI for the iREREP, is aimed at testing the market for additional ideas and information which comprehensively looks at ways to deliver mutual value through strong partnerships across Government and the private sector.

Also known as the Photovoltaic (PV) and Water Savings on Government Buildings Programme, this project was gazetted as a Strategic Integrated Project (SIP) in July 2020 as part of a credible pipeline of projects in the Infrastructure Investment Plan which was approved by Cabinet in May 2020.

The DPWI property portfolio as the largest property portfolio in the country is responsible for the consumption of a significant amount of electricity and water and generation of a significant amount of waste. Recent studies places annual electricity and water consumption at an estimated 4021 Gigawatt hours 39 million kilolitres respectively, with over 822 kilotons of waste generated. This equates to an average annual expenditure on electricity and water of R2.4 billion and R1.8 billion respectively.

What does the iREREP project aim to achieve?

Over the 30 years, the projected savings from the programme include:

- Savings and revenue worth over R401bn by 2050, which can be reallocated to other government priorities;
- Over R253 billion direct contribution to the GDP;
- 3 800 new small businesses will be developed majority being black-owned;
- Skills development opportunities for more than 117 000 people;
- An estimated 146 000 jobs created;
- A reduction in energy use intensity of between 22% and 45%;
- A water use intensity reduction of between 30% and 55%;
- A reduction in waste and diversion of 50% of current waste from landfill sites, saving 12m tons;
- A reduction in CO₂ and other GHG emission by over 54.5 megatons

As we continue reignite our economy there is an even greater need to partner in the investment and implementation of South Africa's Infrastructure Investment Plan to facilitate social and economic development in an effective and purposeful way.

In a media statement on 2 September 2021, I highlighted the high-level objectives of the programme and overall impact over the years. Today I want to delve into a bit more detail about what we aim to achieve with the RFI and what it means for both government and the business community.

Through this RFI process, the Department will be able to gain additional market insights that will drive the implementation of the Programme, as well as provide an understanding of the appetite and readiness of the market to participate in this Programme.

This unique opportunity will also enable the Department to obtain a high-level understanding of optimal technical solutions that are available in the market in relation to the Programme and the capacity of the private sector to deliver on such solutions.

RFI INFORMATION REQUESTED

The information requested from the respondents will focus on four key areas: Legal, Finance, Economic Development and Technical.

To facilitate the preparation of the responses, the Department has created the following three (3) websites where interested parties may download the RFI (and related documents) and obtain information pertaining to the Programme.

1. www.irerep.co.za
2. <https://www.etenders.gov.za>
3. <https://www.gtac.gov.za>

Legal

From a legal perspective, the information requested includes the details of the Respondent and potential members of the Respondents and well as information which would inform the structuring of the Programme.

- Factors which would frustrate the ability of the Respondent to assume risk under the Programme;
- Factors which would restrict the Respondent's participation in the Programme;
- Factors which would restrict the Respondent's ability to raise funding for the Programme;
- Factors which would limit the creation of value for money;
- Comments on the structuring of the Programme.

Finance

From a finance and financing perspective, the RFI seeks to enable the Department to understand the financing needs of parties who would be interested in participating in the Programme. The RFI is also intended to enable the Department receive inputs from interested parties, which inputs may be used to support the design of the Request for Proposals (RFP) requirements.

Economic Development

The information requested includes an indication of their B-BBEE Status Level and the codes and/or B-BBEE measurement principles applicable to their organisation; Information on skills gaps that need to be addressed prior to and during the Programme and Skills Development solutions or strategies in the market; and Any information which would inform the structuring of the Economic Development requirements of the Programme.

Respondents who are local manufacturers are requested to indicate whether they manufacture or produce any of the components or equipment envisaged to be part of the Programme and their capacity to participate in the Programme.

Technical

From a technical perspective, the RFI seeks to understand the capabilities and experience of the respondents in regard to the built environment and implementation of projects in the areas of renewable energy, energy efficiency, water efficiency, waste management and smart building technologies. This information will be utilised to support the Department in designing the RFP.

How the programme will be funded:

The Programme has received National Treasury approval for Phase 1 and has been registered to be implemented in collaboration with the private sector on a full Design, Finance, Build, Operate, Transfer (DFBOT) basis with the private sector fully responsible for both the technical and financing aspects of implementing the Programme.

This approach seeks to fully leverage public and private sector partnership, spurring on South Africa's thriving private sector infrastructure investment sector, supported by an efficient and reliable public sector procurement framework that delivers world class procurement on budget.

To help support and spur on South Africa's private sector infrastructure investment sector, government is currently engaging with a number of local and international partners on various funding mechanisms that were identified as potentially catalytic during feasibility study and could potentially contribute to the rollout of this immensely important Programme.

The RFI will be open for 30 days. Post this, the RFI Evaluation is expected to be concluded by the 15th of November, feeding into the finalisation of the Request For Proposals (RFP) documents, the drafting of which has already commenced. The RFP for the Programme is expected to take place in January 2022.

All responses to the RFI must be submitted on or before **20th October 2021** and submitted electronically to **BOTH** of the following email addresses:

- RFP@gtac.gov.za; and
- tenders@irerep.co.za

In the interim, communications to the Project Officer and requests for clarification can be submitted to **BOTH** RFP@gtac.gov.za and tenders@irerep.co.za by no later than 13th October 2021.

We really want to champion innovation and be an anchor for new smart technologies, expanding our mix and solutions beyond the proven technologies.

We therefore encourage all private sector participants across renewable energy, energy efficiency, water efficiency and alternative waste management and through their various roles including prospective bidders, prospective sponsors, lenders, local manufacturers, prospective suppliers, prospective advisors and other interested parties as we further cement partnerships between Government and the Private Sector.

The importance of this programme and future impact cannot be over emphasised.

We are excited at the possibilities presented by this phase in our quest to scale innovation in government that not only promotes resource efficiency and saves money, but it is a major effort to protect the planet against the devastating effects of climate change.

This Programme is a further demonstration of putting the Infrastructure Investment Plan in action and contributes to our goals of achieving the Economic Reconstruction and Recovery Plan to revive our economy.

It is a unique opportunity to bring greater innovation and resource efficiency into our government buildings that not only seeks to mitigate against climate change but achieve significant financial savings that can be diverted to other government priorities.

ENDS

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