



Dear Investors,

INVITATION FOR PRIVATE SECTOR PARTICIPATION IN ETHEKWINI MUNICIPALITY, SOUTH AFRICA

I trust this invitation finds you in good health.

I invite you on behalf of my City, the vibrant eThekweni Municipality, a distinguished City committed to sustainable development, to present an exciting opportunity for domestic and international investors to participate in transformative partnerships with the eThekweni Municipality, in the Province of KwaZulu-Natal, South Africa.

Together, we can create a lasting and positive impact on the lives of eThekweni residents, promoting sustainable development and environmental responsibility.

Thank you for considering this request. We look forward to the possibility of working closely with your good selves to bring these essential projects to fruition.

Sincerely,

Mr. Musa Mbhele
CITY MANAGER OF ETHEKWINI MUNICIPALITY



**CALL FOR EXPRESSION OF INTEREST
FOR
PRIVATE SECTOR PARTICIPATION TO FINANCE, BUILD, OPERATE
AND TRANSFER ETHEKWINI WATER AND SANITATION
INFRASTRUCTURE PROJECTS**

REFERENCE NO: WS-7813

Date of Issue: 28 March 2024

Closing Date: 03 May 2024

Email Queries: email queries to be submitted by 18 April 2024 and consolidated answers to questions will be uploaded 25 April 2024

General queries to be directed to Sydney Masha:

Tel: (031) 322 7376

Email: sydney.masha@durban.gov.za



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1 INVESTMENT OVERVIEW

EThekwini Municipality, with its growing population and economic dynamism, is embarking on an ambitious initiative to enhance service delivery. To address needs comprehensively, we are seeking strategic partners to participate in water and sanitation projects. The objective is to secure private financing, expertise, and operational capabilities to deliver, manage, and eventually transfer these essential infrastructure projects, thereby fostering economic development and contributing to global sustainability goals.

2 KEY COMPONENTS OF THE INVESTMENT

2.1 Project Scope

The proposed projects encompass the development, operation, and maintenance of advanced water supply systems, modern sanitation facilities, and innovative wastewater treatment solutions within eThekwini Municipality.

2.2 Long-Term Contracts

Local and/or international investors are invited to engage in long-term contracts, ensuring stable and predictable returns on investment while aligning with the municipality's commitment to sustainable development.

2.3 Risk-Sharing Framework

The model facilitates effective risk-sharing between the public and private sectors. Your investment will benefit from a structured framework that minimizes risks and enhances the overall viability of the projects.

2.4 Government Support

EThekwini Municipality is actively encouraging private participation to address water and sanitation challenges. Your participation will be backed by the municipality's commitment to collaboration, creating a supportive environment for investments.

2.5 Technology and Innovation

Investors are encouraged to bring cutting-edge technologies, innovative solutions, and best practices to the projects, ensuring the implementation of state-of-the-art infrastructure that aligns with global standards.



2.6 Community Engagement and Development

The projects will include community engagement initiatives and capacity-building programs, contributing to local economic development, job creation, and skills transfer.

3 BENEFITS FOR INVESTORS

Investing in eThekweni Municipality presents international investors with a range of compelling reasons to do so:

3.1 Growth Potential

eThekweni Municipality, particularly Durban, is a rapidly growing economic hub in South Africa. Investing in projects here provides an opportunity to capitalize on the region's economic expansion and developmental initiatives.

3.2 Strategic Location

Durban, as part of eThekweni Municipality, is strategically located as a major port city. This geographic advantage positions the municipality as a key player in national and international trade, providing a foundation for economic resilience. With its beautiful beaches, cultural attractions, and favourable climate, eThekweni is a popular destination. Investing in the municipality leverages its strategic location and potential for increased trade and economic activities.

3.3 Government Support

The South African government, at both national and municipal levels, actively supports foreign and domestic investments. Government support and collaboration create a conducive environment for investors, reducing regulatory risks. eThekweni Municipality, in particular, is committed to attracting and facilitating international investments, offering a favourable regulatory environment and incentives.

3.4 Access to Skilled Labour

The municipality is home to a skilled and diverse workforce. Investors can benefit from access to talent with varied expertise, supporting the success of their projects.

3.5 Stable Returns

Water and sanitation projects often involve long-term contracts, providing investors with a stable and predictable income over an extended period. This stability is attractive for investors seeking reliable returns.



3.6 Social Impact

Water and sanitation are fundamental human needs and foundational to economic development. Your investment will have a direct and positive impact on the well-being of eThekweni residents by addressing fundamental needs for clean water and improved sanitation. Participating in projects that address basic human needs enhances the investor's corporate reputation. Investors can showcase their commitment to social responsibility and ethical business practices.

3.7 Global Recognition

Participating in projects aligned with sustainable development goals enhances the global reputation of investors as responsible corporate organisations committed to positive environmental and social impact.

3.8 Risk Mitigation

The structured risk-sharing framework of private sector participation minimizes investment risks, ensuring a more secured and resilient environment for investors. Water and sanitation projects often involve long-term partnerships, providing a structured risk-sharing framework. This reduces the investment risks associated with short-term projects.

EThekweni Municipality boasts a diverse and dynamic economy with strengths in manufacturing, services, and trade. This diversity mitigates risks associated with economic fluctuations and provides a range of investment opportunities.

3.9 Technological Innovation

EThekweni is known for its rich cultural diversity, creating an environment conducive to innovation and creativity. Investing in eThekweni's water and sanitation projects provides an opportunity to showcase technological advancements and innovative solutions, contributing to global best practices.

3.10 Sustainable Development Goals (SDGs)

EThekweni is actively working towards achieving the United Nations Sustainable Development Goals, specifically Goal 6 (Clean Water and Sanitation). International investors aligning their projects with these global goals contribute not only to the municipality's development but also to broader global sustainability initiatives.

3.11 Environmental Responsibility

Climate change poses challenges to water availability and quality. EThekweni is placing increased emphasis on sustainable and environmentally responsible practices.



Investing in modern, eco-friendly water and sanitation projects aligns with global trends towards environmental sustainability.

4 KEY COMPONENTS OF THE PARTNERSHIP

4.1 Financing

Private sector participation will involve the provision of financial resources to support the development and ongoing operational execution of water and sanitation projects in eThekweni Municipality.

4.2 Construction and Development

Our private sector partner will play a crucial role in the design, construction, and implementation of modern and sustainable water supply and sanitation infrastructure, ensuring adherence to quality standards and project timelines.

4.3 Operation and Maintenance

Our private sector partners will be responsible for the efficient and effective operation of the projects, utilizing industry best practices to ensure optimal performance and ensuring the delivery of high-quality services.

4.4 Transfer of Assets

At the conclusion of the agreed-upon term, the ownership and operation of the projects will be transferred back to eThekweni Municipality, ensuring the long-term sustainability and local control of the infrastructure.

5 KEY COMPONENTS OF THE PARTNERSHIP

We are seeking partnerships with investors who share our vision. The funding will be directed towards the following key areas:

5.1 Water Infrastructure Development

Expansion and improvement of water supply systems to ensure consistent and reliable access to clean water for all residents.

5.2 Sanitation System Upgrades

Modernization and expansion of sanitation facilities to promote hygiene, health, and environmental sustainability.



5.3 Wastewater Treatment

Implementation of advanced wastewater treatment facilities to minimize environmental impact and ensure responsible water management.

5.4 Community Engagement and Education

Initiatives to raise awareness about water conservation, hygiene practices, and the importance of sustainable water management within the community.

6 KEY SCOPE OF THE PARTNERSHIP

The infrastructure project packages identified include, but not limited to:

- Functional upgrades to water and waste water treatment plants
- Capacity upgrades to water and waste water treatment plants
- Functional upgrades to pump stations
- New sewer bulk scheme including truck mains, pump stations and associated infrastructure
- Condition assessment, rectifications and upgrading of aqueduct and outfalls
- Trunk mains replacement to various waste water treatment works
- Water trunk mains and reticulation mains replacement
- Sewer truck mains and reticulation mains replacement
- SCADA upgrade to water and waste water infrastructure
- Water leak detection and repairs
- Water demand management, monitoring, analysis and reporting
- Installation and replacement of water meters

7 EXPRESSION OF INTEREST PROCESS

Depending on the responses to this EOI, eThekweni Municipality intends to issue a Request for Proposals (RFP), taking into account the feedback from Respondents in response to this EOI. The RFP document will include an indicative schedule of infrastructure projects and timelines.

As this is a request for information and expression of interest only, no award will be made pursuant to the receipt of responses. This EOI does not aim to pre-qualify or short-list the Respondents. However, interested parties must respond to this EOI in order to participate further in the procurement programme.



This EOI is not an offer to appoint and eThekweni Municipality is under no obligation to accept any proposals in this process and/or the subsequent RFP which may be issued hereafter.

Respondents are advised that eThekweni Municipality is not committed to any course of action as a result of its issuance of this EOI and/or its receipt of submissions in response to it. In particular, note that eThekweni Municipality reserves the right and at its sole and full discretion to:

- i. utilise any information provided to it in response to this EOI to draft the scope of requirements for inclusion in an RFP;
- ii. take no further action whatsoever, if it so decides;
- iii. withdraw from this process at any time;
- iv. change the dates of submission;
- v. not invite EOI respondents for further participation in the RFP process;
- vi. not bind itself to accept any or all of the EOIs; or
- vii. increase or decrease the quantum/scope as indicated in this EOI.

EThekweni Municipality's decisions will be final and no correspondence will be entered into after the selection process. Respondents will be formally notified of their result.

EtheKwini Municipality will not reimburse any Respondent for any costs or other work performed in connection with preparation and submission of this EOI. EThekweni Municipality reserves the right to invite certain Respondents to present or otherwise demonstrate their proposed solution as per their EOI and at the Respondent's own cost.



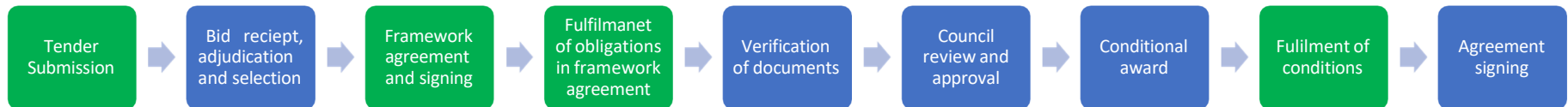
EXPRESSION OF INTEREST PROCESS



EVALUATION OF PROPOSALS PROCESS



POST-BID PROCESS



Key:

- Ethekwini Municipality
- Investor



8 SUPPLIER DEVELOPMENT INITIATIVES

Historically in South Africa there has been a lack of investment in infrastructure, skills and capability development and inequality in the income distribution and wealth of a significant portion of the population. There have been a number of Government initiatives developed to address these challenges. In particular, the New Growth Path (NGP) and New Development Plan (NDP) aligns and builds on previous policies to ensure the achievement of Government's development objectives for South Africa.

Ethekwini Municipality endorses and supports Government's economic policies through its facilitation of Supplier Development Initiatives. Hence Respondents will be required to submit their commitments with regard to Supplier Development Initiatives over the duration of any subsequent contract.

9 SUBMISSION INSTRUCTIONS

Submissions must be supported by descriptions of similar assignments, experience in similar sector and availability of appropriate skills among staff. Interested Respondents must provide the following information, inter alia:

- Respondent's details
- Qualifications
- Detailed description of experience in similar assignments in the last ten (10) years, indicating the name of the project, country, value of finance raised, description of assignment, period of engagement, client contact details/references
- General knowledge and additional attributes pertinent to similar work

Should the Respondent comprise of a consortium, then all the information requested above must be provided for each consortium member, the role of each consortium member clearly defined and, a duly signed consortium agreement must be attached.

10 FORMAL BRIEFING

A formal briefing will not be held. Should Respondents have specific queries or clarifications, they should be emailed to: Sydney.Masha@durban.gov.co.za.

11 CLOSING DATE

Submission must be made no later than 11h00 on the 03 of May 2024 at 1st Floor 166 KE Masinga , City Engineers , Durban, 4001



The information disclosed in this EOI is given on good faith and only for the purpose of providing adequate information to the Respondent to enable submission of a well-informed and realistic EOI.