

**EXPRESSION OF INTEREST**

|                               |  |
|-------------------------------|--|
| <b>SANEDI INFO</b>            | : <b>SANEDI 12L Tax Incentive Independent Panelist: Measurement &amp; Verification (M &amp; V) Experts Appointment</b> |
| Expression of Interest No.    | : <b>EOI1224</b>   |
| EOI Issue Date                | : <b>28 January 2025</b>   |
| Briefing Session              | : <b>None</b>  |
| Total Cost                    | : <b>N/A</b>   |
| EOI Closing Date              | : <b>18 February 2025 at 11:00am</b>   |
| Enquiries Must be directed To | : <b>enquiries.procurement@sanedi.org.za</b>   |
| Electronic Submissions To     | : <b>1224.procurement@sanedi.org.za</b>  |

**1. RESPONDENT INFORMATION**

| REQUIRED INFORMATION  | DETAILS          |                      |           |
|---|------------------|----------------------|-----------|
| Name of Applicant   |                  |                      |           |
| Email Address   |                  |                      |           |
| Contact Number  |                  |                      |           |
| <b>Provide Certified Certificate Copy</b>   |                  |                      |           |
| <b>REQUIREMENTS</b>   |                  | <b>✓ Please Tick</b> |           |
|   |                  | <b>Yes</b>           | <b>No</b> |
| Certified Measurement and Verification Professional Certificate (CMVP) or equivalent        |                  |                      |           |
| Certified Energy Management Certificate or equivalent                                       |                  |                      |           |
| <u>For equivalent not mentioned only, motivation Letter with Certified Certificate Copy</u> |                  |                      |           |
| <b>Respondent Information</b>   |                  |                      |           |
| No. of years' experience  |                  |                      |           |
| Curriculum vitae  |                  |                      |           |
| Qualifications  |                  |                      |           |
| Budget  | <b>No Budget</b> | <b>R(N/A)</b>        |           |

## 2. BACKGROUND OF 12L TAX INCENTIVES

- In 2009, the then Minister of Finance, Trevor Manuel, announced that there would be tax incentives for those that can demonstrate energy efficiency savings, setting the ball in motion to utilise the Income Tax Act of 1962 for this purpose.
- Such tax incentives have been offered since 2009 using section 12I, the Industrial Policy Project Investment incentive for manufacturing-related projects with a 10% energy consumption reduction component. Shortly thereafter, the proposed 12L 'Regulations on the allowance for energy efficiency savings' were released for public comment. The effective date of 1 November 2013 for the implementation of the 12L Regulation was promulgated by the then Minister of Finance, Minister Pravin Gordhan in a Government Gazette on 8 November 2013 (Gazette No 37136), which stipulates that the tax incentive must be allowed as a deduction from the income tax of a taxpayer. The amount should relate to the energy efficiency savings generated with respect of a year of assessment. The 12L tax incentive has subsequently been extended to 31 December 2025, applications may therefore be accepted up until 31 December 2026, allowing for one (1) additional year to review these applications.
- The 12L tax incentive, according to the Income Tax Act, 1962 (Act No. 58 of 1962), provides an allowance for businesses to implement energy efficiency savings. The verified savings allows since April 2015 for a tax deduction of 95c/kWh saved on energy consumption and for non-electricity energy sources, the measurements must be kWh equivalent. The measured & verified energy efficiency savings must be over a consecutive period of 12 months, referred to as the performance assessment period, which is compared against the 12 months of baseline measurement (baseline period).
- The 12 L Regulation sets out the process and methodology for determining the quantum of energy efficiency savings and requirements for claiming the proposed tax allowance, which stipulates a prerequisite that energy savings reports have to be compiled by M&V Professionals performing M&V under the auspices of a South African National Accreditation System (SANAS) accredited M&V Body and the savings certified by the South African National Energy Development Institute (SANEDI), through the issuing of a Tax Deduction certificate. All projects have to be registered and processed via an online system, ([www.sanedi12ltax.org.za](http://www.sanedi12ltax.org.za)).
- To meet the requirements of 12L, government has provided a structure to implement 12L with technical support in the form of a national standard for Measurement and Verification (M & V), which is the South African National Standard (SANS) 50 010:2018, and assurance through the accreditation of energy efficiency M&V Bodies by the South African National Accreditation System (SANAS), and final review and evaluation through SANEDI.
- Due to the 12L Tax incentive assurance mandate of SANEDI in the 12L Tax Incentive it became necessary for SANEDI to acquire the services of seasoned professionals to provide an independent review service in reviewing and evaluating the Baseline and Performance Assessment submissions for the 12L Tax Incentive and to report back to SANEDI in writing, within the stipulated time limit.
- Similar calls for Panel Members were advertised in 2015, 2018, 2020, 2023. Since then some of the Panel Members have left the panel due to a variety of reasons, such as immigration, retirement, and other priorities. The current Panel is therefore limited and unable to handle the volume of applications received by SANEDI, thus impacting negatively on the turn-around time for processing 12L applications.
- This incentive and supporting activities is fully funded by National Treasury from the fiscus.

### **3. PROJECT OBJECTIVES**

The objective of this call is to appoint independent M&V experts to the SANEDI 12L Tax Incentives Panel of Experts. These experts are tasked with reviewing 12L Tax incentives applications on an Ad hoc basis.

### **4. SCOPE OF WORKS**

Certified Measurement and Verification Professionals (CMVPs) and qualifying professionals are invited to serve on a multi-disciplinary panel of experts ('Review Panel'), to assess applications received for the Section 12L Energy Efficiency tax incentive, to ensure compliance with the aforementioned Regulation and National M & V Standard SANS 50010:2018. Qualified applicants are required to conduct the evaluation activities of submissions from various business sectors. Membership to the Panel will be reviewed after a period of twelve (12) months and there is no specified minimum and/or maximum hours for which a member will be required to actively participate in the Panel

#### **Energy Professional Licences**

A candidate with the minimum of one or a combination of the following Energy Licences may be appointed to the Review Panel:

- Certified Measurement and Verification Professional, (CMVP) or equivalent
- Certified Energy Manager, (CEM) or equivalent

Equivalent Energy professional Licenses to the CMVP and CEM will include but not limited to the Performance Measurement and Verification Expert (PMVE), the Performance Measurement and Verification Analyst (PMVATM), Prospective Panellist should provide motivation on an equivalent licence to the CMVP and the CEM.

#### **Responsibilities**

Successful applicants will be expected to verify energy savings from baseline and performance data submitted by SANAS-accredited M & V bodies on behalf of tax applicants to SANEDI, for the Section 12L tax incentive, as-and-when required by SANEDI. (There are no minimum and/or maximum time allocations for each successful panel member, as the members are appointed on a purely 'as-and-when-required' basis).

Panelist will be required to evaluate specific energy savings baseline and performance assessment reports and calculations and submit the feedback in writing to the Chief Panellist at SANEDI, within the time limits stipulated.

#### **Timeline for assignment**

The panelist/s will commence with the work, once the baseline data from the 12L Incentive applicant is completed and submitted to SANEDI and SANEDI has allocated that project to a particular candidate or candidates of the Panel. The candidates will then be allowed a period of 10 working days to verify and report the findings on the baseline data and another 10 working days to verify the savings post project implementation and contained in a Performance Assessment Report

## **Outputs/Deliverables**

Evaluation and verification reports/comments on the baseline and performance assessment reports, within 10 Working days of receipt of such a report for review. The candidate will be remunerated at a rate of per hour and the allocated number of hours allocated for each review, will depend on the complexity and size (energy savings claimed), of the particular application submitted for review. On average an evaluation requires 4 working hours, but the maximum time allowed for any review will be specified upfront by SANEDI.

## **Confidentiality**

Due to the sensitive nature of the information and data associated with these tax-related applications, all successful candidates will be subjected to a vetting and background checks, in addition candidates will be required to sign a strict Confidentiality Agreement and a Declaration of Interest for each individual application referred to the candidate for review.

## **5. PANEL DURATION**

Appointment till **31 December 2026**

## **6. EOI RESPONSE SUBMISSIONS**

- All expressions of Interest are to be submitted to [1224.procurement@sanedi.org.za](mailto:1224.procurement@sanedi.org.za)
- Email document size 20MB, please send multiple emails if exceeded.
- All expressions of interest are to be clearly marked with the EOI Name and Reference Number on the subject line.

## **7. DEADLINE OF SUBMISSIONS**

- Expression of interest (proposal) shall be submitted at the email address mentioned above, no later than the closing date of **18 February 2025 at 11:00am** .
- EOI submissions must be emailed to [1224.procurement@sanedi.org.za](mailto:1224.procurement@sanedi.org.za)
- Where an EOI is not received by SANEDI on the due date and email/stipulated place, it will be considered a late response.
- Late EOI's will not be considered.

## **8. NATIONAL TREASURY CENTRAL SUPPLIER DATABASE REGISTRATION**

Before submitting the proposals, bidders must ensure that the following requirements are in order:

- To be registered on the National Treasury's Central Supplier Database (CSD).
- Registrations can be completed online at: [www.csd.gov.za](http://www.csd.gov.za); and • Provide the SANEDI with their CSD registration number.
- Submit a certified SANAS (B-BBEE certificate) for RSA suppliers or a Sworn affidavit.

## 9. EVALUATION CRITERIA

The evaluation criteria that are as follows:

A candidate with the minimum of one or a combination of the following qualifications may proceed to Technical evaluations:

| Criteria  | YES | NO |
|---|-----|----|
| Certified Measurement and Verification Professional Certificate (CMVP) or equivalent<br><b>Provide Certified Certificate Copy</b> |     |    |
| Certified Energy Management Certificate or equivalent<br><b>Provide Certified Certificate Copy</b>                                |     |    |
| For equivalent not mentioned only, motivation Letter with <b>Certified Certificate Copy</b>                                       |     |    |

### TECHNCAL EVALUATION CRITERIA

| Criteria   | Score guideline<br>(1 - 5 Scale )  | Weights     |
|--|--|-------------|
| <p><b>Qualification of the Key resource:</b></p> <p>A University or University of technology engineering qualifications, in any of the following disciplines:</p> <ul style="list-style-type: none"> <li>• Electrical engineering</li> <li>• Physics</li> <li>• Civil engineering</li> <li>• Chemical engineering</li> <li>• Environmental Studies</li> <li>• Mechanical engineering</li> <li>• Mining engineering</li> <li>• Geological engineering</li> <li>• Petroleum engineering</li> <li>• Transport engineering</li> </ul> <p>Prospective external panellist to provide certified copy of their qualifications <b>(Certified Certificate only)</b>.</p> | <p>(a) PHD = 5 Points<br/>           (b) Masters = 4 Points<br/>           (c) Honours = 3 points<br/>           (d) Degree = 2 points<br/>           (e) Diploma = 1 points</p>                                   | 40%         |
| <p><b>Experience of the Key resource:</b></p> <p>Strong analytical skills in the energy sector with a minimum of five (5) years of experience</p> <p><b>Curriculum vitae</b> of the key resource detailing qualification, capability in the in the Key areas listed in the scope of work or similar competencies demonstrated by relevant previous work experience, must be provided.</p>  | <p>9 years of experience and more = 5<br/>           8 years of experience = 4<br/>           7 years of experience = 3<br/>           6 years of experience = 2<br/>           1 to 5 years of experience = 1</p> | 60%         |
| <b>Technical Threshold</b>   |  | <b>60%</b>  |
| <b>Total</b>   |  | <b>100%</b> |

## **10. EOI PROGRAMME**

The EOI program, as currently envisaged, incorporates the following key dates:

- Issue of EOI documents: **28 January 2025**
- Closing Submission Date: **18 February 2025 @11:00am**

## **11. VALIDITY PERIOD OF RESPONSES**

Each expression of interest shall be valid for a minimum period of **twelve (12) months** calculated from the closing date.

## **12. ENQUIRIES AND CONTACT WITH SANEDI**

Any enquiry regarding this EOI shall be submitted in writing to SANEDI at [enquiries.procurement@sanedi.org.za](mailto:enquiries.procurement@sanedi.org.za)

## **13. COST OF EXPRESSION OF INTEREST**

Respondents (service providers) are expected to fully acquaint themselves with the conditions, requirements, and specifications of this EOI before submitting responses. Each service provider assumes all risks for resource commitment and expenses, direct or indirect, of EOI preparation and participation throughout the EOI process. SANEDI is not responsible directly or indirectly for any costs incurred by service providers.

## **14. CORRECTNESS OF RESPONSES**

The Respondent (training provider) must confirm their satisfaction regarding the correctness and validity of their EOI.

## **15. VERIFICATION OF DOCUMENTS**

Respondents (service providers) should check the numbers of the pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by the SANEDI with regards to anything arising from the fact that pages are missing or duplicated. Only electronic copies must be submitted.

## **16. ADDITIONAL TERM AND CONDITIONS**

Service providers shall not assume that information and/or documents supplied to SANEDI, at any time prior to this request, are still available to SANEDI, and shall consequently not make any reference to such information document in its response to this request. Copies of any affiliations, memberships and/or accreditations that support your submission must be included in the response. An omission to disclose material information, a factual inaccuracy, and/or a misrepresentation of fact may result in the disqualification of a response, or cancellation of any subsequent contract. Failure to comply with any of the terms and conditions as set out in this document will invalidate the response.

## **17. SANEDI RESERVES THE RIGHT TO**

- Extend the closing date.
- Verify any information contained in a response.
- Request documentary proof regarding any tendering issue.
- Cancel or withdraw this EOI as a whole or in part.
- Not to include any supplier on the list of suppliers on the approved database based on functional criteria not met.

## **18. DISCLAIMER**

This EOI is an expression of interest only and not an offer document. Answers to it must not be construed as acceptance of an offer or imply the existence of a contract between the parties. By submission of its EOI, service providers shall be deemed to have satisfied themselves with and to have accepted all Terms & Conditions of this EOI. SANEDI makes no representation, warranty, assurance, guarantee or endorsements to service provider concerning the EOI, whether regarding its accuracy, completeness or otherwise and SANEDI shall have no liability towards the service provider or any other party in connection therewith.