

IMPLEMENTING AGENCY TERMS OF REFERENCE
FOR ESKOM JUST ENERGY TRANSITION PROJECT
KOMATI

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1. Foreword

This ToR is guided by THE WORLD BANK SUPPORTED 'ESKOM JUST ENERGY TRANSITION PROJECT' (EJETP). There are three components to this project, of which the first two, Components A and B, do not form part of this ToR. However, there are activities from these components that feed into Component C, which is the driver of this ToR.

This document, the Terms of Reference (ToR), outlines the requirements for an implementing agency to manage and implement mitigation measures for the socio-economic impacts resulting from the closure and repurposing of Eskom's Komati Power Station, as identified under the Eskom Just Energy Transition Project (EJETP) financed by the World Bank.

The purpose of EJETP is to (i) decommission the Komati coal-fired power plant (Component A), (ii) repurpose the project area with renewables (Component B), and (iii) create opportunities for workers and communities during the transition process (Component C). Component C focuses on: C(1) transition support for Komati permanent workers, suppliers and contract workers; C(2) community development and economic diversification; and C(3) stakeholder engagement and community empowerment, which is a crucial aspect of implementing the project.

The agency's responsibilities will include four main tasks as described below:

- Task 1: Finalization of the Implementation Plan for Component C of EJETP
- Task 2: Stakeholder Engagement
- Task 3: Implementation of Tasks and Activities related to Component C of EJETP
- Task 4: Monitoring, Evaluation and Reporting

2. Background

The aim of this section is to provide the context for this ToR, and thus the use of the World Bank's Project Appraisal Document for the Eskom Just Energy Transition Project (EJETP) has been deemed appropriate as it allows for the information required for a successful bid. The description of the project is directly reprinted from *The World Bank, Eskom Just Energy Transition Project (P177398), Project Appraisal Document*, Report No: PAD4865, October 10, 2022. However, the document is not reprinted in full, and the bidder is advised to study the same.

The Government of South Africa aims to transition the country toward a low-carbon economy and resilient society by 2050. To this effect, the Integrated Resource Plan (IRP) 2019 aims to retire 12 GW of coal-fired power plants by 2030. Eskom has been mandated to pilot the decommissioning and repurposing of the Komati coal-fired power plant, while mitigating the socioeconomic impacts of its closure on workers and communities, with the World Bank's support. The Eskom Just Energy Transition Project (EJETP) is the first decommissioning and repurposing project for South Africa. It will be a demonstration project – and an initial step from which lessons can be learned—for South Africa as well as other countries that are phasing out coal plants.

The EJETP is designed around three components. Component A is decommissioning the Komati plant, which will reduce carbon emissions and help mitigate climate change. Component B is repurposing the project area with hybrid renewables (solar, wind) and batteries. The installation of 370 MW of hybrid renewables will support energy production and grid stability and, hence, energy security. Component C relates to minimizing the socio-economic impacts of the plant closure and creating opportunities for workers and communities during the transition process.

A socio-economic impact assessment study was conducted to quantify and qualify the impacts of shutting down and repurposing the power station on employees (workers), contractors and the community throughout the transition process. Mitigation measures have been assessed and options are being pursued while funding will be provided through the proceeds for the EJETP as well as support from other development partners. It is envisaged that the implementing agency will manage the mitigation measures over five years.

[Note, for this ToR, it is essential to note that stakeholder engagement is a fundamental part of the EJETP, a stakeholder engagement plan (SEP) has been developed to facilitate consultations throughout the project]

2.1 Project Description of EJETP

2.1.1 Project Development Objective (PDO)

- 2.1.1.1 The objective of the EJETP is to (i) decommission the Komati coal-fired power plant, (ii) repurpose the project area with renewables, and (iii) create opportunities for workers and communities during the transition process.
- 2.1.1.2 The project, while limited in scope, will support Eskom's first demonstration project under its Just Energy Transition Strategy and provide an important adaptive learning experience as South Africa embarks on its transition away from its heavy reliance on coal and toward creating new economic opportunities in a decarbonised economy with a diversified energy mix. The Project is also the first decommissioning and repurposing project the World Bank is financing globally, as an initial step in a broader engagement with clients phasing out of coal.

2.1.2 PDO Level Indicators

- 2.1.2.1 Progress towards the PDO will be tracked with the following PDO indicators:

Component A: Net greenhouse gas (GHG) emissions avoided (metric tons/year)

Component B: Renewable energy produced (Gigawatt hour/year)

Component C: Eskom workers at the Komati retrained / re-deployed / compensated (percentage); Suppliers, contractors, and enterprises supported (numbers); EJETP Community Forum established (percentage of female representation)

2.2 Project Components of EJETP

2.2.1 COMPONENT A – Komati Decommissioning (US\$33.5 million)

- 2.2.1.1 Decommissioning process: The objective of this component is to decommission the Komati Power Plant. Decommissioning is the whole process from permanently shutting down Komati and disconnecting it from the system (by end of October 2022) to demolition and blasting activities and site rehabilitation.

2.2.1.2 Subcomponent A.1 will provide relevant advisory services for the preparation (including the front-end engineering design, and technical, pre-feasibility and feasibility studies), and supervision of the implementation of the decommissioning plan and related decommissioning activities. Accordingly, this subcomponent will finance the hiring of the owner engineer for component A.

2.2.1.3 Subcomponent A.2 will support the decommissioning of the Komati Power Plant, as follows: (a) carrying out planning and preparatory activities related to such Decommissioning including environmental and social studies; and (b) carrying out pre-construction and construction activities related to such decommissioning.

2.2.2 COMPONENT B – Komati Repurposing (US\$417 million)

2.2.2.1 Objective: Komati repurposing solution includes: (a) repowering the site with solar PV, batteries, and wind; (b) adopting innovative technical solutions to improve quality of power supply (i.e., synchronous condenser); and (c) implementing demonstration projects for potential scale up in communities in the Komati area and municipality to create employment opportunities (to be discussed under Component C).

2.2.2.2 Subcomponent B.1 will provide relevant advisory services for the preparation and supervision of the implementation of the repurposing activities in the Komati Complex Footprint. Accordingly, this subcomponent will finance the hiring of the owner engineer for component B.

2.2.2.3 Subcomponent B.2 will support the repurposing of the Komati Complex Footprint as follows: (a) carrying out planning and preparatory activities including environmental and social studies; (b) carrying out pre-construction and construction activities related to such repurposing in a phased manner.

2.2.2.4 Subcomponent B.3 will provide relevant advisory services on the use of private sector or public-private partnership financing for future coal plant retirement.

2.2.3 COMPONENT C – Opportunities for Workers & Communities (US\$47.5 million)

2.2.3.1 Objectives: The objectives of this component are to minimise the social and economic risks and impacts associated with the decommissioning and repurposing of the Komati power plant, including by enhancing opportunities for workers and communities during the transition process, and to engage and enable stakeholders and communities to participate in transition planning and decision-making. The component includes three sub-components, some of which will be managed and implemented by competitively selected service provider(s) in coordination and partnership with other relevant government and private sector organisations but under the guidance and oversight of Eskom's Just Energy Transition Office (JETO).

2.2.3.2 Subcomponent C.1: Transition Support to Komati Permanent Workers, Suppliers, and Contract Workers. The closure of the Komati power plant (Component A) will directly affect the current workforce at Komati comprising 661 total employees (236 permanent Eskom workers, 292 contract workers and 133 employed with Eskom Rotek Industries (ERI)), though at varying levels and degrees. To address the impacts on the current Komati workers, this sub-component will focus on: (a) *Workforce transition of Eskom permanent staff and ERI workers* with four options, namely transfers to the other Eskom-owned power stations; reskilling and upskilling for deployment to the repurposed renewables plants; secondments to other critical Eskom projects/operations; (iv) other levers (such as voluntary separation packages); (b) *Support to suppliers and contract workers* through assessment of potential contracts, supply requirements, workforce needs for the decommissioning and repurposing components followed by trainings and assistance for supplier development and entrepreneurial activities (to be implemented as part of sub-component C2).; (c) *Support to the Komati Training Facility (KTF)* to facilitate the reskilling/upskilling of Eskom employees, ERI workers, contract workers, local community members, and others through a specialised, industry-related, and accredited training program applicable to the renewable energy sector; (d) *Linkages and partnerships with existing* social protection programs to enable workers and others who will be indirectly affected by the closure to access benefits from these programs if they qualify. Lessons from Komati will be used to inform the design of subsequent social protection programs to ensure appropriate support is available for workers and communities affected by future closure of power plants.

2.2.3.3 Subcomponent C.2: Community Development and Economic Diversification. Beyond the direct impacts on the current workforce, the closure of Komati will also have indirect social and economic impacts on the local communities and those with indirect connections to the power plant. Managing the transition process will thus require the diversification of the economic and skills base of local communities to reduce coal dependency and create alternate livelihoods options while strengthening the capacity of local municipality to develop infrastructure and skills to support the diversified economy. In addition, to be truly 'just,' the transition will need to support women, youth and other marginalised groups whose alternative employment opportunities are particularly limited. The sub-component will support: (i) Piloting/Scaling-up of innovative initiatives through the establishment of commercial agrivoltaics plant, including MushMag mushroom domes and gravel barrel aquaponics systems; microgrid assembly and manufacturing facility at Komati; and other such innovative initiatives located within the Komati Complex Footprint. These initiatives are catered to support sustainable agricultural production, access to self-sufficient energy systems, and create jobs and livelihood opportunities in an inclusive manner; (ii) Investments in commercially viable local area development activities that are aligned with community needs, the strategic priorities of local and provincial government and identified through participatory approaches. During the selection of these initiatives, priority will be given to activities that focus on addressing environmental and land degradation, safeguarding ecosystems and water reserves, protecting livelihoods, and ensuring equitable and inclusive benefits; (iii) Strengthening the livelihoods of affected communities through entrepreneurship development focusing on support to local suppliers and contractors to participate in the procurement value chain for the decommissioning and repurposing components of EJETP, and local enterprise development to contribute to economic diversification and long-term sustainability of the local economy; (iv) Reskilling and upskilling of community members to enhance their employability for the new and alternative development opportunities in the Komati area; and (iv) Community support programs involving direct investments for improved support systems and greater community cohesion such as support to ECDs to enable women's labour force participation, community gardens which leverage other interventions under the project (e.g., agrivoltaics), etc.

2.2.3.4 Subcomponent C.3: Stakeholder Engagement and Community Empowerment seeks to strengthen engagement with various stakeholders and enable communities to participate in transition planning and decision-making. A stakeholder engagement plan (SEP) has been prepared and will be implemented to ensure that all stakeholders are informed about project developments, consulted on potential socio-economic mitigation strategies, and empowered to participate in transition planning to offset the impacts of the project. Mechanisms for engaging and empowering communities throughout the project cycle include establishment of the *Eskom JET Stakeholder Engagement Platform* to establish a deliberative process for effective communication and decision-making between Eskom and the wider community on its coal transition strategy based on lessons learnt from EJETP and other related initiatives; *EJETP Community Forum* to establish a two-way communication channel to share relevant communication and get regular feedback from the workers, local communities, and other project stakeholders, specifically on the EJETP; and *EJETP Grievance Redress Mechanism* that will provide an accessible and effective means for project affected persons and other interested parties to raise concerns and seek redress to their grievances.

2.3 Komati socio-economic impact assessment

2.3.1.1 The 2020 socio-economic impact study commissioned by Eskom for the closure and repurposing of Komati, Hendrina and Grootvlei power plants and Eskom's Just Energy Strategy, guides this TOR. The studies aimed to determine and quantify the socio-economic impacts and risks following from the shutdown of the power stations, intending to mitigate the adverse effects on livelihoods and the sustainability of the local economy. The findings show that the shutdown of the power stations will have a direct impact on workers employed at the power stations and indirectly affect workers along the coal value chain along with significant negative impact on the local economy and the region and other parts of South Africa. The study resulted in a management and implementation plan, which includes programs/projects to help mitigate negative impacts.

2.4 *Timeline and funding*

2.4.1.1 The implementation activities are projected to take place over five years and funding will be made available on two levels: First, for compensation for the implementing agency's time and materials cost, and second, for the financing of sustainable socio-economic projects and initiatives.

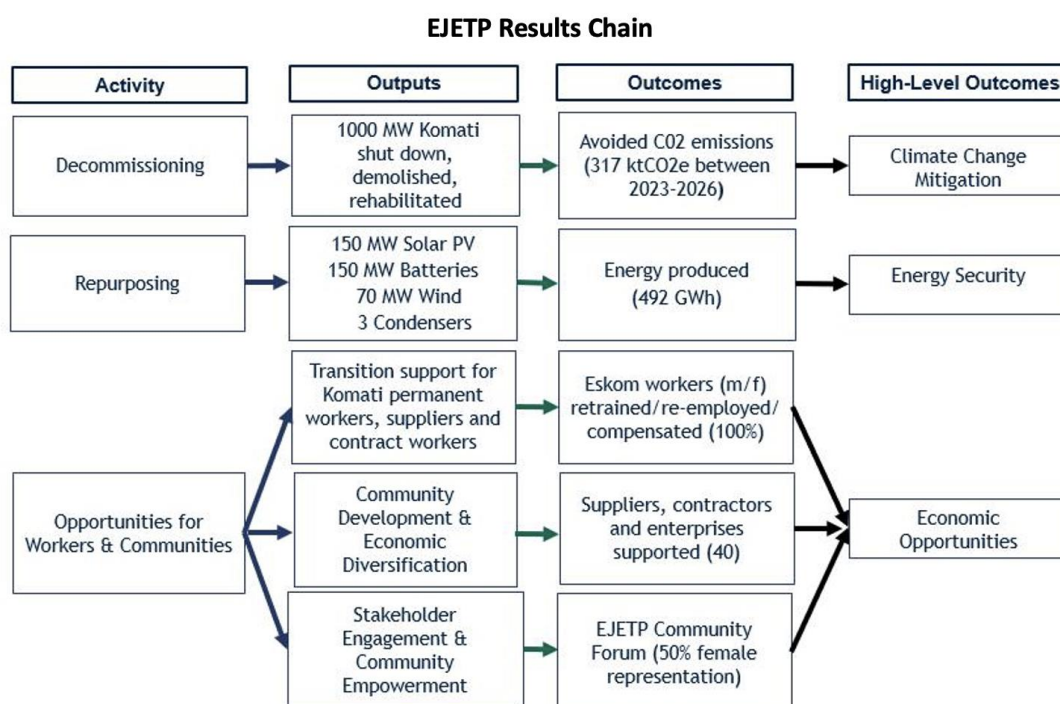
2.5 *Location and zone of influence*

2.5.1.1 The TOR's location can be viewed in concentric circles. The immediate target is the core footprint—land area of 687 hectares comprising the Komati Power Plant and outer areas surrounding the plant and owned by the Borrower. This footprint is situated approximately 37km south of the town of Middelburg on the R35, and falls within the Steve Tshwete Local Municipality and Nkangala District Municipality¹. Moving out through the concentric circles would be the said local and district municipalities, then from there to the Mpumalanga Province as well as the entire country.

2.6 *Key Results required of EJETP*

¹ The GPS coordinates for the power station are 26°05'24.77"S, 29°28'20.39"E . IS. The station is located on the Farm Komati Power Station 56 KPS

2.6.1.1 Komati coal-fired power plant decommissioning and repurposing. The Komati pilot project has been selected by the Government of South Africa to demonstrate that coal plants can be retired sustainably. It will be Eskom's first project under its Just Energy Transition Strategy and provide an important adaptive learning experience as South Africa embarks on its transition to creating new economic opportunities in a decarbonised economy with a diversified energy mix, away from its heavy reliance on coal. The Results Chain for the project describes components, outputs, and outcome indicator. The decommissioning of the Komati coal-fired power plant will lead to reductions in carbon emissions thus contributing to climate change mitigation and South Africa's NDC. The repurposing of the project area with renewables (solar and wind) and batteries will support more resilient energy production and grid stability services in place of the power plant, thus contributing to energy security. Finally, provision of transition support to Komati workers, community development and economic diversification and stakeholder engagement activities will lead to greater economic opportunities in the Komati area following the retirement of the Komati power plant.



2.6.1.2 Adaptive learning agenda and process legitimacy: Since one of the overarching aims of the project is to demonstrate how to ensure ‘justness’ of the transition process and enhance process legitimacy for the retirement of coal-fired power plants, the project includes an adaptive learning approach with two objectives: (i) document and share the approaches, tools, and lessons learned from the Komati experience to inform the future closure of coal-fired power plants and just transition processes, and (ii) provide a forum for ongoing engagement and learning to support the implementation of EJETP itself. The Eskom JET Stakeholder Engagement Platform will primarily focus on distilling critical learnings from the Komati experience to inform the design and implementation of future retirement of Eskom’s coal-fired power plants as well as transition activities in the subregion, region and globally. The second platform, the EJETP Community Forum, will be closely linked to the stakeholder engagement process for EJETP that will include structured dialogues, focus groups, interviews and before- and after-action review meetings, etc. The feedback received through the Forum will be used to inform the implementation of EJETP, including measures for mitigating risks, minimizing impacts, achieving efficiencies as well as course corrections, if needed. Together, the two platforms will provide inputs to a constantly evolving set of hypotheses and challenges associated with transition processes generally while also capturing and documenting local innovations and success stories that would be relevant for future transition options.

3. Statement of Objectives

3.1 *Single-minded proposition*

Implementing the socio-economic mitigation and enhancement initiatives resulting from the transitioning of Eskom’s Komati Power Station from a coal plant to a just energy facility. To achieve this, a Komati Implementation Agency is required to manage the practical implementation of these activities.

3.2 *High-level objectives*

- a. Implement activities and initiatives to mitigate the socio-economic impacts of shutting down the Komati power station and enhance benefits of energy transition to workers and communities (component C) in coordination with relevant partners

- b. Ensure that the initiatives generate economic benefits for local communities through linkages with local economic development initiatives being carried out within the government sphere.
- c. Explore, develop, and formalise partnerships with relevant government institutions, private sector, local governments, civil society organisations, community groups, etc., to support the implementation of project activities
- d. Undertake and coordinate stakeholder management as detailed in Task 3 and in accordance with the stakeholder engagement plan (SEP) prepared for the project.
- e. Monitor, evaluate and track the implementation of Component C and report on the outcomes.

*The focus area for component C as indicated in the Annexure A

4. Outline of Tasks to be Performed by Implementing Agency

4.1 Task 1: Finalization of the Implementation Plan

The implementing agency will be required to develop a detailed implementation plan for Component C following best practice project planning frameworks. To fully understand the purpose, goals, objectives and outcomes of the EJETP, the implementing agency will compile and review all the available project documentation and augment them with interviews, consultations and clarification sessions with key stakeholders. The implementation plan will include a comprehensive list of all activities to be carried out to achieve the objectives of Component C of the EJETP, timeline for implementation of each activity, roles and responsibilities, the nature of coordination mechanisms and partnerships with other entities, and budget, among others.

4.2 Task 2: Stakeholder Engagement

The EJETP project documentation is accompanied by the stakeholder engagement plan that includes a program for stakeholder engagement, including public information disclosure and consultation, throughout the entire project lifecycle. The SEP outlines the ways in which EJETP (project team) will communicate with stakeholders and includes a mechanism by which people can raise concerns, provide feedback, or make complaints about EJETP and any activities related to the project. The involvement of the local population is essential to the success of the project(s) in order to ensure smooth collaboration between project staff and

local communities and to minimise and mitigate environmental and social risks related to the proposed project activities.

The following minimum tasks are anticipated under this ToR.

- Review and revise the SEP for Eskom and World Bank's final clearance and disclosure; establish the structures, mechanisms, procedures, and guidelines mentioned in the SEP; implement the provisions/activities set out in the SEP, including communications and awareness activities; and provide regular updates and reports as per the SEP
- Consult, coordinate, and communicate on mitigation projects/initiatives and engage with affected communities, authorities and partners to ensure cooperation with relevant stakeholders.
- Establish working arrangements, memoranda / memorandums of understanding (MoUs), and project agreements to support the planned program with relevant stakeholders.
- Develop guidelines, terms of reference, and operational procedures for the Eskom JET Stakeholder Engagement Platform, EJETP Community Forum and EJETP Grievance Mechanism under the project, and thereafter, support in the establishment, operation, and management of these stakeholder engagement platforms/forums.
- Ensure that clear and transparent communication channels are established with the different stakeholders. This will allow for effective communication between all affected parties as well as the interested parties.

4.3 Task 3: Implementation of Tasks and Activities

The implementation of component C mitigation activities/projects will be carried out either directly by the Agency, by Eskom and/or contractors, the Eskom Development Foundation, through partnerships or outsourced to other service providers.

4.3.1 High-level activities

The following is a non-exhaustive list of the anticipated high-level activities that an implementing agency will likely undertake.

- a. **Set up project organisational structure and capacity.** Set up and agree with stakeholders on an organisational structure that will manage the implementation of EJETP over the next five years. Due consideration will be given to the agency's governance, administration, reporting and co-operation mechanism in terms of its functioning with regards to the overall EJETP.

- b. **Project strategic leadership.** Given that several mitigation activities have already been identified, and new ones will be required, the implementing agency will assist in originating and selecting inclusive and sustainable activities under Component C of EJETP in consultation with stakeholders and Eskom. Procedures and protocols must be established for project evaluation, funneling, and feasibility assessment.
- c. **Stakeholder Management.** The implementing agency will work within the current South African development policy and structural imperatives. This will require cooperation from various governmental and non-governmental organisations, internal and external to Eskom, to avoid duplication of development activities and leverage existing development initiatives.
- d. **Monitoring and Control.** The implementation activities will be supported by funds from the project as well as funding from other sources, if applicable. For this reason, financial and contract management, internal and external auditing, governance, and other activities will be critical.
- e. **Support and manage project/mitigation initiatives.** A key activity of the implementing agency is to ensure that the identified (and to be identified) mitigation measures/initiatives/projects are effectively implemented.

The lists below outline the anticipated tasks in more detail, however, the bidder is welcome to compile its own list of tasks.

4.3.1.1 Set up organisational structure

- 4.3.1.1.1 Agree on the implementing agency's *direct* reporting mechanism with Eskom.
- 4.3.1.1.2 Agree on the significant stakeholders' roles, responsibilities, and expectations of each.
- 4.3.1.1.3 Develop and agree on a "Corporate Charter" for the implementing agency to set out policies on significant aspects of the implementation.
- 4.3.1.1.4 Propose and agree on a governance structure to identify risks and ethical practices.
- 4.3.1.1.5 Develop an organogram that outlines the implementing agency's staff structure, roles, and responsibilities.
- 4.3.1.1.6 Prepare and agree on a communications plan to introduce the implementing agency to various stakeholders, including those affected by or directly involved in EJETP.
- 4.3.1.1.7 Agree on the implementing agency resource requirements and location of an office (preferably within the 'nerve center' of the implementation program.)
- 4.3.1.1.8 Develop a service-level charter to guide the five-year implementation process for EJETP.

4.3.1.2 Project Management of initiatives, programs and projects

- 4.3.1.2.1 Review existing projects/activities in terms of Component C1 and support their implementation including, but not limited to:
 - a. Support to suppliers and contract workers through the assessment of potential contracts, supply requirements, workforce needs for the decommissioning and repurposing components; development of business plans for the localization of priority commodities (e.g., those used in Lithium-ion battery cells, steel structures, battery chemistries for BESS (Battery Energy Storage System), Photovoltaic (PV) panels, inverters, demolition and rehabilitation works, etc.); and trainings and assistance for supplier development and entrepreneurial activities (to be implemented as part of sub-component C2)
 - b. For Komati Training Facility, support in the development of admission process, scholarship, subsidy schemes, and mechanisms to enhance participation of the local community, women, youth, and other vulnerable groups. The guideline will be prepared by the South African Renewable Energy Technology Centre (SARETEC) and the funder, Global Energy Alliance for People and Planet (GEAPP).

- c. Support in the development of linkages and partnerships with existing social protection programs, including organising awareness sessions and/or disseminating information to workers and others who will be indirectly affected by the closure to enable them to access benefits from these programs provided they qualify.

4.3.1.2.2 Support implementation of Component C2 of the EJETP by originating and sourcing new activities or enhancing existing ones in alignment with the goals and objectives of C2. This will include:

- a. Develop a pool of projects through a consultative process, drawing from the various documents prepared for the project that meet the aims of the EJETP socio-economic mitigation strategies. These projects should cut across a wide range of socio-economic themes and focus on the following themes as mentioned under Component C2 of the EJETP:
 - Piloting/scaling-up of innovative initiatives at Komati (e.g., agrivoltaics, micro-grid assembly plant) that would support sustainable agricultural production, access to self-sufficient energy systems, and create jobs and livelihood opportunities in an inclusive manner
 - Investments in commercially viable local area development activities that are aligned with community needs, the strategic priorities of local and provincial government, and identified through participatory approaches. The purpose of these small-scale investments is to support the local communities and generate immediate economic benefits following the closure of the power plant. During the selection of these initiatives, priority will be given to activities that focus on addressing environmental and land degradation, safeguarding ecosystems and water reserves, protecting livelihoods, and ensuring equitable and inclusive benefits.
 - Strengthening the livelihoods of affected communities by supporting the entrepreneurial ecosystem in the Komati area with provision of integrated support to small, micro, and medium-sized enterprises (SMMEs). The focus of entrepreneurship development will be on: (i) developing local suppliers and contractors to participate in the procurement value chain for the decommissioning and repurposing components of EJETP; and (ii) local enterprise development to contribute to economic diversification and long-term sustainability of the local economy. Specific activities will include incubation services, business development services and capacity development activities, specifically targeting women- and youth-owned enterprises for support. The

implementation agency will also support Eskom by exploring potential grant financing options to provide seed grants/initial capital to support innovative and transformative SMMEs.

- Reskilling and upskilling of community members to enhance their employability for the new and alternative development opportunities in the Komati area through partnership with the technical training institutes and Technical Vocational and Education and Training (TVET) colleges in the Mpumalanga region. To create a demand-driven training program, the private sector will be engaged in the development of the training modules. Innovative delivery mechanisms, such as the use of digital platforms, will be utilised to the extent possible, while the content of the training program will focus on enhancing the employability of community members, including youth, women, and other vulnerable groups, who experience particularly unfavourable conditions in the country's labour market and in the energy value chain.
 - Community support programs involving direct investments for improved support systems and greater community cohesion. These may include: (i) establishment/support to Early Childhood Development Centers (ECDs) that will enable women to join the workforce and engage in entrepreneurial activities; (ii) community gardens which leverage other interventions under the project (e.g., agrivoltaics) to support small-scale and emerging farmers as well as unemployed women and youths; (iii) community health and awareness programs that will be carried out in partnership with the provincial department of health to address the high prevalence of respiratory issues (including tuberculosis), substance abuse, sexually transmitted infections and diseases (including HIV and AIDS) in the area; and (iv) upgrading/expansion of sports and recreational facilities to engage youth while also providing a platform for communities to engage in social activities.
- b. Funnel the above projects to a manageable portfolio of projects/initiatives and assist with implementing these through their lifecycle.
 - c. Support in developing or facilitating the development of bankable business plans relevant to Component C2 of the EJETP. Where appropriate, submit project proposals and funding requirements to the stakeholders of this project.
 - d. It is expected of the implementing agency to act either as a direct implementer or as a facilitator for the effective implementation of the activities/initiatives under Component C2. As a facilitator, the implementing agency shall focus on linking appropriate

stakeholders, funders and resource providers to project activities and initiatives under implementation.

- e. Assist with the monitoring, supervision, and reporting of the approved activities/initiatives under Component C as described under Task 4. This could be done directly, or it could be outsourced.

4.3.1.3 Management Support for projects

- 4.3.1.3.1 Provide strategic input, if and when required, on all activities and initiatives undertaken as per Component C of the EJETP.
- 4.3.1.3.2 Provide support services such as recruitment, financial management, information technology management and others as and when required.
- 4.3.1.3.3 Assist with setting up a communication center and other such mechanisms required to implement the EJETP.

4.3.1.4 Manage the budget

- 4.3.1.4.1 Provide support in allocation of budget to activities carried out under EJETP. Some activities would be deemed as individual project costs which would be allocated for funding through the project. In contrast, other costs would be core implementation management costs.
- 4.3.1.4.2 Report monthly on the use of the budget, aligning activities to budget items.

4.3.1.5 Deploy best practice and state of the art communications and development approaches

4.4 Task 4: Monitoring, Evaluation and Reporting

The implementing agency will be required to develop a governance, monitoring, and evaluation plan. The ToR calls for the bidder to propose a format for a monitoring and evaluation plan and implement the plan following concurrence with Eskom and the World Bank. Monitoring and evaluation (M&E) is a critical aspect of the EJETP as it would enable the project team to track progress, identify challenges, and make the adjustments that will ensure success of the project. M&E is a continuous process that will be implemented throughout the project's life cycle.

Developing M&E framework

A draft M&E for EJETP, including Component C, has been designed by Eskom to determine the objectives, activities, outputs, outcomes, and intended impact of development projects. Eskom's evaluation approach builds on the logic model (theory of change for EJETP) and incorporates assessment outcomes of the various activities supported under EJETP. Accordingly, the M&E plan has to be completed, and deliverables should include the M&E framework, information-gathering tools and reporting templates. The following are steps that the implementing agency will likely undertake, but not limited to:

- Establish clear and measurable objectives of the M&E plan in consultation with relevant stakeholders. These objectives must be specific, measurable, attainable, relevant, and time-bound (SMART).
- Once the objectives have been established, a monitoring and evaluation framework is to be developed. The framework will outline the specific indicators and data used to track progress and measure the project's success. The framework will also outline the methods used to collect data (e.g., surveys, interviews, and focus groups), and the timeline for data collection and reporting.
- Develop an implementation plan for the M&E framework to report to Eskom and the World Bank to keep them informed of the progress.

Implementation of M&E Plan

Implementation of the M&E plan and reporting during implementation should involve:

- Regularly collect and analyse project indicator monitoring data through surveys, interviews, or monitoring visits. This may involve analyzing data on key performance indicators, such as project outputs and outcomes, as well as qualitative data from stakeholders.
- Regularly assess the progress of the project and identify any areas that may require adjustments or changes.
- Communicate and report the results of monitoring and evaluation to key stakeholders, including project staff, partners, and funders. This will be done through reports, presentations, or other forms of communication.
- Utilise the findings from monitoring and evaluation to inform decision-making and improve the design and implementation of the project. This may include making changes to the project based on what has been learned, as well as incorporating lessons learned into future projects.

Reporting:

Detailed reports that assess the design of projects, project implementation and achievement of objectives are to be provided, together with the quantification of outcomes and impact where supporting evidence has been collected.

- Provide weekly and monthly reports using the formats, templates, and technology agreed on in the M&E framework on activities initiated and completed. The reports will be accompanied by signed proof of activities completed.
- Document control procedures, audit checklist, risk assessment. Monitor compliance of contractors' recruitment process and database.
- Respond to unforeseen events and changes in the implementations.

Weekly report:

The report shall highlight all weekly activities, issues, risks which will also be presented to Eskom and other stakeholders, where necessary

Bi-weekly report

The report shall highlight all identified risks, which will be analysed and rated as specified on the Risk Management System.

Monthly report

The report shall be submitted and consolidated monthly for all the activities highlighting the achievements, challenges, and mitigation plans.

Quarterly review report:

This report will assist in assessing the Consultant's progress based on the plan submitted to the employer. Correction measures / reviewing of the systems will be implemented to assist the delivery of the objectives where necessary.

Adaptive Learning:

The project will support Eskom's first project under its Just Energy Transition Strategy and provide an important adaptive learning experience as South Africa embarks on its transition to creating new economic opportunities in a decarbonised economy with a diversified energy mix, away from its heavy reliance on coal. In this regard, one of the overarching aims of the project is to demonstrate how to ensure 'justness' of the transition process and enhance process legitimacy for the retirement of coal-fired power plants. To this effect, the implementation agency will adopt an adaptive learning approach to:

- Document and share the approaches, tools, and lessons learned from the Komati experience to inform the future closure of coal-fired power plants and just transition processes.
- Provide a forum for ongoing engagement and learning to support the implementation of EJETP itself. Specifically, the implementation agency will support the Eskom JET Stakeholder Engagement Platform to distill critical learnings from the Komati experience to inform the design and implementation of future retirement of Eskom's coal-fired power plants as well as transition activities in the subregion, region and globally.
- Support the EJETP Community Forum link to the stakeholder engagement process for EJETP that will include structured dialogues, focus groups, interviews and before- and after-action review meetings, etc. The feedback received through the Forum will be used to inform the implementation of EJETP, including measures for mitigating risks, minimizing impacts, achieving efficiencies as well as allowing for course corrections, if needed.

5. Indicative Schedule and Tasks

Anticipated sequence of tasks	Y1	Y2	Y3	Y4	Y5
a. Signing of contracts.	✓				
b. Familiarization with the body of information.	✓				
c. Set up implementing agency organisation and facilities.	✓				
d. Liaison with EJETP to determine its socio-economic project needs.	✓				
e. Assess the development needs for community development projects.	✓				
f. Stakeholder Engagement Plan and structures	✓				
g. Implementation Plan	✓				
h. Monitoring and Evaluation Plan	✓				
i. Implementation and monitoring	✓	✓	✓	✓	✓
j. Reporting	✓	✓	✓	✓	✓

The implementation period for EJETP is six years. However, for the purposes of this TOR, the implementation period is envisaged to be five years with the expectation that the implementation of Component C activities will be completed by Year 5 into project implementation.

6. Capacity-building

The Komati implementation model must promote skills transfer and capacity building for a local company to equip them with implementation skills. The local company will work with the service provider to be able to support Eskom in implementation at other power stations. The capacity-building programme, approach and methodology has to be submitted as part of the proposal.

7. Information, Deliverable and Schedule

All relevant supporting documentation referenced in this Terms of Reference will be made available to the Consultant when the contract commences, or during proposal preparations and contract negotiations as required by the Consultant. These will include:

Document name		Details and access
Information	Socio-economic assessment for the shutdown of Komati power stations and Risk Analysis report (2022) Komati SEIA for shutdown and repurposing study report	Local stats Socio-economic impacts & risks of shutdown Draft Mitigation and Implementation plan Stakeholder engagement Presentation Potential projects for mitigation
Relevant work	VPC consultants prepared a technical report, which is still in a draft format (South Africa, dated February 2022)	The report addresses the tasks, one of which is relevant to the shutdown and dismantling: Task 1: Power system analysis Task 2: Plant retiring and mining analysis Task 3: Power plant repurposing analysis Task 4: Preliminary Environmental Analysis Task 5: Preliminary Socio-economic Analysis Task 6: Economic and Financial Analysis

Document name		Details and access
SEP	Stakeholder engagement Plan (SEP) for the Komati EJETP	SEP for the entire project, including all three components and implementation
Current Studies	Component A: Environment and Social Impact Assessment (ESIA) for decommissioning and dismantling	https://www.eskom.co.za/about-eskom/just-energy-transition-jet/komati-power-station-repowering-and-repurposing
Current Studies	Component B: Environment and Social Impact Assessment (ESIA) for Solar PV and BESS	https://www.eskom.co.za/about-eskom/just-energy-transition-jet/komati-power-station-repowering-and-repurposing
World Bank Project Documents	Project appraisal Document Funding related documents	https://projects.worldbank.org/en/projects-operations/document-detail/P177398?type=projects

7.1 Deliverables and Schedule

Deliverable	Due Date
Inception and Progress report	Contract Signing + 1 Month
Final Komai implementation plan with value proposition/programs, funding mechanisms, partners, and timeline.	Contract Signing + 3 Month
Komati implementation structure/model with implementation companies & partners and local recruitment mechanism.	Contract Signing + 3 Month
Final monitoring and evaluation plan.	Contract Signing + 3 Months
Stakeholder engagement and communication plan. Establishment of engagement structures with feedback from meetings.	Contract Signing + 10 Months
Implementation report showing the number of jobs, and opportunities; support to local companies and community livelihood/CSR projects.	Contract Signing + 12 Months and every year thereafter
Monitoring and evaluation report to assess the program and projects.	Contract Signing + 12 months and every year thereafter

Eskom will appoint a Project Team responsible for determining scope of activities to be implemented under Component C of EJETP and take full responsibility for managing the Consultant's work and for ensuring delivery on the project. The project team will meet at least monthly, and the Consultant will report progress at these meetings, as instructed by the Team Leader for Component C of EJETP and the head of Eskom JET Office.

8. Qualifications and experience requirements

Consultant Qualifications: A suitable consultant firm will be hired as an implementing agency for Component C of the EJETP. It is important that the consultant/consortium comprises strong expertise related to social and economic development and has a wealth of knowledge and experience on social and labour plans, local economic development, enterprise and supplier development, community empowerment and livelihoods strategies, stakeholder engagement and communication. A dedicated team that focuses on sustainable economic transformation is required.

The incumbent should be knowledgeable about and demonstrate experience with the South Africa Just Transition and should be able to link development initiatives in the Komati area to those underway both provincially and nationally.

The assignment is expected to begin in July 2023 and last for five years, and the Consultant must propose a team that has shown its ability to successfully carry out all tasks in the ToR over this period. The Consultant is highly encouraged to submit a gender-diverse team.

9. Professional expertise required

The key expert positions whose CVs and experience will be evaluated include the following - (the invited firm may propose its own mix of expertise):

Activity	Project Leader	Enterprise Development Expert	Human Resource Development Expert	Socio-economic development Expert	Stakeholder Engagement Expert	M&E expert	Information & communication	Client relations	Community Liaison
9.1 Key tasks/Activities									
Co-create the vision, mission, goals, strategies, and objectives of the detailed implementation measures of the program.	Primary	Input	Input	Input	Input	Input	Input	Input	Input
Liaise with stakeholders to build consensus on the implementation strategies to achieve the implementation goals (stakeholder management).	Primary	Input	Input	Input	Primary	Input	Input	Input	Input
Manage the human resources of the implementation team to ensure the attainment of a productive and motivated team.	Primary	Input	Input	Input	Input	Input	Input	Input	Input
Co-create with stakeholders the overall implementation plan.	Primary	Input	Input	Input	Input	Input	Input	Input	Input

Activity	Project Leader	Enterprise Development Expert	Human Resource Development Expert	Socio-economic development Expert	Stakeholder Engagement Expert	M&E expert	Information & communication	Client relations	Community Liaison
Manage the overall implementation plan and budget.	Primary	Input	Input	Input	Input	Input	Input	Input	Input
Monitor and evaluate the implementation plan.	Primary	Input	Input	Input	Input	Input	Input	Input	Input
Report the monitoring and implementation plan to an oversight forum	Primary	Input	Input	Input	Input	Input	Input	Input	Input
Respond to stakeholders' requests to assist and support socio-economic project implementation.	Primary	Primary	Primary	Primary	Primary	Input	Input	Input	Input
Specifically, act as management support to stakeholders to administer, resource (human, capital, and infrastructure) and procure necessary materials for socio-economic mitigation strategies.	Primary	Primary	Primary	Primary	Primary	Input	Input	Input	Input
Evaluate the enterprise development's feasibility, including feasibility and business plan development and successful implementation.	Primary	Primary	Input	Input	Input	Input	Input	Input	Input
Assist EJERP in the implementation of identified socio-economic development initiatives.	Primary	Primary	Primary	Primary	Primary	Input	Input	Input	Input
Manage the development of socio-economic projects for the community and to attain economic diversification	Primary	Primary	Primary	Primary	Input	Input	Input	Input	Input

Experts' qualifications and experience

Item	Resources	Summary of Role	Qualification	Min Years' Experience	Full time equivalent person	Indicative key expert input
1	Project Leader	A Project Leader working on a development project is responsible for managing all aspects of the project from inception to completion, ensuring that project goals are met and delivered on time, within budget, and to the required quality standards. The Project Leader must be able to provide overall leadership and direction to the project team, including Eskom staff, consultants, contractors, and project partners.	The Project Leader must have strong leadership and project management skills, as well as excellent communication and interpersonal skills. A bachelor's or master's degree in a relevant field such as business, engineering, or public administration is usually required, as well as extensive experience managing large and complex projects. In addition, experience working in a development context, particularly with the World Bank or other international development organisations, is highly desirable.	15 Years Minimum	1	Full time
2	Enterprise Development Expert	An Enterprise Development Expert working on a development project is responsible for providing technical advice, guidance, and support to project teams and project beneficiaries on enterprise development strategies and initiatives. The Enterprise Development Expert works to support the development and growth of small and medium-sized enterprises (SMEs) in emerging economies, and to promote job creation and economic growth.	The Enterprise Development Expert must have a strong background in business development, entrepreneurship, or related fields. A bachelor's or master's degree in business administration, economics, or a related field is usually required, as well as extensive experience working with SMEs in a development context. In addition, the Enterprise Development Expert must be able to work effectively with diverse stakeholders, have excellent communication and interpersonal skills, and be able to think creatively and develop innovative solutions to enterprise development challenges.	10 Years Minimum	1	Full Time
3	Socio-economic Expert	A Socio-economic Expert working on a development project is responsible for providing technical expertise on socio-	The Socio-economic Expert must have a strong background in economics, sociology, or a related field, and extensive experience	10 Years Minimum	1	Full Time

Item	Resources	Summary of Role	Qualification	Min Years' Experience	Full time equivalent person	Indicative key expert input
		economic development issues and supporting the development and implementation of social and economic development programs. The Socio-economic Expert plays a critical role in assessing the socio-economic impacts of development interventions and ensuring that projects are designed and implemented in a way that maximises positive socio-economic outcomes.	working in a development context. A bachelor's or master's degree in a relevant field is usually required, as well as excellent analytical, research, and communication skills. In addition, the Socio-economic Expert must have a good understanding of social and economic development issues, and be able to work collaboratively with diverse stakeholders to develop effective solutions to complex socio-economic challenges.			
4	Stakeholder engagement expert	A stakeholder manager working on a Development project is responsible for undertaking and coordinate stakeholder management for the project. Building, monitoring and maintaining constructive relationships with both their internal and external stakeholders, as well as to listen to and understand the needs of their key stakeholders and neighboring communities. Establishing and formalizing partnerships with relevant institutions to support the implementation of project activities Alignment of the project values and deliverables with those of key stakeholders will contribute towards reducing organisational risks and maximising opportunities. Providing strategic internal and external communication services	The Stakeholder engagement expert must have A bachelor's or master's degree in a relevant field such as stakeholder engagement, community liaison, public engagements or public administration is usually required, as well as extensive experience stakeholder management and communication. Expert must be able to work effectively with diverse stakeholders, have excellent communication and interpersonal skills, and be able to think creatively and develop innovative solutions to stakeholder needs.	10 Years	1	Full Time

Item	Resources	Summary of Role	Qualification	Min Years' Experience	Full time equivalent person	Indicative key expert input
5	Community skills developer / facilitator (This role can combine with the one below)	A Community Skills Development Trainer and/or Facilitator working on a Development project is responsible for designing, developing, and delivering training programs to build the skills and knowledge of community members to support the project's goals. The Community Skills Development Trainer and/or Facilitator plays a critical role in empowering communities to participate in and benefit from project activities.	The Community Skills Development Trainer and/or Facilitator must have a strong background in training and development, with a bachelor's or master's degree in education, community development, or a related field. In addition, the Community Skills Development Trainer and/or Facilitator must have experience in designing and delivering training programs in a community development context. Excellent communication, facilitation, and problem-solving skills are also essential for success in this role.	10 Years Minimum	1	Full Time
6	Community Liaison Expert (This role can combine with the one above)	A Community Liaison Expert working on Development projects is responsible for facilitating communication and collaboration between the Project and local communities affected by Development-supported projects. The role of the Community Liaison Expert is to build trust and engage with communities to ensure that their needs and concerns are taken into account during project planning and implementation.	The Community Liaison Expert must have strong communication, facilitation, and relationship-building skills, as well as experience working with local communities in a development context. A bachelor's or master's degree in a relevant field such as social sciences, development studies, or community development is usually required. In addition, knowledge of local cultures, languages, and customs is highly desirable, as well as experience working in multicultural environments.	10 Years Minimum	1	Full Time
7	Information Technology (IT) Officer	An Information Technology (IT) Officer working on Development projects is responsible for providing technical support and ensuring the effective use of technology in project design, implementation, and monitoring. The IT Officer will work closely with project	The IT Officer must have a strong technical background in information technology, as well as excellent problem-solving and communication skills. A bachelor's or master's degree in computer science, information technology, or a related field is usually required. In addition, experience working on	10 Years Minimum	25% of FTEP	Part Time (Full-Time first few months)

Item	Resources	Summary of Role	Qualification	Min Years' Experience	Full time equivalent person	Indicative key expert input
		teams to develop and implement technology solutions that improve project performance and efficiency.	technology projects in a development context is highly desirable, as well as experience working in multicultural environments. The IT Officer must also be familiar with relevant industry standards, such as ISO 27001, and be able to apply these standards to ensure the security of project data.			
8	Monitoring and Evaluation (M&E)	A Monitoring and Evaluation (M&E) Expert working for the Project is responsible for leading and managing the design, implementation, and monitoring of evaluation frameworks and programs for development projects and programs. The M&E Expert will work closely with project teams and other stakeholders to ensure that the projects and programs achieve their intended outcomes and have a positive impact on target populations.	The M&E Expert must have a strong analytical background and excellent communication skills, as well as experience working in the development sector. A master's degree in a relevant field such as economics, social sciences, or statistics is usually required. In addition, experience with monitoring and evaluating projects or programs and working with project teams in an international development context is highly desirable.	5 Years Minimum	10% of a FTEP	Monthly M&E

10. Contract Type, Implementation Arrangements and Other Information

To assist the invited firms in developing a competitive and informed proposal, it is important to note that the contract will be over five years, and the services will be required at the Komati Power Plant area.

The assignment's contract model would be hybrid of Lump-Sum and Time-based contracts.

The first phase of the assignment which covers planning, preparation of implementation plan, monitoring framework, will be Lump-Sum type while the second phase for the advisory, implementation, monitoring and reporting of activities in support of Component C of the EJETP will be Time-based contract.

Annexure A

Focus Areas through which to support a Just Transition in Mpumalanga

- **Job creation:** Interventions for job creation considering the substantial need for employment opportunities as the affected communities. This includes both sustainable as well as temporary employment. This includes employment of locals in Eskom's repurposing and repowering projects.
- **Local manufacture and Industrialisation:** Promotion of local manufacturing and industrialisation to create business opportunities and jobs. This will be in line with the localisation framework developed by Eskom and the Department of Trade Industry and Competition (DTIC).
- **Enterprise development and social enterprises:** strengthening the livelihoods of affected communities through support to new and expanding SMMEs
- **Community livelihood:** Focus is on community livelihood strategies for example food security and local initiatives that generate household income.
- **Skilling and reskilling:** skills development, reskilling is an important lever for the energy transition. This covers **skilling, reskilling, and upskilling of community members** to support the new markets and technologies and equipping unemployed individuals to improve their chances of being employed as skilled labourers. The Komati training facility will also skill qualifying community members whilst there will be other skills
- **Empowerment Programme for youth, women and the disabled:** targeted programmes to address vulnerable groups, youth women and the disabled
- **Local Economic Development:** support the just transition of local economy and communities through economic diversification
- **Eskom CSR projects:** projects to be implemented to address needs in the community that will support the Just energy transition example early childhood development, health programmes etc.