



Inception Report and Work Plan

for the period

05 September 2023- 31 October 2024

**SESID**

Sustainable energy systems for industrial development  
in South Africa

Project number: ENCP 21X

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## 1. INTRODUCTION

The Project aims to reduce GHG emissions and accelerate the decarbonization of industrial parks through providing support to IP managements, tenants, municipalities and other core stakeholders. Through the project intervention the Government and local authorities will be enabled to ensure a conducive IP-associated policy and regulatory environment, especially with regard to energy generation and consumption is established (long-term outcome). Municipalities, IPs and industrial establishments will have a sufficient information basis for individual strategies and investment decisions. This and low-carbon and sustainable energy demonstration projects for dissemination of experiences will allow IP managements and manufacturing businesses to gain confidence and sufficient evidence of the technical, economic, social and environmental viability of sustainable energy solutions for industrial production in the urban-industrial-energy nexus. As a result, municipalities, IPs and industrial establishments exploit, adopt and replicate the experiences from the demonstration activities. In addition, the project preparation facilitation will help the Government and the financial sector to enhance the financial and investment environment to de-risk investments in sustainable energy infrastructure in IP.

The Project has 4 components:

1. Fostering the coordination towards sustainable energy transformation of IPs by creating a conducive enabling environment under consideration of social equity;
2. Demonstration of low-carbon and sustainable energy through IP pilots;
3. De-risking scheme for upscaling and replication of sustainable energy solutions in IPs;
4. Monitoring and Evaluation; establishing and implementing effective project monitoring and evaluation mechanisms as well as capturing progress and lessons learnt.

Industrial parks and SEZs project participants, six industrial parks and SEZs are selected for the first phase of the project. The map in figure 1 below shows the name and location of participants.



Figure 1

### Main Outputs for the Current Period of the Work Plan

The key outcome for the current phase is the submission of the inception report and workplan in order to have the first payment of the project released. As stipulated on the Implementation partner agreement the first payment will be USD 195,472.00

Other activities that have taken place include site visits to IPs and SEZs in preparation and build up to the project launch. The launch took place October 5<sup>th</sup>, 2023. Site visitation dates are listed below.

Coega development corporation (The CDC)	30 August 2023
The East London Industrial Development Zone (ELIDZ)	31 August 2023
Atlantis SEZ Company (ASEZCo)	20 September 2023
Phuthaditjhaba Industrial Park	Visit pending as head office had to priorities other activities. Site will be visited on 24-26 of October 2023. Awaiting company confirmation of date.
AECI Umbogintwini Industrial Complex	19 September 2023
Ekandustria Industrial Park	22 September 2023

In addition, the project name was discussed and finalized at the inception meeting held with UNIDO on September 14<sup>th</sup>, 2023. The project will be known as (SESID) Sustainable Energy Systems for Industrial Development.

The table below list activities to be undertaken during the first year of implementing the project,

Activities to be executed by the NCPC-SA during the project's inception phase	Deliverable	Timeline
Secure relevant national approval for the project fund flow arrangement (Annex XII)	National approval secured	Complete
Finalize the TOR for the National Project Coordinator and Project Administration Assistant to form the PMU	TORs finalized and published	Complete
Finalize the TOR and establish the PSC in collaboration with the other PEEs	PSC members confirmed, and PSC formally established	November 30, 2023

<b>Activities to be executed by the NCPC-SA during the project's inception phase</b>	<b>Deliverable</b>	<b>Timeline</b>
Set up the PMU by designating internally, or recruiting externally project management personnel	PMU established with PMU personnel recruited, PMU hosting arrangements finalized, and office space set-up	December 22, 2023
Prepare reporting templates (technical and financial) in consultation with UNIDO	Templates prepared and shared with the other PEEs for their consideration	December 22, 2023
In coordination with UNIDO, prepare Annual Work Plan and Budget, including procurement plan with Terms of Reference for project delivery partners, for the first year of project execution	First Annual Work Plan and Budget, incl. Procurement Plan with TORs for project delivery partners <sup>1</sup>	December 22, 2023
Finalize the gender mainstreaming action plan based on the draft included in the Gender Analysis Report	Gender mainstreaming action plan approved by UNIDO and presented to the PSC members	February 29, 2024
Finalize the Monitoring and Evaluation Framework, integrating indicators from Project Results Framework, ESMP, Gender Mainstreaming Action Plan and Stakeholder Engagement Plan	Monitoring and Evaluation Framework approved by UNIDO and presented to the PSC members	November 30, 2023
Finalize contractual agreements with project delivery partners (if any)	Agreements with Project Delivery Partners signed	December 22, 2023

Table 1:

During the execution of the Project, the NCPC will initiate the activities listed below. Detail of deadlines and budget please refer to Annexure 1: The Workplan excel spreadsheet.

<b>Activity to be performed by the NCPC</b>			<b>Deliverable</b>	<b>Deadline</b>
PEM	Output 1.1	The coordinative capacity for sustainable energy solutions in IPs are strengthened on municipality and IP management level(s)	Coordination plan for up to 6 selected municipalities, IPs / SEZs and neighbouring communities  Minimum four annual extended-stakeholder meetings at each selected industrial zone  Quarterly roundtables conducted.	

<sup>1</sup> In the case of the first annual work plan, UNIDO approval will suffice if the PSC is not established for its approval.

PEM	Output 1.2	<p>Analysis of typical energy profiles is made available to IPs, industrial establishments, the government and municipalities supported by introduced energy audits</p>	<p>Detailed technical design of the web-based data system, based on international good practices.</p> <p>Data collection mechanism put in place, including identification and mapping of data suppliers (including 6 selected IPs / SEZ and representative tenants / industrial establishments)</p> <p>Propose data sharing agreements for furnishing the system finalized between key data suppliers and NCPC-SA / dtic.</p> <p>Data system operationalized on baseline/benchmark of typical energy intensities of relevant industrial activities in South Africa</p> <p>Protocols for post-project management of the system and data collection and analysis submitted for adoption by the dtic.</p> <p>Annual online reports on data aggregated and processed by the system shared with dtic (minimum 2 reports)</p> <p>Two (2) training sessions for data suppliers and users of the system, including two (2) training reports</p>	

PEM	Output 1.3	<p>IP management and tenant companies are provided with guidance on establishing IP energy strategies at local sites that are sustainable and foster social inclusion</p>	<p>Guidance for best practices on how to approach energy analysis and strategies at the IP / SEZ levels provided through guidelines report.</p> <p>3 Technical Roadmap: Integrated energy planning strategies in selected municipalities, IPs / SEZs and neighbouring communities</p> <p>1 Policy Roadmap: Proposals for regulatory and financial aspects related to energy demand and supply, e.g., IPP licensing, feed-in regulation and potential regulations for public-private-partnerships (PPP)</p>	
PEM	Output 2.1	<p>Sustainable energy infrastructure at IP pilot projects demonstrating sustainable energy solutions at IP level is developed</p>	<p>Energy audits and rapid assessment for up to 3 IPs / SEZs to identify potential fields of enhancements</p> <p>Feasibility studies for each demonstration project, including technical and financial assessment, as well as socio-economics impacts</p> <p>State of the art energy solutions implemented at selected pilot IPs / SEZs for demonstrating the technical and economic feasibility</p> <p>Monthly and annual operation reports on the pilot, including pilot performance and net environmental, social and economic benefits compared to baseline, uploaded to the data system</p> <p>Conduct before and after energy user questionnaires based on the</p>	



			<p>monitoring methodology (6 users)</p> <p>Three (3) case studies including lessons learned, social and equity impacts, contributing to an increased understanding of financial viability and (required) de-risking instruments for the application of sustainable energy solutions in IPs / SEZs</p>	
PEM		to submit a half-year progress report	<p>half-year progress report submitted to UNIDO and PSC (in line with requirements specified in the M&amp;E plan, this also includes monitoring on the gender action plan)</p>	
PEM		to submit a half-year financial report, including a documentation of all payments (e.g. invoices for flight bookings, signed per diem roster of funded workshop participants, copies of boarding cards) and information on the status of the project account against budget approved for the various inputs (budget lines)	<p>half-year financial report approved by the PSC</p>	

Table 2

### **Pending Outputs from Previous Work Plan Period(s)**

Currently there is no work pending for the project.

### **2. ACTIVITY BASED WORK PLAN**

For section 2, please refer annexure 1. The excel spreadsheet has the following:

- Project activities;
- Project timeline;
- Project budget.

For each activity, description of tasks to be undertaken, including:

- Methodology, including the recommendation of experts;
- Resources required;
- Responsibility for each task;
- Deliverables.

### 3. TIMELINE


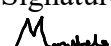
For section 3 please refer annexure 1. The excel spreadsheet has the following:

- Project activities;
- Project timeline;
- Project budget.

### 4. BUDGET

For section 4 please refer annexure 1. The excel spreadsheet has the following:

- Project activities;
- Project timeline;
- Project budget.

Ms Thembi Kodisang Senior Project Manager – Energy NCPC-SA	Signature:  <small>Vincentia Kodisang (Oct 30, 2023 21:12 GMT+2)</small> Date: 19 October 2023
Mr. Victor Manavhela Principal Project Manager NCPC-SA	Signature:  <small>Victor Manavhela (Oct 31, 2023 10:26 GMT+2)</small> Date: 24 October 2023

**Sustainable energy systems for urban-industrial development in South Africa (Financial year Sept 2023-Oct 2024)**

**Budget for implementing partners**

Resource/ Expert	Methodology	Responsibility	Deliverable	Timeline	Budget	Comments
IP-Staff and other personnel	800 000	Inkind cost to NCPC-SA				
IP-Travel	500 000					
Site visit and scoping exercise		100 000				
Project Launch		100000				
<b>Inception Phase Activities</b>						
<b>1. Secure relevant national approval for the project fund flow arrangement (Annex XII)</b>						<b>All costs are estimated</b>
NCPC and UNIDO	Contracting	Senior project manager	National approval secured	31-Oct-23		Complete
<b>2. Finalize the TOR for the National Project Coordinator and Project Administration Assistant to form the PMU</b>						
Senior Project Manager	Contracting	T Kodisang	TORs finalized and published	30-Sep-23		0 Complete
<b>3. Finalize the TOR and establish the PSC in collaboration with the other PEEs/ MOA signing with 6 Ips/SEZs</b>						
Senior and Project Manager	Contracting	T Kodisang	PSC members confirmed, and PSC formally established	30-Nov-23		0
<b>4. Set up the PMU by designating internally, or recruiting externally project management personnel</b>						
Senior Project Manager	Contracting	T Kodisang	PMU established with PMU personnel recruited, PMU hosting arrangements finalized, and office space set-up	22-Dec-23	800 000	Complete
<b>5. Prepare reporting templates (technical and financial) in consultation with UNIDO</b>						
Senior Project Manager and UNIDO Coordinator	Document drafting	T Kodisang and M. Nyoka	Templates prepared and shared with the other PEEs for their consideration	22-Dec-23		0
<b>6. In coordination with UNIDO, prepare Annual Work Plan and Budget, including procurement plan with Terms of Reference for project delivery partners, for the first year of project execution</b>						
Senior Project Manager and project managers	Document drafting	T Kodisang and Project manager	First Annual Work Plan and Budget Procurement Plan with TORs for project delivery partners[1]	22-Dec-23		0 Inkind
<b>7. Finalize the gender mainstreaming action plan based on the draft included in the Gender Analysis Report</b>						
Project managers and Consultant	Consultation	N. Maja and K. Kgakwe	Gender mainstreaming action plan approved by UNIDO and presented to the PSC members	29-Feb-24	150 000,00	
<b>8. Finalize the Monitoring and Evaluation Framework, integrating indicators from Project Results Framework, ESMP, Gender Mainstreaming Action Plan and Stakeholder Engagement Plan</b>						
UNIDO	Document drafting	UNIDO	Monitoring and Evaluation Framework approved by UNIDO and presented to the PSC members	30-Nov-23		
<b>9. Finalize contractual agreements with project delivery partners (if any)</b>						
Project Managers	Contracting	Project Managers	Agreements with Project Delivery Partners signed	Ongoing		0 Inkind
<b>10. Project Launch and project name introduction</b>						
Senior Project Manager and Comms	Event	T Kodisang and Kelebohile	Launch event with speakers	05-Oct-23	100000	Inkind
<b>Site visitation with UNIDO to introduce project to introduce project and project manager</b>						
Senior project manager, project manager and UNIDO coordinator	meetings	NCPC Project manager	Introduction to all project participants (Ips/SEZs)	31-Oct-23	80000	Inkind
<b>Execution Phase Activities</b>						
<b>Output 1.1: The coordinative capacity for sustainable energy solutions in IPs are strengthened on municipality and IP management level(s)</b>						
<b>1.1a: Coordination plan for up to 6 selected municipalities, IPs / SEZs and neighbouring communities</b>						
National Programme manager	Document drafting	NCPC energy project managers	Report	27-Oct-23		0
<b>1.1b: Minimum four annual extended-stakeholder meetings at each selected industrial zone</b>						
Project managers and Comms	Events	NCPC energy project managers	Stakeholders Meeting	30-Aug-24	150 000	
<b>1.1c: Quarterly roundtables conducted</b>						
Project managers and Comms	Events	NCPC energy project managers	Stakeholders engagement	30-Aug-24	200 000	
<b>Output 1.2: Analysis of typical energy profiles is made available to IPs, industrial establishments, the government and municipalities supported by introduced energy audits</b>						<b>Output 1.2 activities are for the next financial year. 1.2 activities are subjects to completion of output 1.1 and 1.2a</b>
<b>1.2a: Detailed technical design of the web-based data system, based on international good practices</b>						
Researcher / Energy consultant	Project	Project manager	Report			
<b>1.2b: Data collection mechanism put in place, including identification and mapping of data suppliers (including 6 selected IPs / SEZ and representative tenants / industrial establishments)</b>						
Researcher / Energy consultant	Project	Project manager	Report			
<b>1.2c: Propose data sharing agreements for furnishing the system finalized between key data suppliers and NCPC-SA / dtic</b>						
<b>1.2d: Data system operationalized on baseline/benchmark of typical energy intensities of relevant industrial activities in South Africa</b>						
<b>1.2e: Protocols for post-project management of the system and data collection and analysis submitted for adoption by the dtic</b>						
<b>1.2f: Annual online reports on data aggregated and processed by the system shared with dtic (minimum 2 reports)</b>						
<b>1.2g: Annual online reports on data aggregated and processed by the system shared with dtic (minimum 2 reports)</b>						
<b>1.2h: Two (2) training sessions for data suppliers and users of the system, including two (2) training reports</b>						
<b>Output 1.3: IP management and tenant companies are provided with guidance on establishing IP energy strategies at local sites that are sustainable and foster social inclusion</b>						
<b>1.3a: Guidance for best practices on how to approach energy analysis and strategies at the IP / SEZ levels provided through guidelines report</b>						
<b>1.3b: 3 Technical Roadmap: Integrated energy planning strategies in selected municipalities, IPs / SEZs and neighbouring communities</b>						
Project manager	Contracting	NCPC energy project managers	Report	31-Jul-24	600 000	
<b>1.3c: 1 Policy Roadmap: Proposals for regulatory and financial aspects related to energy demand and supply, e.g., IPP licensing, feed-in regulation and potential regulations for public-private-</b>						
<b>Output 2.1: Sustainable energy infrastructure at IP pilot projects demonstrating sustainable energy solutions at IP level is developed</b>						
<b>2.1a: Energy audits and rapid assessment for up to 3 IPs / SEZs to identify potential fields of enhancements</b>						
Project manager	Contracting	NCPC energy project managers	Report	30-Jun-24	3 000 000	30 audits, 10 per IP/SEZ. 100K each audit
<b>2.1b: Feasibility studies for each demonstration project, including technical and financial assessment, as well as socio-economics impacts</b>						
<b>2.1c: State of the art energy solutions implemented at selected pilot IPs / SEZs for demonstrating the technical and economic feasibility</b>						
<b>2.1d: Monthly and annual operation reports on the pilot, including pilot performance and net environmental, social and economic benefits compared to baseline, uploaded to the data system</b>						
<b>2.1e: Conduct before and after energy user questionnaires based on the monitoring methodology (6 users)</b>						
<b>2.1f: Three (3) case studies including lessons learned, social and equity impacts, contributing to an increased understanding of financial viability and (required) de-risking instruments for the</b>						
<b>Output 4: To submit a half-year progress report</b>						
<b>4.1: Half-year progress report submitted to UNIDO and PSC (in line with requirements specified in the M&amp;E plan, this also includes monitoring on the gender action plan)</b>						
Senior Project Manager	Contracting	T Kodisang	Progress report			
<b>4.2: Submit a half-year financial report, including a documentation of all payments (e.g. invoices for flight bookings, signed per diem roster of funded workshop participants, copies of half-year financial report approved by the PSC</b>						
Manager and CSIR Finance department	Reporting	V Manavhela	Financial Report			
<b>Total Cost</b>					<b>4 880 000,00</b>	