



TERMS OF REFERENCE (TOR)

CONSULTANCY FOR KEPRO EPR FEE PLATFORM

Organization	Kenya Extended Producer Responsibility Organization
Project	EPR Fee Validation, Reporting, Distribution & Marketplace Platform
Position type	Consultancy
Consultancy Objective	To develop a platform to track & reconcile packaging material mass flows across the value chain, transact for buy/sell of waste through the value addition stages, and distribute EPR fees based on validated transactions & EPR policy
Duration	Maximum of 180 calendar days
Reporting to	Kenya Extended Producer Responsibility Organisation EPR Fee Platform Taskforce
Starting & Ending date	December 1 st , 2021, to May 31 st , 2022
Application deadline	29 th October 2021

1.0 Introduction to KEPRO

KEPRO - Kenya Extended Producer Responsible Organisation (www.kepro.co.ke) was born out of the Kenya Plastic Action Plan launched in Nov 2019 as the Kenya Extended Producer Initiative (KEPRI) which was launched in October 2020. The purpose of a PRO (Producer Responsibility Organisation) is to engage stakeholders in the packaged and/or manufactured goods value chain to contribute funds through membership & EPR (Extended Producer Responsibility) fees to help increase national awareness to protect Kenya's natural environment from waste & pollution, and by providing incentives & subsidies to improve the growth, efficiency & viability of the waste collection, sorting & recycling sector.



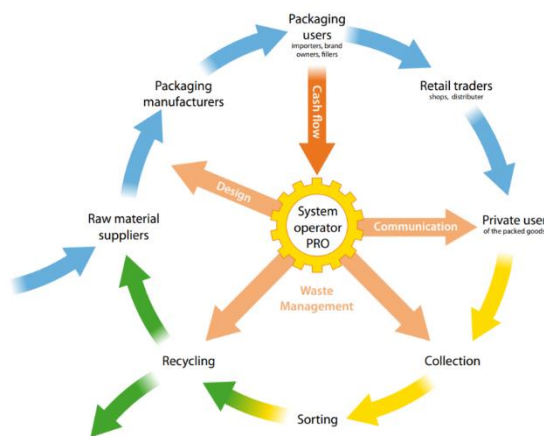
KEPRO will achieve its purpose of accelerating the growth of our Recycling Economy, leading to a Circular Economy for the sake of our future generations & our natural environment, that is embedded within the environmental laws & legal framework of Kenya.

KEPRO will operate based on the principles of these three core values:

1. **Collaboration** - True partnership, collaboration & transparency with all public & private stakeholders within an ecosystem of high ethical & moral standards
2. **Commitment** - All strategies, policies & actions put sustainability & our environment first.
3. **Circularity** - Developing the Circular Economy in Kenya by supporting the Recycling Economy.

Our operations are funded purely by fees collected from members (annual membership and monthly EPR fees) The Annual Membership Fees and EPR Fees from Convertors (manufacturers of packaging) are used to build & run the KEPRO Organisation, while the EPR Fee from Packaging Users (consumer packaged goods, filler, packers & re-packers, importers) is used to support the growth, efficiency & viability of the waste collection, sorting, and recycling sector. The EPR fee is based on the monthly volume declared by packaging manufacturers & packaging users (brands, fillers, packers, importers).

2.0 Introduction to EPR



An EPR (Extended Producer Responsibility) is defined by the Organisation for Economic Co-operation and Development (OECD) as “an environmental policy approach in which a producer’s responsibility for a product is extended to the post-consumer stage of a product’s life cycle”. The Ellen MacArthur Foundation (a global partnership of leading stakeholders in the value chain to develop & promote the idea of & transition to a circular economy) outlines three key principles that define the circular economy which include, designing out waste and pollution, keeping products and materials in use, and regeneration of natural systems.

3.0 Objective of the EPR Fee Platform Development Contract

In its mandate to manage EPR Schemes in Kenya for stakeholders in the packaged goods value chain, KEPRO seeks to engage a technology development firm to enable EPR fees distribution to be conducted based on validated transactions & according to EPR fee distribution policy; and have an in-built marketplace for waste management operators (collectors, sorters/MRFs, recyclers) to buy & sell to the next operator in the value chain.

The objective of the Terms of Engagement is to seek **firms who have a proven track record to develop a mobile app for smart & non-smartphones-based platform linked to mobile money and secure cloud admin panel to meet the scope of work.**

4.0 Scope of work

The scope of work will cover the following areas:

- (a) Understand the full requirements of KEPRO's purpose for an EPR Fee Platform & provide user journey, wire flows, database design and relevant APIs to perform functions required by the mobile web app on smartphones & USSD interface on non-smartphones, for approval before the development stage is approved.

- (b) Develop in weekly sprints & handover a fully EPR Fee Platform within a maximum 180 calendar day period including current data onboarding.
- (c) Develop & hand over documentation that would allow the KEPRO team to maintain & update the developed ecosystem of apps, USSD, and cloud platforms.
- (d) Provide technical support to the KEPRO team & carry out change requests based on a monthly retainer.

5.0 Expected outputs

Upon awarding of the contract, the consultant will be expected to develop and share a detailed concept note outlining timelines for the expected outputs (i.e., week 1, week 2, month 1, etc.).

KEPRO will provide the consultant the necessary support and grant access to relevant information as required to carry out the development, launch, and handover as well as support the EPR Fee Platform.

The following are the expected outputs from the EPR Fee Platform:

- (i) **Data Privacy** – Provide audits and logs of any data access & appropriate user rights management.
- (b) **Capture Transactions** – Allow waste collectors/pickers to enter the kilograms & type of material collected (include QR code scanning for individual items & manual bulk entry), and from this link to subsequent transactions where this material is sold to the next entity in the value chain until the recycler finally sells it to a 3rd party convertor. Each transaction must be done on the platform using mobile money or other payment gateways (with the gateway fee being added to the value of the transaction to the buyer), and ETR number to be integrated/included (where applicable) for KRA (Kenya Revenue Authority) purposes. Allow for weight, currency price/kg & transaction value, and other customs quantitative & qualitative fields and tags to be defined & added to the transaction. Allow potential & actual EPR fee subsidy earned before & after the transaction.
- (c) **Market Place** - Use the above data from captured transactions for a marketplace where buyers can create smart contracts for specific types of waste (as defined by the unique QR code framework or hierarchy of KEPRO), which in turn will encourage Waste Management Operators (WMOs) which constitute waste collectors/pickers, sorters/MRFs (material recovery facilities), and recyclers, to be part of the EPR Fee Platform as they will get higher and guaranteed volume offtake for their collected, sorted and/or recycled waste material.
- (d) **EPR Fee Distribution Policy** – Enable dynamic programable policy setting which allows EPR fees per kilo collected to be distributed by the type of material; the ease of collection, sorting & recycling; the stage of value addition in the picking to collection to sorting to recycling process; the geographic location where the transaction is happening; and other parameters that may determine the fee distribution policy.
- (e) **WMO Dashboard** – Each WMO needs to track their own performance via their app or USSD interface, indicating mass flows by material types, value, EPR fee subsidy, etc. over the past day, week, month, quarter, year, and multiple years.
- (f) **Take Back Points Scheme** – Allow waste collectors to scan QR Code to earn take back points given by the packaging user (i.e., Brand) which can be used to redeem for coupons or other value that can be promoted on the EPR Fee Platform.
- (g) **Reports** – for materials flow & reconciliation, EPR fees distribution & reconciliation, Performance by value chain, QR code-based parameters, geolocated parameters, etc...
- (h) **KEPRO Application** – Sign up to join KEPRO.
- (i) **QR Code Reader** – for each brand, pack size & material fraction registered by the Packaging User, a unique QR code should be read to determine the specific waste material which can then be used to

help with segregation at source, sorting & materials recovery facilities, and pre-feed into recycling process. This should also allow reports to be created for packaging waste by various QR code parameters & geolocated based on where the QR code was read.

(j) **Admin Portal – Super Admin & Manager Access**

- (i) Super Admin would have access to everything including setting EPR Fees for each material category & tier & add/change/delete material categories & tiers and add Manager Level Users. Super Admin would also have access to drill down to transaction level and receive reconciliation reports. Whenever Super Admin accesses member or transaction-level data, a dual log-in must be required with an external appointed auditor to monitor the Super Admin activity to ensure that these details are not leaked from the system.
- (ii) Manager Level Users would have access to everything except the ability to set EPR Fees for each material category & tier & add/change/delete material categories & tiers and except the ability to view any sensitive transaction or member level reports.
- (iii) Search Reports – Weekly & Monthly Reports showing compliant & non-compliant results by company/brand & location. These should be both tabular with drill-down, and geographic points & heat map.

(k) **Database Design** should allow for a fully configurable system that will evolve with time without any hardcoded variable elements (including the ability to use this across multiple countries & currencies)

(l) **Intellectual Property** – If the development is based on a custom-designed platform for which KEPRO pays for the development, then the global IP rights will belong to KEPRO, including the rights to allow other PROs and EPR schemes to use this platform for a fee.

Additional expected outputs from the EPR Fee Platform include:

- (a) **Registration** - Capture Individual/Business Details, Geolocation, Membership of KAWR/Others, Payment Details (MPESA, Bank, etc.)
- (b) **EPR Subsidy Pre- and Re-qualification** - Prospective WMOs must use the platform for X number of months to pre-qualify to apply for an EPR subsidy contract and re-qualify for any subsequent EPR subsidy contract. The criteria to qualify will be defined by the Recycling G4G Committee.
- (c) **EPR Subsidy Contract** –Where X and Y are variables in the platform, the contract can be maximum for Y% more tons than the previous X months tons transacted on the platform.
- (d) **EPR Contract Awarding** - Contracts must be awarded sequentially (i.e., must complete one contract before a 2nd contract is issued) by default, however, there should be an option to allow a WMO to have more than one active contract going on at the same time.
- (e) **Flagged WMOs** - WMOs who do not complete their contract quantity within the contract time can be flagged to re-apply for another contract after a certain date, or flagged to be banned completely from applying (with reasons & attachments of evidence documents/pictures)
- (f) **Badges, Ratings, and Points for achievements** - Issue Badges, Ratings, and Points for achievements of WMOs based on different criteria that may be defined from time to time. This would allow KEPRO to keep track of the performance & reputation of WMOs over time

6.0 Timeframe

The service provider will work under the overall supervision of the Kenya Extended Producer Responsibility Organisation EPR Fee Platform Taskforce and relevant assigned Officers. The service is to be performed for **a maximum of 180 calendar days, starting in the month of December 2021 with the possibility of ongoing support retainer** subject to meeting the Scope of Work and Expected Outputs.

7.0 Application and Qualifications of the Service Provider

To be eligible to respond to this offer, the service provider Firm must demonstrate that they or the principals assigned to provide the services are fully qualified and licensed to do work of this nature.

7.1 Criteria for Evaluation

Qualifications of the Consultant

The consultant must be a Firm with extensive experience in developing a single ecosystem that comprises of mobile web apps, USSD-based apps, and a secure cloud-based transaction & reporting platform.

- i. Educational Qualifications of the Lead consultant(s) in the Firm must be relevant to the development & ongoing support requirements of this project.
- ii. Professional Experience of the Lead consultant (s) in the Firm must represent:
 - a) Mobile Web App & USSD App & Secure Cloud App (preferably on Bubble.io if it's a new custom development)
 - b) Integrating Mobile Money & Payment Gateways
 - c) Flexible & dynamic report development, user rights management, database design

7.2 Manner of submission

Your proposal shall be prepared in the English Language.

Your proposal shall comprise the following documents:

- **Overview Component**
- **Technical Component**
- **Financial Component**

Each copy will be on a separate envelope clearly marked and indicating the name of the firm and whether the proposal is the overview and development or financial.

- a. 2 copies of proposals shall be submitted and marked "Original" on one and the second one "Copy".

Please attach a copy of your Certificate of Incorporation and up-to-date proof of Tax compliance in the respective country of operation.

Vendors based outside Kenya will be required to mail in their proposals to the email address provided in Section 8.0

7.3 Content of Proposal

a) Overview Component

Narrative Proposal providing a brief description of your Firm, understanding of the Terms of Reference, suitability of your Firm to deliver a successful outcome, what capacity & resources are available to deliver the outcome, location from where the services are rendered, any risks you foresee that could compromise the delivery of the outcome as expected & what mitigation measures you will take, and any other relevant details you may wish to share.

b) Technical Component

- Description of the firm/consultant qualifications; Refer to Section 7.1
- Detailed project planning & execution approach and methodology
- Project plan activities with timelines & frequency & format of progress reports.
- Evidence of the past related experience (give contact details of the past clients and attach awards contracts)
- Proposed team structure: showing detailed profiles & CVs of proposed project team members with the minimum qualifications as per Section 7.1
- The consultant should also:
 - (i) Guarantee security of data and privacy of users/network (e.g., avoid hacking)
 - (ii) Specify the hosting requirements and capabilities (inclusive of fees and plans)
 - (iii) Specify the required fees and plans for the platform (based on duration or usage)
 - (iv) Specify the number of calendar days it would take to configure the platform

c) Financial (Price Component)

The price component shall have a cover letter wherein your firm/institution's authorized representative affirms the following:

- A summary of the commercial fees
- The period of its validity
- Applicable taxes
- Other costs if any (indicating nature and breakdown)
- Currency in which payment is required

In addition, the price component must cover all the services to be provided and must itemize the following:

Note: Quote should be in Kenya Shillings (KES) and USD\$ or Euro equivalent.

Technical Component

7.4 Certificate of Incorporation of your Firm	7.5 Full-time experience of at least 2 years for Mobile web app, USSD app, and secure cloud app development	7.6 At least five projects of equivalent scope complexity as this project, along with client contacts for reference checking
7.7 Company Profile including Org Chart of key roles ensuring the successful delivery of this project	7.8 Demonstrate a clear understanding of the project with a proposed project Gantt chart & key deliverable milestone	7.9 If this is a custom development, then a signed declaration that intellectual property for this concept is the sole ownership of KEPRO & will not be used as a solution for anyone else in Kenya

Financial Component

7.10 Financial Proposal setting out the price cost implications for the period provided to offer the said services.

Deliverables	Duration (Days)	KES Amount	USD\$ or Euro Equivalent
Pre-Development Stage			
Development Stage			
Monthly Support Retainer			
Other Costs			

**Please ensure 100% of ALL costs including software subscription, taxes, etc. are reflected above*

For enquiries, please reach out to info@kepro.co.ke

8.0 Deadline for Submission

Interested service providers are requested to submit technical and financial proposals to **the following addresses** not later than **29th October 2021** stating **“KEPRO EPR FEE PLATFORM DEVELOPMENT”**:

Physical Address: KAM Procurement
KAM House, 5th Floor
Mwanzi Road, Opposite Westgate Mall
P.O Box 30225 - 00100
Nairobi, Kenya

Electronic copies of the same are to be sent via email to procurement@kam.co.ke with the subject line **“KEPRO EPR FEE PLATFORM DEVELOPMENT”** by **29th October 2021** at 3.00 pm.

9.0 Payment terms (provisions)

Kenya Extended Producer Responsible Organisation (KEPRO) policy is to pay for contractual services based on the performance of contractual services rendered.

10.0 Evaluation of proposals

A two-stage procedure will be utilized in evaluating the proposals, with an evaluation of the Overview Component & Technical Component being completed prior to any Financial Component.

Scores will be awarded for the first stage & only those firms who pass a score of over 70% will be shortlisted for the second stage where the Financial Component will be evaluated, along with reference checks.

Please note only successful firm(s) will be contacted.