

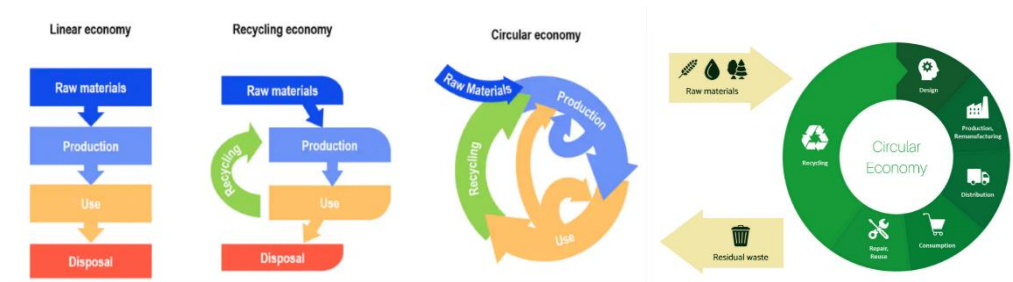


TERMS OF ENGAGEMENT

SECTOR: WASTE RECOVERY (COLLECTION AND/OR SORTING) AND RECYCLING OF PLASTIC FLEXIBLE WASTE

1.0 Introduction to KEPRO

KEPRO - Kenya Extended Producer Responsible Organisation (www.kepro.co.ke) is a realization of the commitment made by manufacturers under the Kenya Plastic Action Plan which was launched by KAM in December 2019. KEPRO's mandate is to act as a Producer Responsible Organisation to engage stakeholders in the packaged and/or manufactured goods value chain, to contribute funds through membership, and EPR (Extended Producer Responsible) fees. This is to help increase national awareness and protect Kenya's natural environment from waste and pollution, and by providing incentives and subsidies to improve the growth, efficiency and viability of the waste collection, sorting and 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:

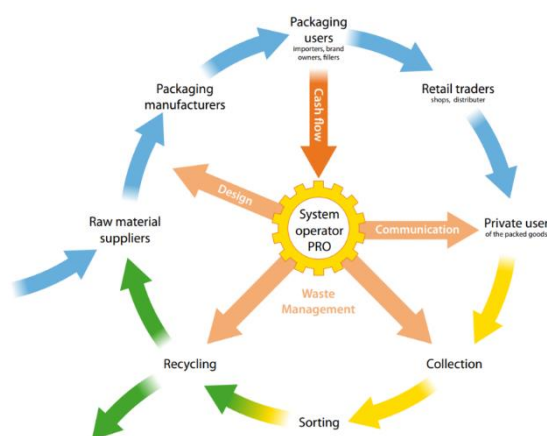
1. **Collaboration**- True partnership, collaboration & transparency with all public & private stakeholders within an ecosystem of high ethical & moral standards
2. **Commitment** - All strategies, policies & actions put sustainability & our environment first
3. **Circularity** - Developing the Circular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

There are two fees:

1. Annual Membership fee used to build and administer the KEPRO organization
2. Monthly EPR fee used towards recycling initiatives

Note: The fees schedule for the above will be accessible via our website (www.kepro.co.ke).

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.

KEPRO collects an EPR fee based on the monthly volume declared by packaging manufacturers & packaging users (brands, fillers, packers, importers). The EPR fee collected from packaging users is used to support the growth, efficiency & viability of the waste collection, sorting and recycling sector.

In its mandate to manage EPR Schemes in Kenya for stakeholders in the packaged goods value chain, KEPRO seeks to engage waste management firms to **support in recovery (collection and/or sorting) & recycling of conversion of flexible post-consumer waste plastic with a focus on bread bags into secondary raw material.**

3.0 Objective of the Contract

The objective of the Terms of Engagement is to seek **firms handling post-consumer plastic flexible waste to provide services of waste recovery (collection and/or sorting) & recycling (pellets).**

4.0 Scope of work

The scope of work will cover the following areas:

- To divert waste from source to recycler and avoid the landfills altogether.
- Use a subsidization mechanism to accomplish the above. This will be agreed within the framework of contract after the selection of the recycler. Subsidy to be issued will be approved subject to achieving the contractual deliverables outlined in 5.0 Expected Outputs (Recycler Deliverables) as well as the volume of 100% recyclable flexible plastic packaging for bread bags recovered. If the Recycler surpasses the contractual volumes, they would be subsidized for the volumes contracted.
- Provide KEPRO or it's appointed representatives (inclusive of the BMO representatives) the right to visit the Service Providers site(s) from time to time to audit the facilities & check for compliance of the Bidder to the tender requirements.

5.0 Expected outputs

The following are the expected outputs in a format provided by KEPRO:

- Provide at the beginning of each calendar month, the previous month's total volume of flexible post-consumer waste by different fractions with a focus on bread bags recovered (collected and/or sorted), recycled, and sold along with evidence of all related transactions.
- Provide services of increasing the volume of flexible plastic bread bags post-consumer waste collection, sorting, recycling and/or recovery in Kenya based on support and/or subsidies from KEPRO.
- Disclose recycled volumes with evidence of financial transactions in order for KEPRO to subsidize. The financial transactions should have ETR receipts of sold pellets and/or finished products from recycled flexible

plastic waste.

- (d) Abide by legal, social, and ethical standards as per the terms of reference.
- (e) Provide KEPRO or its appointed representatives (inclusive of the BMO representatives) the right to visit the recycler's site(s) from time to time to inspect equipment, facilities, and licenses to determine if the applicant has the required resources, is legally licensed and is qualified to perform the work as described in this tender.

6.0 Timeframe

The service provider will work under the overall supervision of the Kenya Extended Producer Responsible Organisation Committee Chairperson and relevant assigned Officers. The service is to be performed for **three months, starting from the date of the contract signing with possibility of renewal** 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 licensed to do work of this nature. All proposals submitted shall include certified copies of the following documents from applicants:

- (a) A one-page document providing a brief description of your company/firm activities. It should capture the following:
- Scope of work and activities,
 - Who are your suppliers and customers,
 - Capacity of waste handled (per month),
 - What is your final product,
 - Location(s) where the services are rendered among other relevant details to this proposal,
 - List of machinery used (Optional: please attach relevant photos).
- (b) Financial Proposal per type of **flexible** plastics (example: HDPE, LDPE, PP, PET, etc) setting out the cost per month for the listed services below.

Recycling Processes (provide details for whichever below services you provide)	Actual Metric Tons (per month)	Average Cost per process (KES per KG)	Amount of reject (non-recyclable) waste generated per month (difference between usable and non-usable waste in KGs)
Waste Collection			
Waste Sorting			
Palletizing			
Conversion of recycled material into finished products			
Total Cost Summary			

(c) Business Permit

(d) Certificate of incorporation
(In the case of a firm)

(e) PIN Certificate

(f) Valid CR12 certificate from the Register of Companies where applicable

(g) Recycling license	(h) Tax compliance certificate (and a copy of sample ETR Receipt)	(i) Letter of attestation by Kenya Association of Waste Recyclers (KAWR) or an alternative BMO and a neighbouring peer in the sector
<p>(j) Provide all company policies (signed by shareholders) that the organization has</p> <p>Company policy commitment - Provide copy of company policies signed by the controlling shareholder(s) committing to operating with high standard of performance, integrity, ethics, professionalism, and fair-trade practices in provision of the services using best possible practice methods and systems.</p>		

8.0 Application for recycling subsidies

Interested service providers are requested to submit technical and financial proposals to **the following physical address stating “KEPRO WASTE RECOVERY (COLLECTION AND/OR SORTING) & RECYCLING SERVICES”:**

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

Note:

1. All information shared shall be handled with utmost confidentiality.
2. Review of the submitted proposals will be done twice in a month.
3. KEPRO reserves the rights to change the ToR Terms and Conditions as and when required.

NOTE: Recyclers outside Nairobi are encouraged to apply.

9.0 Evaluation of proposals – Subsidy Provisions

A two-stage procedure will be utilized in evaluating the proposals, with evaluation of the Technical component being completed prior to any price component. Scores will be awarded for the Technical proposal.

The price component proposal will be opened only for those firms/ institutions whose technical component meets the requirements for the assignment, as indicated by a score of more than 70%.

Subsidies will be awarded based on the G4G (gram for gram) concept and the decision on amount per recycle fractions will be set by KEPRO. Recyclers who pelletize (i.e., processing the plastic bread bags post-consumer wastes into pellets) will have an added advantage.

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

Please note: Only successful firm(s) will be contacted.



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TEMPLATE

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 licensed to do work of this nature. All proposals submitted shall include certified copies of the following documents from applicants:

(a) A one-page document providing a brief description of your company/firm activities. It should capture the following:

i. Scope of work and activities
Attach a report on the company/firm’s scope of work and activities

ii. Who are your suppliers and customers?

	Suppliers Name (company/firm)	Contact Person Name	Contact Person Phone Number
1.			
2.			
3.			
4.			
5.			

	Customer Name (company/firm)	Contact Person Name	Contact Person Phone Number
1.			
2.			
3.			
4.			
5.			

iii. Capacity of waste handled (per month)
Total Plant Capacity for all wastes: tons

iv. What is your final product? (tick appropriately)

<input type="checkbox"/> A Pellets
<input type="checkbox"/> B Finished products (specify)

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- v. Location(s) where the services are rendered among other relevant details to this proposal

Main Branch Location:

Other Branches Locations (if available):

- vi. List of machinery used (Optionally attach relevant photos).

Please tick and fill appropriately based on the availability of the following:

Tick	Category	Sub-category	Equipment declaration
	Sorting: (e.g., 1 acre, ½ acre)	Ground, Space and Shade	
		Other (please specify)	
	Transportation: (include numbers e.g., Trucks – 3)	Carts (mkokoteni)	
		Vans	
		Trucks	
		Other (please specify)	
	Grinding/Crushing	Crusher machine	
		Other (please specify)	
	Washing	Washline	
		Friction washer	
		Spinner	
		Driers	
		Other (please specify)	
	Agglomeration	Agglomerator machine	
		Other (please specify)	
	Palletizing	Extruder	
		Other (please specify)	
	Conversion	Blowing/Sheeting machine	
		Injection moulder	
		Other (please specify)	

(b) Financial Proposal of flexible plastics setting out the cost per month for the listed services below:

Recycling Processes (provide details for whichever below services you provide)	Actual Metric Tons (per month)	Average Cost per process (KES per KG)	Amount of reject (non-recyclable) waste generated per month (Usable minus Non-usable waste in KGs)
Waste Collection			
Waste Sorting			
Palletizing			
Conversion of recycled material into finished products			
Total Cost Summary			

Please tick appropriately upon attaching certified copies of the following documents:

Tick	Attached document
	(c) Business Permit
	(d) Certificate of incorporation (In the case of a firm)
	(e) PIN Certificate
	(f) Valid CR12 certificate from the Register of Companies where applicable
	(g) Recycling license
	(h) Tax compliance certificate (and a copy of sample ETR Receipt)
	(i) Letter of attestation by Kenya Association of Waste Recyclers (KAWR) or an alternative BMO and a neighbouring peer in the sector
	(j) Provide all company policies (signed by shareholders) that the organization has

DECLARATION

I/we hereby declare that the information provided above is to the best of my/our knowledge, true and correct.

Name:

Date:

Sign:

Official Stamp (company/firm):

Please return a duly filled copy of this template