

TERMS OF REFERENCE

Selection of Waste Processing Partner (WPP) for the Material Recycling

Centre (MRC)-Jammu

Implementation of “Rural & Urban Landscape Free of Dry & Plastic Waste”

1. Project Background

The consumption of plastic in India is increasing by a compounded annual growth rate (CAGR) of 10% every year. It is estimated that shortly by 2022, India’s production from virgin plastics would reach a figure of 20.0 million metric tons (MMT) while plastics consumption presently in 2020 is nearly 11.0 MMT. This prioritizes the importance of circular economy approaches usefulness. **Reuse, Reduce, Refurbish, Repair, Recycling, and Recovery of the plastics waste (resource/product) in the overall economy of plastics.**

The per capita consumption of plastic in India is 11 kgs per person, which is much below the world average per capita consumption of 28 kgs per person. (Figures 2015). HDFC Bank and Centre for Environment Education (CEE) partnered to address the circular economy approaches for dry & plastic waste to be seen as a resource or a product than waste.

The proposed project will focus in meeting the following thresholds:

- 1. Minimize negative impacts and risks** to the environment and to human health in the pilot areas in both rural and urban and promoting a **zero-waste approach** - zero landfills, zero littering, zero plastic burning, zero emissions, and zero wastages in plastic waste management in rural and urban spaces in India,
- 2. Enhancing a more participatory, integrated sustainable plastic waste management practices**, through a socio-technical model - collection, segregation, transportation, processing/manufacturing and recycling/End of life/Co-processing, its institutionalization with respective national and state governance mechanisms.
- 3. Ensuring compliance with regulations to have efficient use of material resources and improved socio-economic conditions of waste pickers and informal sector.** The project focus is to have systems and processes in place to have an inclusive growth for the informal sector. Bring the informal recyclers into the formal organized and structured sector. This will help better in the recycling industry and in line with the plastic waste management Rules, 2016-2018 and the Swachh Bharat Mission I and II in India.
- 4. Multi stakeholders approach as an integrated model to address better dry and plastic management with support from HDFC BANK and co-financing** (both in-cash and in-kind) from the state and central government funds, NGOs/Companies contributions as waste management agencies (WMAs), by establishing an Swachh Sustainable Business Models (SSBMs) for improved plastic waste management, piloted and implemented in 10+ cities and 290 villages in a state by establishing – dry waste material recovery and recycling facilities as Swachh Centers (SCs), in line with the emerging MOEFCC GOI “**National Resource Efficiency Policy**” and the “**National Materials Recycling Policy**”.
- 5. Better Institutionalization in the project both for the informal sector and waste pickers** working in the Swachh Centre’s (SCs), and in the ULBs in both the rural and urban spaces for a more sustainable solution.

2. Objective of the Assignment

The selected **Waste Processing Partner (WPP)** is expected to:

- 1.** The WPP shall facilitate the implementation of all necessary project activities in the waste value chain and areas of plastic waste recycling in the city of Jammu.
- 2.** The WPP will be involved in **day-to-day activities for setting up the management and operations for the Material Recycling Centre (MRC) in coordination with the Urban local body (ULB), Jammu State Pollution Control Board (JSPCB), SBM Urban and Grameen, SHGs/Agency/Implementation partner**

and the existing MRF Service Provider (SP).

3. The WPP would also **facilitate all regulatory and compliance mechanisms required for the effective functioning of MRC.** The partner will be ensuring recycling of plastic waste as required and establish a transparent verifiable system of waste flow along the waste value chain and a **minimum of 1.5 MTs per day i.e. 1.5 MTs X 250 days = 375 MTs will be processed in the year.**
4. The Waste Processing partner will purchase required plastic waste at a reasonable market rate from MRF, women SHGs, waste pickers, aggregators, bulk generators and other sources to meet the recycling targets. The Waste Processing partner (WPP) will process all the plastics from MRF; and other sources at the MRC and convert it in to pallets with help of extrusion machine.
5. The project has installed all the machineries required to process at MRC.
6. The ownerships of all machineries installed at the MRC till the project is functioning will be of the ~~Project~~. After the term the appropriate actions on the continuity of the MRC will be taken with the JMC and WPP.
7. **The WPP will give a letter of undertaking that the machines purchased are in working conditions on annual basis to the project.**
8. The Electricity, water, land and shed will be provided to run the operations either by the ULB or the Project. The Electricity connection will be provided for a minimum load of 270 KW.
9. The WPP will bear the cost of electricity & water expenses for the operations at the MRC on a monthly basis or as the case may be.
10. The WPP will also bear all the costs for the workforce working for segregation, packaging, loading, unloading and for the maintenance of the machines, on a monthly basis for the operations at MRC.
11. The Initial expenses for compliance requirements like CTE & CTO, DIC, MSME and other similar related sanctions will be supported by the project, however, the WPP will coordinate and ensure these get on time; and also, if any penalties occur for not meeting the compliances thereof will be borne by the WPP.
12. The WPP will bear all the related expenditures for the **transportation of the materials to and from the MRC.**
13. The WPP will keep proper **accounting and systems for all the sale proceeds from the sale** of the materials. The details will be available for verification by the project at any time, ensuring sustainability.
14. The Waste Processing partner will take the **timely, appropriate and necessary approvals & consents** as required under the statutory requirements from the District Industries Centre, State Pollution Control Boards, State Environment, urban departments etc. to run the Material Recycling Centre effectively and maintain circularity.
15. The Waste Processing partner should install and upkeep fire safety equipment's i.e., fire extinguishers, sand bucketsetc. inside the MRC for eliminating fire accidents.
16. The Waste Processing partner **will take insurance of shed, machines, machines operators and Safaii Mitras working inside the Material recycling center, including goods in stock.**
17. The WPP will provide dress, safety jackets, goggles, helmets, gloves and safety shoes to the working inside the Material recycling center.
18. The WPP will have all insurances in place for the Good in stock, manpower working and also of the machines and equipment. Keep a medical box.
19. The WPP will undertake the desired IEC and training activities in the areas of operations in close partnerships with the project and as defined in the RFP.
20. The WPP will create a sustainable model by running the MRC for livelihood and betterment of the Safaii Mitras and create an awareness about the work that has been getting done inside the MRC.
21. The WPP will maintain good relations with all stakeholders, including local and state authorities e.g., state pollution boards; urban local bodies, state environment departments etc. for sustainable implementation of activities using participatory and gender sensitive tools.
22. The WPP will maintain good relationships with and have an exceptional track record with the waste collectors, related CBOs/NGOs, communities of practice in the community development, Behavior Change Communications (BCC) and Information, Education and Communications (IEC) processes and systems;
23. The WPP will ensure proper monitoring for each activity as per the budgets and meeting the desired

deliverables at all levels and reporting back to the ULBs, CEE project units as per required systems.

24. The WPP will maintain regular link with ULBs; anchors the program in the city and seeks support in the form of infrastructure (land, building, equipment's, fixed and movable assets) as well as ward allocation, policy support, etc. through ULBs or other sources as per the ULB contractual.
25. The WPP with support from CEE provides capacity building, program monitoring, milestone management, fund management, and offering project support from time to time for best progress in the program.
26. The WPP **will display standard rate cards, GST Number and other required** actions as per law - for all Purchasable and Saleable product categories at the MRC. This would help waste pickers, citizens, scrap dealers to walk in and sell their waste. Also, safety signs to be placed and adhered too.
27. The WPP to keep all the activities to be approved in a more systems approach. Keeping all financial systems in place. A format to be used for all expenditures and approval of proposals.
28. The WPP will mobilize in-cash and in-kind resources from State Pollution Control Boards (SPCBs), Urban Local Bodies (ULBs), Self, other Donors and Communities of practice and others.
29. WPP will support at least an amount of Rs 8-10 lacs for small machineries at the MRC as cutters and blade sharpeners etc.
30. This point stipulates that "**the Waste Processing Partner (WPP) will ensure operational profitability and share a minimum of Rs 20,000/- with the JMC in the first year.** The terms will be reasonably reviewed annually, and the WPP will provide a commitment letter along with the BID."
31. WPP will follow the EPR regime as per the guidelines and keep the project informed on a quarterly basis on the EPR links created. The partner will share all the EPR records as required with the project. ALL EPR proceeds will be kept with the partner.
32. The WPP will be all the time using a cost benefit analysis; which can help identify the highest and best return on an investment based on cost, resources, and risks involved.
33. **THE WPP will Recycle water** utilized in washing pre-post-consumer plastic waste. **Engineered with a zero-effluent discharge objective**, the project ensures a sustainable approach to water management. **The used water undergoes** a comprehensive recycling process, promoting a closed-loop system where water is repeatedly treated and reused.
34. The WPP will ensure Innovative initiatives which minimizes **environmental** impact by preventing effluent discharge; **commitment to resource efficiency-circular economy** approach.
35. The WPP will have in place Effective **Sludge** Management – maintain as per law the Log Book.
36. **The WPP will ensure washing materials to be used in Washing Lines, as caustic soda and any other items are maintained with one month inventory**
37. **The WPP WILL PURCHASE Jumbo Sacks for holding the washed materials etc**
38. **The WPP will use all High Value Additives (Strength, increase the performance and functionality; UV protection; easier processing; optimize extrusion processes, enhance physical and optical properties, deliver better thermal resistance) – Compounding**
39. The WPP will use any Anti-Dripping Agents – enhance safety under heat by preventing melting and check flame spread. Lowering Viscosity.
40. The WPP will use Impact Modifiers – generate a ductile interphase between polymer molecules to boost toughness. Allowing for thinner gauges and tighter tolerances
41. **The WPP will ensure factors to consider selecting plastic additives – polymer compatibility, stability, durability and applicability (heat resistance).**
42. **The WPP will use Colour what and How.**
43. Any Other activity as desired to meet the objectives of the project to be undertaken as directed by the project.

3. Scope of Work for WPP:

The selected WPP shall undertake tasks as TARGETS as listed against each component in the budget submitted. It is envisaged that the WPP will ensure implementation of the activities as listed in the meeting the “objectives of the assignment”. Given the dynamic situation of Dry waste management new

activities can also be undertaken by the WPPP, BUT THE BUDGET LINES AND THE TOTAL BUDGET REMAINS THE SAME.

Thereafter the functioning of the project; if there is any discontinuation of the contract between the project and the ULB singly or jointly; the WPP can either agree with the ULB or with the project to continue the services on the mutually agreed revised terms and conditions.

In case of any dispute at any time within the project duration the decision in terms of the machinery purchased will be settled in terms of investment made by each of the parties.

The re-appropriations of the expenditure from one head/sub-head to another head/sub-head can only be done once agreed and approved by the Project.

Waste Processing Partner **shall ensure to develop and implement a business model-based approach through the MRC and monitor the project in lines with the guidance provided by the project team. Clear and periodic agreements will be made with more recyclers, kabadiwallahas etc. to generate revenue streams for the plastic waste to be Recycled.**

Waste Processing Partner **shall develop creative ways of linking with schools, educational institutions, shops, hospitals, industry houses etc. (other stakeholders)** in the given areas for collection of plastic and other dry waste for recycling and sustainability.

List of activities as identified is listed below. For any additional activity, CEE and the partner will mutually agree on its timelines, costs etc.

4. Proposal:

The proposal should **demonstrate how the proposed methodology meets or exceeds the TORs**, while ensuring appropriateness of the approach to the local conditions and the rest of the project operating environment.

This methodology must be laid out in an implementation practical timetable and a quality assurance.

The proposal must define and state how the project will be able to deliver the requirements in the RFP. The strategy/methodology and also the monitoring mechanisms. Other innovative thinking will be welcomed.

The proposal must contain the required details and document as detailed in the eligibility & evaluation criteria to specific points.

The Proposal must be sent through email to purchase@ceeindia.org With the subject line clearly mentioning the city for which the proposal is being submitted.

Subject line: Proposal Waste Processing Partner; City name; Bidder name

The proposal may be restricted to 10 pages. Annexures can be extra.

5. Eligibility & Evaluation Process:

Evaluation of proposals will be based on **Quality – based – Fixed Budget Selection methodology** – that means all proposals have the same overall price (as defined in the document and cannot exceed the given fixed budget amount), such that evaluation will be focused on the selection of the **best quality proposal, experience in management and operations for plastics project with MC in particular will be given preference.**

Amongst technically responsive and qualified organizations, top scoring one organization will be selected for the award of the contract to work as a Waste Processing Partner in the city.

Sl. No.	Evaluation Criteria	Maximum Points
1	Experience in decentralized Plastic Waste Processing management and operations of at least 3 years.	20
2	Experience working with Municipal Corporations, Urban/Environment/Pollution Control Boards/Government/Cantonments/in waste management related activities (collection/segregation/processing/recycling/Swachh Bharat Mission related activities) Local experience in the state/city of operation will be preferred	20
3	Average of the last two years' (FY 2021-22 to FY 2023-24) turnover should be equal to or more than Rs. 50 Lacs.	10
4	Proposed strategy, approach to manage the operation of the Material Recycling Centre (MRC). This will be either through the women SHGs/the agency/implementation partner to be clearly stated. Also, give the sustainability and financial plan.	20
Total		70
5	Presentation on the processing, management and operations	30
Grand Total		100

6. Duration of Assignment, Deliverables, Payment terms

- The contract **duration will be for up to March 2025 and may be extended up to a maximum of two years, depending upon availability of budget and satisfactory performance of the selected WPP.**
- The contract will be annually reviewed, and due diligence through an external audit partner by the project and as found suitable meeting the performance criteria's will be renewed for extension annually with new budget lines and quotes.
- In case the targets of the plastic waste recycling are less than 90% the minimum achievable provided in the Scope by the project; the payments to the WPP will be reduced on pro-rata basis.
- Once a contract is awarded to the selected WPP at the city level, **first payment will be based on the submission of a detailed work plan (including a list of activities and estimated costs) by WPP and acceptance of the same by the CEE team.**
- Subsequent payments will be based upon the **financial break-up submitted and agreed by CEE during the implementation time.**
- The selected WPP will be required to **submit Audited Utilization Certificate from a Chartered Accountant to CEE before release of second and subsequent payments.** (Formats will be provided).
- All the Machines purchased by the CEE; **shall remain in the custody of the project till final decision on the closure of the project and handing over the machinery to the Municipal Corporation or the Waste Processing Partner.**
- Every year asset records will be furnished by the waste processing partner at the end of the year; and with a full project report on a yearly basis by the waste processing partner.
- Payment Terms:

Cost Breakdown instalment wise:

#	Deliverable	% payment of the contract amount in INR	Price in INR (Lump Sum, All Inclusive)
1	Detailed work plan with estimated costs for activities from signing of the contract.	30	
2	Submission of audited Utilization Certificate (90%) from a Chartered Accountant for previous installment and detailed work plan with the delivery report with estimated cost for activities for the 1 st year.	30	
3	Submission of audited Utilization Certificate (90%) from a Chartered Accountant for previous installment and detailed work plan with the delivery report with estimated cost for activities for the 1 st year.	30	
4	Submission of audited Utilization Certificate for all expenses in year one (01) from a Chartered Accountant for all the expenditure related to year one and the satisfactory completion of activities as listed and as per the penalty clause if required.	10	
Total		100%	INR.....

Penalty clause:

CEE may impose a penalty up to 5% - 8% of the contract value for moving out of project mid-way; non-completion of activities.

List of Activities with the deliverables and budget for YEAR 1 - (fixed budget):

Sl. No.	Activity	Details of Activities with minimum quantifiable deliverables	Unit Price (INR) (a)	Number of units (b)	Total Price (INR) a x b
1	Insurance of Plant, Machinery and working staff: Insurance for fire, cyclones; and any other factors to supported un-interrupted works at the SK. Insurance for stock in Goods and people working at the center per year.	Insurance of Plant, Machinery and working staff and goods in stock: Insurance for fire, cyclones; and any other factors to supported un-interrupted works at the MRC. Insurance for stock in Goods and people working at the center per year.	50,000	1	50,000
2	Purchase of the machinery support from the Service provider. (The project will also extend support for the purchase of machines for the balance as required.	Purchase of support for machines to be defined for a minimum of Rs 8-10 lacs. Give the details and commitment letter. Waste Processing Partner to invest.			
3	MRC Operations (a): Related expenses for day-to-day work. Purchase of 2 electronic weigh scales. Setting up office furniture etc. including ad hoc expenses.	<p>Minimum achievement of</p> <ul style="list-style-type: none"> • purchase of table, 2 chairs. 100% adherence to Project SOPs on operations and maintenance, Proof of internal audits (monthly and quarterly) • Ensuring cleanliness, hygiene, etc. without complaints and submission of photos in monthly report • Adequate signage's of safety, process advisory, project information and emergency response, and other relevant posters on site • Centre name board as per CEE-HDFC Bank branding guidelines • Availability of visitor registers; asset register, staff meeting register • Purchase of electronic weigh scales (two numbers). • On time Machine repair and part replacement for smooth operation. • Processing of 45-50 tons per month of dry including plastic waste with full traceability and paper trail coming from MRF and other linkages. 	10,000	09	90,000
4	Capacity building of the team on MRC management and operations	3-4 persons exposure visits and training with Safai Mitras on MRC.	100,000	-	100,000

Sl. No.	Activity	Details of Activities with minimum quantifiable deliverables	Unit Price (INR) (a)	Number of units (b)	Total Price (INR) a x b
5	MRC Management & Operations (b): Related expenses for washing lines, additives, anti-dripping agents, impact modifiers, sludge management, additives, trainings, exposure visits.	<ul style="list-style-type: none"> • Washing Materials for Washing Lines, Caustic Soda • Jumbo Sacks for holding the washed materials and processed materials • High Value Additives (Strength, increase the performance and functionality; UV protection; easier processing; optimize extrusion processes, enhance physical and optical properties, deliver better thermal resistance) – Compounding • Anti-Dripping Agents – enhance safety under heat by preventing melting and check flame spread. Lowering Viscosity • Impact Modifiers – generate a ductile interphase between polymer molecules to boost toughness. Allowing for thinner gauges and tighter tolerances • Factors to consider selecting plastic additives – polymer compatibility, stability, durability and applicability (heat resistance). • Any other materials 	150,000	1	150,000
6	Safety & Protection: Purchase of dress, gloves, masks, bins to be sourced. Also on emergency preparedness, fire safety, Covid19 compliances, etc. Also, efforts to raise funds from other donors/ULBs.	<p>Minimum achievement of</p> <ul style="list-style-type: none"> • Purchase of gloves, masks, boots, safety gears and protection gears for at least 50 Safaii Mitras • Connecting at least 2 external supports through co-finance for safaii Mitras inclusion activities • Fire safety equipment's, • Conducting of fire safety drills (one per quarter) 	500	50	25,000
7	Monthly review meetings with the project Team-Virtual/Physical. Review of the MRF facility (once constructed).	Proper Maintenance of Minutes of meeting with follow-up and review every month.	5000	9	45,000
8	Fire safety compliances and Fire Safety trainings with local fire department each quarter (to be provided by project)	<p>Minimum achievement of</p> <ul style="list-style-type: none"> • 6 nos. sand buckets 9 kg each • 3 nos., 4.5 Kg each CO 2 type fire extinguishers • 3 nos., 9 Kg ABC type fire extinguishers • 2000 Litres fresh water tank with tap • Minimum 2 fire trainings 	0	0	0

Sl. No.	Activity	Details of Activities with minimum quantifiable deliverables	Unit Price (INR) (a)	Number of units (b)	Total Price (INR) a x b
9	CTE & CTO compliances (Partner's contribution)	Minimum achievement of <ul style="list-style-type: none"> • Consent to establish and Consent to operate to be taken from SPCB • Registration of Centre Under DIC, MSME, etc. 	25,000	-	25,000
10	MRC in charge, linkage with other recyclers, Scrap dealers, etc.	Minimum achievement of <ul style="list-style-type: none"> • Transparent process followed for on boarding of employees • Proper Appointment letter issued • Salary to be given on time and in the bank account • Attendance registers and log books of machines properly maintained • At least 15 recyclers and scrap dealers on boarded 	35,000	9	3,15,000
11	Monitoring & Reporting Associate		20,000	9	1,80,000
12	Account Associate		15,000	9	1,35,000
13	Machine operators (5 no.).		20,000	45	9,00,000
14	Local Travel costs (coordination with stakeholders)	Proper Log book to be maintained with the purpose of Travel.	9000	9	81,000
15	Computer, Printer and other capital equipment purchase at MRC & Partners	One computer and printer - Purchase bills to be kept	125,000	-	125,000
16	Administrative expenditures	Only Office running expenses no more than 15,000 pm.	10,000	9	90,000
Maximum Total					23,11,000