



Water as Leverage Nakuru

for a resilient sponge city

Photo credit: Cynthia van Elk



Netherlands Enterprise Agency

Market consultation document in preparation of the Call for Action to select one multidisciplinary team for 'Water as Leverage Nakuru for a resilient sponge city', Kenya

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Colophon:

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1. Introduction and background

1.1 Aim of this market consultation

With this market consultation, the Netherlands Enterprise and Development Agency (hereafter: RVO) consults organisations with a potential interest in participating in the tender for the selection of a multidisciplinary team that will become part of the 'Water as Leverage Nakuru for a resilient sponge city' (hereafter: WaL Nakuru) trajectory. The tender for the multidisciplinary team and all associated efforts related to WaL Nakuru are prepared in close collaboration with the key counterpart organisations mentioned in chapter 2 of this document.

Participating in this market consultation is voluntary and the choice to participate or not participate does not have any positive or negative consequence for any subsequent step, which could entail the procurement procedure or any other WaL-related activity. The market consultation is intended as a dialogue as mentioned in recital 8 of the European Directive 2014/24/EU, where the intention is that the results of the market consultation by the client (or third party) may be used in the preparation of documents for tender. Information from this market consultation may differ from information provided in a future procurement.

This market consultation background document is only used as part of the market consultation procedure and does not have any validity in defined or to-be-defined activities that are or will be part of WaL Nakuru. No feedback and/or communication will be shared about the outcomes of the market consultation nor the way RVO uses these outcomes as part of the finalization of the procurement documents. RVO cannot directly or indirectly communicate with individual participants about this market consultation or the contents of the intended procurement procedure.

The answers to the questionnaire will be used by RVO to further shape and finalize the contents of the Call for Action and associated procurement documents, which will be used as part of the procurement procedure to select a multidisciplinary team. RVO reserves the right to not, or not fully use the outcomes of this market consultation. By participating in this market consultation, parties fully and unconditionally agree with all applicable conditions as stated in this market consultation document.

RVO wants to underline the importance of receiving substantiated feedback from external organisations to the questions stated as part of this market consultation and invites all relevant organisations to submit their answers.

1.2 Target group of this market consultation

This market consultation is aimed at organisations with the capacity to bring together a multidisciplinary team, combining different backgrounds, experiences and expertise. This multidisciplinary team is responsible for the development of innovative, integral and implementable projects, strategies and interventions as part of the inclusive process WaL Nakuru aims to be.

2. Contracting authority and key counterpart organisations

2.1 Contracting authority

RVO will be the contracting authority for the (intended) upcoming precompetitive procurement procedure to select one multidisciplinary team that will become part of the WaL Nakuru trajectory.

2.2 Local partner

VEI B.V. acts as the local Water as Leverage partner of RVO in Nakuru, Kenya and will support RVO in this procurement process.

2.3 Key counterpart organisations

A broader set of key counterpart organisations is supporting and/or connected to WaL Nakuru:

- The County Government of Nakuru
- NAWASSCO Nakuru Water and Sanitation Services
- NARUWASSCO Nakuru Rural Water and Sanitation Company
- Kenyan Ministry of Water, Sanitation and Irrigation, Nairobi
- Embassy of the Kingdom of the Netherlands, Nairobi.

3. Procedure of this market consultation

3.1 Publication

This market consultation consists of an online questionnaire, for which this market consultation document provides relevant background information about the procedure and WaL Nakuru. A publication of this market consultation will be launched on TenderNed. The publication may be forwarded to any other relevant platform, organisation and/or individual.

The link to the online questionnaire is the following: (link surveyer)

3.2 Planning

The market consultation will be published on TenderNed on 8 May 2024. The possibility to send-in answers through the online questionnaire (see link above) closes on 24 May 2024, 12:00h CET.

3.3 Confidentiality

RVO will treat the input of participating organisations as confidential. The answers received through the online questionnaire will only be shared with advisors from RVO and VEI that are directly involved in the process of finalising the procurement documents, unless RVO (as the entity responsible for the launch of the market consultation) has a legal obligation to publish (part of) the outcomes of the market consultation. RVO will not use any specific reference to organisations or commercially sensitive information for the further definition and finalisation of the procurement documents. RVO must be able to use information without reservations. For this reason, RVO will not honour any claims or reservations from parties on the use of information (by RVO) following the answers provided as part of the market consultation.

3.4 Instructions for answering the online questionnaire

Participants may answer to the questions stated in the online questionnaire as they wish. However, RVO kindly requests participants to provide short and concise answers to the questions to facilitate the integration of outcomes in the process of finalising the procurement documents.

Any respondent to the online questionnaire needs to clearly state the name, organisation and address.

4. Background on Water as Leverage Nakuru for a Resilient Sponge City

4.1 Introduction to Water as Leverage

The widespread underfunding of early project development activities results in a growing difficulty to fill the pipeline of infrastructure project investments by national and international financiers. While (climate) financing availability for project implementation is on the rise, the investments in the process for project conceptualisation, identification and development, based on a sound strategy for long term urban climate adaptation, are still widely lacking.

Water as Leverage is a methodology to invest in the first phases of the project development cycle (pre-project preparation) and fill the gap that exists between pressing needs and implementation finance. WaL is developed by the Government of the Netherlands, pioneered through the initiatives Water as Leverage for Resilient Cities Asia and Water as Leverage Cartagena – Construyendo con el Agua (see also: www.waterasleverage.org and www.walcartagena.org). The methodology of the programme is built on the recognition that a result-driven, holistic and inclusive project preparation approach is the only way to kick-start and create scalable sustainable solutions for urban climate adaptation challenges. These solutions should be supported by decision makers locally and nationally, embedded in a local context, have long-term and sustainable impact, and should be bankable. WaL is based on a transformative strategy which looks at the complete urban fabric from a physical, social, economic and cultural point of view, using the power of design-driven processes.

Building on the existing partnership between Nakuru County government, VEI and the Netherlands Embassy on water, climate and sponge city, a trajectory based on the methodology of WaL has started in the city of Nakuru, in partnership with a group of local, national and international stakeholders. WaL Nakuru aims to invest ‘the millions’ in this early project development phase to unlock ‘the billions’ for implementation finance. As such, the cooperation supports sustainable, resilient economic development in Nakuru, in line with key policy ambitions and strategies such as the ‘Nakuru Municipality Integrated Development Plan 2019-2023’, the ‘Climate resilience management and supply plan 2050 for Nakuru County’, and the ‘Nakuru Town Integrated Strategic Urban Development Plan (2014-2034)’¹. The WaL Nakuru trajectory aims for innovative, integral and implementable projects, strategies and interventions, developed through an inclusive process.

4.2 The ‘ecosystem’ of Water as Leverage Nakuru

Building on the methodology developed as part of Water as Leverage for Resilient Cities Asia and Water as Leverage Cartagena, the WaL Nakuru trajectory consists of several key components that have a direct impact on the work of the to-be-selected multidisciplinary team:

- Setting the Scene is a stage in the WaL preparatory process in which existing technical knowledge, stakeholders’ ideas, and political priorities will be translated into viable opportunities. As part of the Setting the Scene analysis for WaL Nakuru, several hotspots have been identified. Hotspots are defined as physical locations and/or physical systems in the city of Nakuru for which technical challenges and problems have the potential to be addressed through one or multiple infrastructural project interventions capable of enhancing sustainable development and leveraging economic and social opportunities. A concrete Setting the Scene document will be made available, as well as an accessible repository that categorizes available reports, planning documents, policies, data sets, images, etc. The **Water as Leverage Nakuru -Setting the Scene** report and the knowledge repository will become publicly available as an attachment to the Call for Action.
- Water as Leverage Nakuru Knowledge Support Track (WaL-KST) is part of the Water as Leverage process that is carried out in, with and for the City of Nakuru. A separate contractor is responsible for the WaL-KST. This contractor will co-organise a set of Local Design Workshops (5 in total during the 3 phases) and Financial and Policy Workshops (4 in total during the 3 phases within the period of 1,5 year) , which all are tailored to the needs of the multidisciplinary team and key counterpart organisations involved in WaL Nakuru.

¹Download link: <https://bestandendelen.pleio.nl/?s=download&token=9ccedaed-f553-489d-8214-10dbeda5697d>

4.3 One multidisciplinary team for Water as Leverage Nakuru

The intended precommercial procurement procedure (subsequent step after this market consultation) aims to select one multidisciplinary team, consisting of international and Kenyan experts, to become part of “Water as Leverage Nakuru for a resilient sponge city”. The objective of the precommercial procurement procedure is to select the one team that will be responsible for generating concrete, implementable, innovative and integral conceptual designs including 1 pilot project (Phase 1), followed by the development of project proposals to pre-feasibility level (Phase 2A), and further developed to bridge the gap towards climate resilient water-related infrastructure project feasibility studies and beyond (Phase 2B). The projects must address climate change adaptation, water related challenges with a focus on physical infrastructure, including nature-based solutions (NBS) as well as count on local partners’ support and collaboration. The multidisciplinary team becomes an integral part of the Water as Leverage Nakuru process, facilitated by the Government of the Netherlands, in partnership with VEI, and Nakuru city and county authorities.

4.4 Applicants and required expertise

Applicants responding to the intended procurement procedure for selecting one multidisciplinary team should be an internationally operating multi-disciplinary teams of water, climate, urban, landscape, engineering, financial, community, and other experts. The team consist of international and local experts and/or organisations. Experts and organizations can be private, non-profit, not-for-profit or educational. RVO will award a contract to the main contractor of the winning team. A diverse set of expert roles and responsibilities are currently defined, for which roles and responsibilities may be combined:

- **Design team lead:** international design team lead with a background in urban design & planning, landscape, architecture, or any related field, with the ability to manage multidisciplinary teams (that brings together landscape architects, engineers, economists, ecologists, etc.) and develop, design and visualize integral and innovative solutions in a technically sound and attractive way.
- **Project manager:** with experience in international project management, dealing with complex stakeholders participation processes in the context of addressing urban water- and climate change related challenges in Nakuru.
- **Governance specialist:** background and experience in institutional, legal and planning related procedures and requirements for water-, urban- and climate change adaptation related project preparation and strategy development for Kenya and especially Nakuru.
- **Environmental expert:** background and experience in ecological impact assessment and international guidelines like [IFC’s Environmental and Social Performance standards](#), with explicit attention to the topics of biodiversity, nature-based solutions (NBS) and/or sponge city.
- **Social inclusion expert:** background and experience in social aspects of (urban) project development activities, particularly in the early phases of the project development cycle.
- **Resettlement expert:** background and experience in social aspects of (urban) project development activities and international guidelines like IFC’s Environmental and Social Performance standards, particularly in the early phases of the project development cycle.
- **Community Engagement expert:** Expertise on community involvement processes, ensuring inclusive project- and intervention development. Fluency in Swahili is desired.
- **Engineer:** background and experience in engineering, construction, modeling and calculation required for the preparation and design of water- and climate change adaptation related interventions. . Experience with NBS and sponge cities is a pre.
- **Senior financial specialist:** background and experience in financial analysis and structuring of water- and climate change adaptation related interventions, as well as local/Kenyan/international financing and experience with experience with donor/ concessional financing structures and financial modelling.
- **Economist:** background and experience in cost-benefit analysis of water- and climate change adaptation related interventions.

4.5 Phasing

An estimated phasing is defined below. An estimated budget per phase and planning are described in the next paragraph. For each phase a financial and policy checklist will also be applicable (see annex 1).

Phase 1: Research, Analysis and Design Phase for the Development of 4-6 Conceptual Designs + pilot project

- Tasks and deliverables:
 - In this phase, each team develops a minimum of four and maximum of six Conceptual Designs for potential solutions for the hotspots and related to the challenges identified as part of the Water as Leverage Nakuru Setting the Scene report (par. 4.2). Conceptual Designs could entail, but are not limited to, a combination of drawings, calculations, reflection on the policy/financial information and a steering document for the topics to be discussed at the local design workshops. At least one Concept Design should include a quantitative cost-benefit estimation of the proposed set of an intervention. Note that the project budget should not exceed max 10 million euros.
- Pilot Project Design (as part of one of the conceptual designs)
 - Deliverables: All necessary technical drawings for a ready-to-build (small-scale) pilot project with NBS and based on the sponge city model as part of one of the conceptual designs including an upscaling strategy
 - Foreseen start of the pilot implementation phase: (at the start of) Phase 2. The implementation of the pilot itself will be a separate assignment (estimated implementation budget 500.000 euro);
 - Upscaling strategy.

Phase 2A: Pre-project Preparation and Structuring of 3 Project Proposals

- Tasks and deliverables:
 - In this phase, the team enhances a minimum of three Conceptual Designs from Phase 1 into three Project Proposals on a pre-feasibility level, aimed at urban water- and climate related projects with a focus on physical water- and climate adaptation related infrastructure. One of the project proposals should preferably be part of the upscaling strategy of the Pilot Project of Phase 1.
 - Deliverables:
 - Min 3 project proposals
 - Feedback report on lessons learned on the pilot project and upscaling: including
 - lessons learned from by the multidisciplinary team that will have a role as 'guardians of the design' during the implementation phase i.e. will be standby during the implementation phase for Quality check and back-up support in case of questions/uncertainty on the design/drawings.
 - Evaluation on how to include lessons learned in the further upscaling of the pilot project.

Phase 2B: Bridging the Gap towards three climate resilient water-related infrastructure project feasibility studies and beyond

- Tasks and deliverables:
 - At least one application for a [City Climate Finance Gap Fund proposal](#), in line with the requirements of the Gap Fund. This application is the result of the collaboration between the multidisciplinary team and Nakuru County administration being the recipient of the future Gap Fund project results.
 - Terms of Reference (ToR) for a Feasibility Study of at least one of the infrastructural project proposals that is locally supported and will be taken up and implemented by Nakuru County government as project owner and fit to the requirements of the potential funder (implementation budget up to 10 million euros). Both project owner(s) and financier(s) are, as an outcome of the previous phases, the counterparts for the multidisciplinary team to detail and add the outcomes of the previous phase to deliver this result.
 - Terms of Reference (ToR) for a Feasibility Study of at least one of the infrastructural project proposals that is locally supported and that will be taken up and implemented by Nakuru County

government as project owner and fit to the requirements of an **international** financier. Both project owner(s) and financier(s) are, as an outcome of the previous phases, the counterparts for the multidisciplinary team to detail and add the outcomes of the previous phase to deliver this result.

4.6 Budget and Planning

Phase 1: Research, Analysis and Design Phase for the Development of Conceptual Designs + pilot project

- Planning: January 2025– July 2025 (6 months)
- Estimated budget: € 150.000,-
- Pilot Project Design budget (separate budget): € 50.000 (as part of one of the conceptual designs)

Phase 2A: Pre-project Preparation and Structuring of Project Proposals

- Planning: August 2025 – March 2026 (8 months)
- Estimated budget: € 190.000,-

Phase 2B: Bridging the Gap towards three climate resilient water-related infrastructure project feasibility studies and beyond

- Planning: April 2026 – September 2026 (6 months)
- Estimated budget: € 120.000,-

5. Questions that are part of the online questionnaire

1. Please provide the following information:

- Name
- Position
- Organisation
- Main focus of your organisation
- Website
- Your email address

2. What kind of experience do you have in:

2A the development of innovative and comprehensive designs, strategies and infrastructural projects for urban climate resilience?

2B the development of innovative and comprehensive designs, strategies and infrastructural projects as part of a locally supported, inclusive process?

Please elaborate on your experience and indicate what elements RVO should take into account for Water as Leverage Nakuru.

3. What kind of experience do you have in developing climate resilient water-related infrastructure projects from conceptual design up to the feasibility phase?

This includes project planning procedures, economic analyses, environmental and social impact analyses, research by design, nature-based solutions, among others. Please elaborate on your experience and indicate what RVO should take into account for Water as Leverage Nakuru.

4. What challenges and opportunities do you foresee in delivering this end result working with the allocated budget per phase, and a time frame of approx. 20 months for the 2 phases?

The assignment is expected to ultimately deliver:

- *Terms of Reference for the feasibility study of at least one of the infrastructural project proposals that is locally supported and will be implemented by Nakuru County government as project owner (implementation budget up to 10 million euros) and fit to the requirements of the potential funder.*
- *Terms of Reference for at least one of the project proposals that fit the requirements of an*
- *international financier (already selected in phase 2a as outcome of phase 1).*
- *All necessary technical drawings for a ready-to-build (small-scale) NBS/sponge city pilot project as part of one of the conceptual designs including an upscaling strategy.*
- *One application for the City Climate Finance Gap Fund.*
-

5. Is the financial and policy checklist (annex 1) that is applicable for each phase, useful for you? Please elaborate.

6. Is the challenge feasible, given the time frame (approx. 20 months) and budget (approx. 510.000 euro)? If you think it is not feasible, what do you think should be changed in budget and/or planning?

7. Do you think you will be able to compose, oversee, and manage a multidisciplinary team with the required expertise, as described in the market consultation document? And if so, how?

- Yes, please elaborate
- No
- Not sure yet
- We are intending to become part of, and not to lead a multidisciplinary team

8. What will be the biggest challenge(s) in leading and/or participating in a multidisciplinary team?

9. What challenges and opportunities do you (from the perspective of leading or participating in a multidisciplinary team) foresee in working as part of the 'ecosystem' of Water as Leverage Nakuru?

The 'ecosystem' of Water as Leverage Nakuru includes the WaL Knowledge Support Track and VEI as local Water as Leverage partner of RVO in Nakuru, Kenya.

10. Is the ambition of the Water as Leverage Nakuru programme clear enough to participate, and if not, what could be changed / added / explained better?

11. Given the character of Water as Leverage Nakuru, is your organisation interested to submit a proposal for this challenge?

- Yes, as a lead contractor
- Yes, as a subcontractor
- Not sure (yet)
- No

12. Are there other suggestions that you would like to share with RVO related to the preparation of the procurement process for selecting one multidisciplinary team and/or the Water as Leverage Nakuru trajectory in general?

13. What do you expect from RVO during the WaL Nakuru process?

Annex 1: Financial and policy checklist for each phase

The following key components need to be answered per conceptual design/project proposal:

1. **Clear rationale for the proposed design:** 1 or 2 paragraphs substantiating why the proposed intervention is needed, what infrastructure problem it will solve, and what socio-economic benefits it will bring to Nakuru.
 - a. A clear indication of the location or locations of the potential intervention, including an overview of existing conditions, current use and ownership over the site.
 - b. Narrative on the potential for leverage through the proposed intervention, including an elaboration on the WaL-principles (innovative, integral, implementable, inclusive).
2. **Specific cost breakdown per project:** How much does each component of the proposed design cost?
3. **Breakdown of necessary and optional interventions:** A breakdown showing which interventions within each design need to take place immediately and which ones can be implemented in the medium term. Similarly, a summary of which interventions within each design are absolutely necessary versus which ones are important, but not critical. This summary could contain an advice regarding implementation in subsequential phases. This part of the deliverable should guide investment decisions towards critical infrastructure interventions.
4. **Indicative project structuring:** A breakdown per design indicating how each project could be structured in contractual terms. This part of the deliverable should answer these questions:
 - a. Could this design be implemented by one contractor, or would separate contracts for separate components need to be tendered?
 - b. What type of contractors could be a good fit for each specific component/set of components?
 - c. Would each of the components be a better fit for local contractors or would international contractors be advisable/needed?
5. General evaluation of the potential to generate income and the foreseeable **impacts** on economic development, social impacts, ecology and employment in the city;
6. **Alignment with national priorities:** Identify and substantiate why the project aligns well with national-level development priorities and plans. This item requires a more in-depth analysis and connection with plans and policies from national ministries.
7. **Alignment with local and regional priorities:** Substantiate why the project aligns well with local- and regional development priorities and plans. A substantiation of the connection with key documents such as 'Nakuru Municipality Integrated Development Plan 2019-2023' as mentioned in par 4.1 of the market consultation document and other local and/or regional plans is required, per conceptual design. connection with institutional priorities, best fitted institutions to conduct implementation.
8. **Potential project owner:** Indicate whether a potential project owner at the national or local/regional level has been already identified for each design. Nakuru county government of which Nawassco and Naruwassco are also part of, should (preferably) be(come) one of the project owners.
9. **Financing:** Indicate whether the teams already identified interest from potential financiers.