



TERMS OF REFERENCE FOR A SOLICITED WRC PROJECT

KEY STRATEGIC AREA	KSA 9 (Business Development and Innovation)
THRUST	3 (Business Development)
PROGRAMME	2 (Capacity building and training programmes)
TITLE	Developing and Piloting the Transition of Water Graduates into Job Creators in the water and sanitation sector

Background and Rationale

South African youth display the lowest levels of entrepreneurship uptake when compared to other developing and middle-income countries (Global Entrepreneurship Monitor). With a struggling economy and youth unemployment at 34%, entrepreneurship pathways for water graduates has the potential to contribute to economic growth and labour market absorption.

The water and sanitation sector is also lacking in SMMEs who have the technical and business skills to support the emergence of new and alternate service delivery solutions and products. Nor are there clear models for how such water graduates can make the transition from academia to entrepreneurship, contributing in much needed job creation in emerging sub-sectors with offerings such as next generation sanitation, water smart agriculture, hydropower and biogas, amongst others.

The National Development Plan 2030 recognises the need for new SMME creation to support 11 million new jobs by 2030. The country is specifically in need of job creation that supports sustainable development, carbon neutrality and circular economy solutions. Equally the South African water sector requires a transformation not only with new technologies but of new private sector entrants who will support and be supported by bigger firm water and infrastructure supply chain needs, as well as grow to provide local capabilities to a broader African market.

Furthermore, there is a need within water service institutions to think entrepreneurially within their own mandates (intrapreneurship). Graduates who have this capability, who enter the workforce, create opportunities for agility and innovation uptake within institutions to provide the systemic change to complement the national efforts by partners such as the South African Local Government Association (SALGA), Technology Innovation Agency (TIA) and the Development Bank of Southern Africa (DBSA).

This initiative will form part of the broader Water Graduate Employment Programme (Water GEP) Phase 2 which falls under the Presidential Employment Stimulus (PES). The Water GEP is a partnership between the WRC, the Department of Science and Innovation (DSI) and National Treasury (NT) and will run for 9-12 months between November 2021 and September 2022. The overarching objective of the programme is to catalyse job creation in three inter-linked areas (work exposure placements, business incubation, and transitioning into employment) that supports sustainable economic development. The programme will also test opportunities from WRC portfolio around tools, products and services to be taken forward by entrepreneurs as strong science and community based businesses for the sector.

Objectives

General

This terms of reference aims to: *develop and pilot a transitory business incubation model for 300 graduates that builds on previous investments in skills in the water sector to transition water, sanitation and other skills (undergraduate and post-graduate) into new areas of national contribution through intrapreneurial and entrepreneurial activities.*

Specific:

- Develop a water sector business incubation model (entrepreneurship and intrapreneurship) and development platform for 300 graduates (combination of virtual and in-person/in-field where applicable).
- Pilot the model with 300 graduates to test its applicability within the South African water sector context;
- Undertake action research (monthly – inception to completion) to develop insights into the academic-business transitioning of water graduates.
- Collaborate with broader project teams to support and input into monitoring and evaluation and provide a framework with benefits, outcomes and cost breakdowns for future programmes.

Deliverables:

1. Inception report and plan that includes incubation concept, design and roll-out (methodology, materials, training clusters, engagement, projects, partnerships, scheduling, budgeting, etc).
2. Pilot, test and report on the induction, water sector orientation, ideation and business basics phase of the model with 300 graduates which includes virtual and in-field training and projects;
3. Pilot, test and report on the training and learnings associated with intrapreneurial activities, business development, market demand, idea/solution readiness and financial model development aspects for 300 graduates building on the basics phase (includes virtual and in-field training and projects, panels and feedback mechanisms)
4. Research report that outlines insights of the pilot taking into consideration global trends in water and similar sectors with recommendations for future research, graduate support, policy and practice.

Lighthouse:

- Green Economy
- Sustainable Water Behaviours

Knowledge Tree

- Sustainable Solutions
- Human Capacity Development
- Empowerment of communities

Time Frame: 11 months (graduate support from 15 November 2021 until May 2022, research and reporting outputs May 2022 until September 2022)

Total Funds Available: R 5 800 000.00 (vat incl)

Project Management, Reporting and Administration capped at: R 580 000.00
Development, Research, Training and Implementation: R5 220 000.00