REQUEST FOR EXPRESSIONS OF INTEREST

Technical Assistance Facility (TAF) to support local banks and stakeholders in Ghana towards the development of energy efficiency (EE) and renewable energy (RE) projects

SUNREF
Sustainable Use of Natural Resources and Energy Finance programme

Expressions of interest

The energy sector in Ghana is recovering from a severe crisis mainly accountable to (i) great exposure to oil prices, (ii) shortfall in electricity supply in 2015-2016 due to low dam levels and challenges for sourcing fuel (iii) poor operational performances of ECG feeding through the whole energy sector value chain.

Government of Ghana has been implementing a financial recovery plan for the energy sector which consolidated debt amounted to 6% of the GDP in 2016. Back in late 2015, the adoption of the Energy Sector Levy Act and the restructuring of a portion of a debt of VRA, Ghana’s historical power producer, announced the priority given to the sanitization of the finances of the sector. Further on, in 2017, the emission of the energy bond subscribed to 1 bn EUR allowed for some of the bad debt of state-owned utilities to be written off. Yet the still important exposure of the banking sector to public utilities remains problematical and non-performing loans constituted 22.7% of credits in 2017 impacting banks’ results and equity.

This macroeconomic context along with the condition of the energy sector has set up a constraining environment for the competitiveness of local economy. Resorting to generating power from renewable energy sources and optimizing current energy consumption would contribute on the short and medium term to increased competitiveness and national growth.

Although the Ghanaian banking sector is beginning to perceive the EE/RE segment as interesting to finance, macroeconomic downturn and its impact on the banking sector are still being felt, along with high perceived cost and risk result in banks only providing limited access to finance with high interest rates, short loan tenors and high collateral requirements. As a consequence, EE/RE projects that require longer loan maturities are rarely financed by commercial banks.

With global energy demands on the increase, coupled with the depletion of natural resources and the negative impact of fossil-based energy sources on the environment, the issues of clean, sustainable energy and the importance thereof in economic development and global well-being have become a pressing reality. New business models, energy innovation and the efficient use of resources are key components of mitigating these challenges.

Sustainable development and climate change are one of the five sectorial priorities of the French Development Agency, notably through private sector strengthening towards a green economy. In articulation with local public policies, AFD launched in 2007 a targeted support programme to develop innovative green investments through environmental credit lines for local financial institutions. This support, called SUNREF (Sustainable Use of Natural Resources and Energy Financing) includes both technical assistance and credit lines (i.e. loans) to local financial institutions for them to finance small and medium size projects of public and private promoters. Between 2014 and 2017, AFD has committed more than EUR 1 billion through green credit line with close to 50 financial institutions to finance green projects in 18 developing and emerging countries.
In 2018, AFD finalized a feasibility study to assess the potential for such a scheme in Ghana. The conclusions of this study highlighted the room and appetite for the SUNREF programme. While this potential would need to be fine-tuned in some sectors, the country appears to have a real potential and urgent need for investments in renewable energy (RE) technologies. There is also a high potential for energy efficiency (EE) with most industrial companies having potential for an estimated 30-50% energy savings.

Therefore, AFD will shortly be approving the implementation of a SUNREF programme in Ghana with three complementary components:

(i) Credit lines financed by AFD of up to EUR 30 M with likely two local banks, hereinafter referred to as Partner Banks,

(ii) A Technical Assistance Facility (TAF), for which funding has been secured by EU-AITF. It will be hosted and under the responsibility of the Energy Commission (EC), a national Agency mandated under the RE Act of 2011 to regulate the energy sector and to promote Energy Efficiency and Renewable Energy.

(iii) An investment grant scheme (also funded by the EU-AITF), to provide additional incentives to green investments, to engage the private sector to contribute towards successfully achieving the African energy efficiency and renewable energy policy goals.

Overall, SUNREF Ghana’s seeks to

(i) reduce the carbon footprint and energy intensity of the Ghanaian economy

(ii) secure energy supply of small and medium-sized companies in Ghana

(iii) leverage investments in the fields of Renewable energy and Energy Efficiency to help structuring these strategic sectors

(iv) provide replicable and innovative good examples of what could be performed through local banks and small to medium size companies to ensure scalability.

Therefore, in the light of the programme to be implemented in Ghana, the EC seeks to recruit a Consultant to assist implementation, coordination and management of the TAF.

**Objective of the TA programme**

**Overall objective**
The overall objective of this Technical Assistance Facility (TAF) is to contribute to the development of local economies, sober in energy and resource consumption and carbon emission. The TAF will be implemented to support project developers and partner banks, without neglecting to ensure the linkage of the Programme with Ghanaian public policies.
## Specific objectives

<table>
<thead>
<tr>
<th>Primary goals</th>
<th>Expected results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting the role of the private sector (banks and developers) in the development and financing of Energy Efficiency (EE) / Renewable Energy (RE) projects, with particular attention to small scale and medium enterprises.</td>
<td>A portfolio of eligible projects has been developed and financed through the credit line.</td>
</tr>
<tr>
<td>Promoting green investments in the private sectors such as food and beverage, hotels, industrial enterprises and tertiary sectors (trade, offices) and agriculture.</td>
<td>Communications and informational tools have been developed and made available to the Partner Banks and Project Sponsors.¹</td>
</tr>
<tr>
<td>Partner Banks have benefited from a dedicated support to create their own green commercial offer for the development of their commercial activities.</td>
<td></td>
</tr>
<tr>
<td>Transferring knowledge and building capacities of local actors to ensure the sustainable development of the market.</td>
<td>Partner Banks and project developers have acquired the necessary expertise and experience to comfortably develop and finance sustainable projects.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Secondary goals</th>
<th>Expected results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting the EC on project administration, as well as support to policy dialogue.</td>
<td>The EC has successfully conducted procurements; and made recommendations to national authorities in the field of EE / RE and policy.</td>
</tr>
<tr>
<td>Ensuring efficient and fluid management of the project to maximize impact.</td>
<td>The monitoring, reporting and evaluation process allows the administration of the Programme and the measurement of the impacts.</td>
</tr>
</tbody>
</table>

## Content – Project Components

In order to fulfil the programme Objectives, activities organized by the EC assisted by the Consultant to be recruited, shall be centred on the following components:

- Contribution to the development of communication, informational tools, and support to the business development of partner banks as well as awareness raising and promotional activities, visibility and capitalization,
- Project origination and preparation of projects portfolio. In the Ghanaian context, considering the relative concentration and lack of maturity of the market in the sectors considered, this activity shall be foreseen as a priority,
- Capacity building and transfer of knowledge to the Partner Banks and the EC,
- Support to Project Sponsors,
- Coordination with other programmes and policy dialogue,
- Administration, Monitoring and Evaluation of the programme.

¹ The Project Sponsors are existing or potential clients of the Partner Banks, industrial, company or developers of a project eligible to the programme. It can also be a third party with a project in partnership with an industrial (ESCO approach), or even a household (e.g. wanting to add solar panels on its roof).
Expertise

The Consultants assisting the EC shall be an international consulting firm or a group of firms with a locally based support capacity. The Consultant should have relevant experience in all areas needed for the performance of the assignment as described above, including relevant sector and regional experience. The Consultant will demonstrate strong knowledge of the Ghanaian context; participation of local experts is essential. The Consultant should therefore make extensive use of qualified locally based experts, as knowledge of the local market will be a strong asset.

The Consultant is expected to set up a team including the following expertise:

- **A Team Leader**: with extensive experience of energy project management, expertise in project implementation planning, including experience related to energy management, small-scale renewable energy and energy efficiency financing schemes, and experience of working with banks in developing countries and international donors organizations;

- **A pool of experts** to be mobilized throughout the course of the assignment on demand by the Team Leader to support the sponsors or the banks, on those specific areas: renewable energy, energy efficiency in building and industry, sustainable agriculture, sustainable tourism, finance, legal, E&S, communication and marketing. At this stage, the pool provided in the EoI is indicative and not binding.

Besides, EC will mobilize among its staff a Programme Coordinator and a Programme Assistant to ensure successful programme implementation and transfer of knowledge to the EC.

The Consultant will be required to work in English and to produce documents in English. It has been assumed that the Team Leader will be present on a full time basis in Ghana (Accra) during the first part of the contract (estimated to 24 months) and on a part time basis during the second part of the contract (estimated to 12 months) during the assignment; and that the pool of experts will be mobilized punctually to provide timely support on specific issues. These provisions are indicative and may be adapted by consulting firms, provided that the proposal be reasoned and sufficiently documented.

The Consultant will be recruited for a period of 36 months with possible extension according to the development of the Project. The EC and AFD now invite consulting firms to indicate their interest in providing the services. Interested consulting firms must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.).

Consulting firms should demonstrate their capacity to associate with the relevant competencies to enhance their qualifications. Moreover, the interested firms should be able to identify and mobilize local competencies.

Following the expressions of interest received, a short list of 5 to 6 pre-selected candidates will be prepared and a Request for Proposals will be sent to these pre-selected candidates to answer with a technical and financial tender. Expressions of interest must be delivered in soft copy to Kofi Agyarko (Director, Renewable Energy, Energy Efficiency & Climate Change) at the Energy Commission Ghana, kofagyarko@gmail.com by October 29, 2018 at 12:00pm GMT

**NOTA:** the EC and AFD kindly draw consulting firms’ attention to the fact that the EC and AFD reserve their right to cancel the tender procedure at any point in time prior to signing the contract if the financing agreement between the EC and AFD is not approved, signed and effective.
Appendix to the Request for Expressions of Interest
(to be submitted with the application, signed and unaltered)

Statement of Integrity, Eligibility and Social and Environmental Responsibility

Reference name of the bid or proposal: ________________________________ (The "Contract")

To: ___________________________________________ (The "Contracting Authority")

1) We recognise and accept that Agence Française de Développement ("AFD") only finances projects of the Contracting Authority subject to its own conditions which are set out in the Financing Agreement which benefits directly or indirectly to the Contracting Authority. As a matter of consequence, no legal relationship exists between AFD and our company, our joint venture or our suppliers, contractors, subcontractors, consultants or subconsultants. The Contracting Authority retains exclusive responsibility for the preparation and implementation of the procurement process and performance of the contract. The Contracting Authority means the Purchaser, the Employer, the Client, as the case may be, for the procurement of goods, works, plants, consulting services or non-consulting services.

2) We hereby certify that neither we nor any other member of our joint venture or any of our suppliers, contractors, subcontractors, consultants or subconsultants are in any of the following situations:

   2.1) Being bankrupt, wound up or ceasing our activities, having our activities administered by the courts, having entered into receivership, reorganisation or being in any analogous situation arising from any similar procedure;

   2.2) Having been:

      a. convicted within the past five years by a court decision, which has the force of res judicata in the country where the Contract is implemented, of fraud, corruption or of any other offense committed during a procurement process or performance of a contract (in the event of such conviction, you may attach to this Statement of Integrity supporting information showing that this conviction is not relevant in the context of this Contract);

      b. subject to an administrative sanction within the past five years by the European Union or by the competent authorities of the country where we are constituted, for fraud, corruption or for any other offense committed during a procurement process or performance of a contract (in the event of such sanction, you may attach to this Statement of Integrity supporting information showing that this sanction is not relevant in the context of this Contract);

      c. convicted within the past five years by a court decision, which has the force of res judicata, of fraud, corruption or of any other offense committed during the procurement process or performance of an AFD-financed contract;

2.3) Being listed for financial sanctions by the United Nations, the European Union and/or France for the purposes of fight-against-terrorist financing or threat to international peace and security;

2.4) Having been subject within the past five years to a contract termination fully settled against us for significant or persistent failure to comply with our contractual obligations during contract performance, unless this termination was
challenged and dispute resolution is still pending or has not confirmed a full settlement against us;

2.5) Not having fulfilled our fiscal obligations regarding payments of taxes in accordance with the legal provisions of either the country where we are constituted or the Contracting Authority’s country;

2.6) Being subject to an exclusion decision of the World Bank and being listed on the website http://www.worldbank.org/debarr (in the event of such exclusion, you may attach to this Statement of Integrity supporting information showing that this exclusion is not relevant in the context of this Contract);

2.7) Having created false documents or committed misrepresentation in documentation requested by the Contracting Authority as part of the procurement process of this Contract.

3) We hereby certify that neither we, nor any of the members of our joint venture or any of our suppliers, contractors, subcontractors, consultants or subconsultants are in any of the following situations of conflict of interest:

3.1) Being an affiliate controlled by the Contracting Authority or a shareholder controlling the Contracting Authority, unless the stemming conflict of interest has been brought to the attention of AFD and resolved to its satisfaction;

3.2) Having a business or family relationship with a Contracting Authority's staff involved in the procurement process or the supervision of the resulting Contract, unless the stemming conflict of interest has been brought to the attention of AFD and resolved to its satisfaction;

3.3) Being controlled by or controlling another bidder or consultant, or being under common control with another bidder or consultant, or receiving from or granting subsidies directly or indirectly to another bidder or consultant, having the same legal representative as another bidder or consultant, maintaining direct or indirect contacts with another bidder or consultant which allows us to have or give access to information contained in the respective applications, bids or proposals, influencing them or influencing decisions of the Contracting Authority;

3.4) Being engaged in a consulting services activity, which, by its nature, may be in conflict with the assignments that we would carry out for the Contracting Authority;

3.5) In the case of procurement of goods, works or plants:

   i. Having prepared or having been associated with a consultant who prepared specifications, drawings, calculations and other documentation to be used in the procurement process of this Contract;

   ii. Having been recruited (or being proposed to be recruited) ourselves or any of our affiliates, to carry out works supervision or inspection for this Contract;

4) If we are a state-owned entity, and to compete in a procurement process, we certify that we have legal and financial autonomy and that we operate under commercial laws and regulations.

5) We undertake to bring to the attention of the Contracting Authority, which will inform AFD, any change in situation with regard to points 2 to 4 here above.
6) In the context of the procurement process and performance of the corresponding contract:

6.1) We have not and we will not engage in any dishonest conduct (act or omission) deliberately intended to deceive others, to intentionally conceal items, to violate or vitiate someone's consent, to make them circumvent legal or regulatory requirements and/or to violate their internal rules in order to obtain illegitimate profit;

6.2) We have not and we will not engage in any dishonest conduct (act or omission) contrary to our legal or regulatory obligations or our internal rules in order to obtain illegitimate profit;

6.3) We have not promised, offered or given and we will not promise, offer or give, directly or indirectly to (i) any Person who holds a legislative, executive, administrative or judicial mandate within the State of the Contracting Authority regardless of whether that Person was nominated or elected, regardless of the permanent or temporary, paid or unpaid nature of the position and regardless of the hierarchical level the Person occupies, (ii) any other Person who performs a public function, including for a State institution or a State-owned company, or who provides a public service, or (iii) any other person defined as a Public Officer by the national laws of the Contracting Authority’s country, an undue advantage of any kind, for himself or for another Person or entity, for such Public Officer to act or refrain from acting in his official capacity;

6.4) We have not promised, offered or given and we will not promise, offer or give, directly or indirectly to any Person who occupies an executive position in a private sector entity or works for such an entity, regardless of the nature of his/her capacity, any undue advantage of any kind, for himself or another Person or entity for such Person to perform or refrain from performing any act in breach of its legal, contractual or professional obligations;

6.5) We have not and we will not engage in any practice likely to influence the contract award process to the detriment of the Contracting Authority and, in particular, in any anti-competitive practice having for object or for effect to prevent, restrict or distort competition, namely by limiting access to the market or the free exercise of competition by other undertakings;

6.6) Neither we nor any of the members of our joint venture or any of our suppliers, contractors, subcontractors, consultants or subconsultants shall acquire or supply any equipment nor operate in any sectors under an embargo of the United Nations, the European Union or France;

6.7) We commit ourselves to comply with and ensure that all of our suppliers, contractors, subcontractors, consultants or subconsultants comply with international environmental and labour standards, consistent with laws and regulations applicable in the country of implementation of the Contract, including the fundamental conventions of the International Labour Organisation (ILO) and international environmental treaties. Moreover, we shall implement environmental and social risks mitigation measures when specified in the environmental and social commitment plan (ESCP) provided by the Contracting Authority.
7) We, as well as members of our joint venture and our suppliers, contractors, subcontractors, consultants or subconsultants authorise AFD to inspect accounts, records and other documents relating to the procurement process and performance of the contract and to have them audited by auditors appointed by AFD.

Name: _______________________________ In the capacity of: _______________________________

Duly empowered to sign in the name and on behalf of 2: ________________________________

Signature: _______________________________ Dated: ________________________________

---

2 In case of joint venture, insert the name of the joint venture. The person who will sign the application, bid or proposal on behalf of the applicant, bidder or consultant shall attach a power of attorney from the applicant, bidder or consultant.