**THE REPUBLIC OF UGANDA**



**MINISTRY OF ENERGY AND MINERAL DEVELOPMENT**

**TERMS OF REFERENCE FOR A CONSULTANCY TO TRAIN FINANCIAL INSTITUTIONS IN FINANCIAL MODELLING, PROJECT ASSESSMENT AND EVALUATION FOR RENEWABLE ENERGY AND ENERGY EFFICIENCY**

# BACKGROUND

With a number of financing opportunities in the renewable energy and energy efficiency sectors, there is still a gap with financial institutions in offering services and products to the public.

One of the key mitigation actions under Uganda’s Sustainable Energy for All Action Agenda is the need to promote access to renewable energy and energy efficient technologies with attention to the private sector. However there still exists a challenge of lack of access to affordable financing even though funding programs especially from development partners exist.

A gaps assessment identified a number of capacity building needs for SEforALL implementation including the need to build capacity of financial institutions in project development in the renewable energy and energy efficiency sub sectors.

It is against this background that Ministry of Energy and Mineral Development through the Sustainable Energy for All Secretariat seeks to recruit a consultant to conduct training to selected small and micro financial institutions in financial modelling, project assessment and evaluation for renewable energy and energy efficiency projects.

The beneficiaries of this assignment will be the financial institutions in Uganda which are already involved or interested in being involved in financing renewable energy and energy efficiency projects in Uganda. It is acknowledged generally that the involvement of the private sector is key to achieving the targets set out by the SEforALL Action Agenda for Uganda by 2030. The targets are;

1. To increase the electricity access rate from 22.5% in 2018 to over 98% of the population.
2. To have over 99% of the population with access to modern cooking solutions.
3. To improve energy efficiency of power users by a minimum of 20% and to reduce wood fuel consumption by 40%.
4. To increase the renewable energy share in the total final energy consumption for electric power to over 90%.

In addition, it is also known that availability of finances that can be sourced locally is in short supply in Uganda and other Sub-Saharan countries as well. Because of the limited knowledge of the renewable energy technologies and risks associated with them, the financing institutions are risk averse and are hesitant to provide financing to the private sector in the RE and EE space. Therefore, a training programme for commercial banks and other financial institutions is planned under the MEMD – IGGPR programme.

# OBJECTIVE OF THE ASSIGNMENT

The main objective of this assignment is to conduct training to selected small and micro financial institutions in financial modelling, project assessment and evaluation for renewable energy and energy efficiency projects.

Before the actual training, a capacity assessment should be conducted to verify the needs and consolidate the scope of the assignment and identify the financial institutions for the training.

In addition, a toolkit (MS Excel-based) should be prepared for quick assessment of renewable energy and energy efficiency projects which should be used during the training.

# Scope of work

The areas of the capacity building for commercial banks will include, *inter alia*:

**Technical:**

* Overview of RE and EE Technologies
* Stages of Development of a project
* Risk Assessment

**Financial:**

* Financial Viability and Financial Analysis
* Sources of Finance
* Development of Business Plans and proposals to acquire funding
* Lending models using the renewable energy equipment as security
* Marketing of the renewable energy equipment products
* Model development showing savings in energy efficiency equipment used for payback

**Environment & Regulatory:**

* Environmental Impact and Assessments
* Permits and licenses

As mentioned before, a speedy training needs assessment should be conducted to verify the above areas of capacity building. The toolkit developed should be used during the training programme.

# METHODOLOGY

## The following methodology shall be followed to allow the achievements of the objectives of the assignment.

## **Inception meeting**

## An inception meeting shall be held between the consultant and the Ministry to agree on the scope, methodology and deliverables of the assignment.

## **Implementation of the assignment tasks**

## This shall involve undertaking the tasks of the assignment as detailed in section 3 above. The consultant shall develop a detailed methodology for implementing all items related to the tasks including their estimated timelines for delivery. Addition to this, the consultant shall give a detailed time schedule for completing the assignment.

## **Submission of the training reports and final assignment report**

## The consultant shall compile and present reports a final assignment report summarizing all the tasks undertaken during the assignment.

# DURATION OF THE ASSIGNMENT

The duration for the assignment is 30 man-days. The consultant shall provide a detailed proposal including a detailed work plan, time schedule and a detailed methodology indicating some of the tools and methods to be used for every task and/or level of the task.

# DELIVERABLES

## The following are the expected deliverables:

1. **An inception report:** The Inception report shall detail the scope of work, methodology, tools and procedures agreed upon by the Ministry and the Consultant in the inception meeting.
2. **Training materials:** This shall include the theoretical course content and practical requirements to conduct the training.
3. **The training report:** This shall contain details of the training sessions, both theoretical and practical.
4. **Toolkit (Excel-based) for rapid assessment of renewable energy projects**
5. **Final assignment report:** The final report shall contain summaries of all tasks undertaken during the implementation of the assignment.

# REPORTING ARRANGEMENTS

## The consultant shall report to the SEforAll Focal Point at the Ministry of Energy and Mineral Development, who will provide the overall technical supervision of the assignment and also receive assignment deliverables defined in section 6.

# EXPECTED OUTCOMES

This Consultancy is expected to build the capacity of the trained small and micro financial institutions in financial modelling, project assessment and evaluation for renewable energy and energy efficiency projects which will later on be realised in actual projects that increase adoption of renewable energy and energy efficiency technologies.

# REQUIRED COMPETENCIES

**Qualification and skills**

* At least a Master’s degree in a related field with at least 15 years’ practical experience in developing economies and sustainable energy.

**Professional experience**

* Specialized knowledge on project development in Uganda’s energy sector and the UN’s Sustainable Energy for All Initiative and similar international projects.
* Experience in training delivery, communication and facilitation
* Specialized experience in project development for investment purposes in the sustainable energy sector.

**Corporate Competencies:**

* Demonstrates integrity by modelling the UN’s values and ethical standards;
* Promotes the vision, mission, and strategic goals of UNDP;
* Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
* Treats all people fairly without favoritism.

**Technical Competencies:**

* Analytic capacity and demonstrated ability to process, analyze and synthesize complex, technical information;
* Proven ability to support the development of high quality knowledge and training materials, and to train technical teams;
* Proven experience in the developing country context and working in different cultural settings.

**Communication:**

* Communicate effectively in writing to a varied and broad audience in a simple and concise manner.
* Computer literacy including Excel and Power Point presentation
* Fluency in English

**Professionalism:**

* Capable of working in a high pressure environment with sharp and frequent deadlines, managing many tasks simultaneously;
* Excellent analytical and organizational skills.

**Teamwork:**

* Projects a positive image and is ready to take on a wide range of tasks;
* Focuses on results for the client;
* Welcomes constructive feedback.

# SCHEDULE FOR PAYMENTS

The Consultant shall be remunerated in accordance with the following time schedule and deliverables:

* 1. Submission and acceptance of the inception report – 30%.
  2. Submission and acceptance of the final report – 70%.

# EVALUATION METHOD AND CRITERIA

Criteria and point system for the evaluation of CVs of the consultant is as follows:

|  |  |  |
| --- | --- | --- |
| **No.** | **Criteria** | **Points (%)** |
| (A) | At least 15 years’ practical experience in developing economies and sustainable energy. | 50 |
| (B) | Education and Qualification: At least a Master’s degree in engineering, applied sciences or a related field. | 25 |
| (C) | Specialized knowledge on project development in Uganda’s energy sector and the UN’s Sustainable Energy for All Initiative and similar international projects. | 15 |
| (D) | Previous experience in project development for investment purposes in the sustainable energy sector. | 10 |
| Weightage = (A + B + C + D)  Minimum qualifying score in technical appraisal is 70% | | |

# APPLICATION REQUIREMENTS

Interested candidates to provide the following documentation:

1. A technical proposal with detailed response to the Terms of Reference, with specific focus addressing the scope of work and methodology.
2. Initial work plan based on methodology outlined.
3. A financial proposal with details to cover the entire work.
4. CV or profile.