

Publication on GTAI website

Consulting Services for ENERGY SECTOR

Deadline: 15 August 2023

Country:	Ethiopia
Ref.-N°:	BMZ No. 1930 04 819
Type of announcement:	Expression of Interest (Eoi)
Ref.:	International, Open Tender for Geothermal Risk Mitigation Facility (GRMF)
Name of Tenderer:	The African Union Commission
Title of the project:	Consultancy Services for The Evaluation and Further Development of The Geothermal Risk Mitigation Facility (GRMF) Regional Coordinating Unit (RGCU)

Description of the project/content of the contract:

The “Regional Geothermal Coordinating Unit” (RGCU) under the African Union Commission (AUC) is acting as Project-Executing Unit for the implementation of the Geothermal Risk Mitigation Facility (GRMF). The goal of the consultancy is to strengthen the RGCU in its role as mediator between regulators and developers, and to support policy advice on geothermal energy and the relevant regulatory framework within countries of the GRMF portfolio. The main expected result is accelerated implementation of the GRMF portfolio. Specifically, the consultant shall execute the assignment in two (2) parts:

Part 1

- i) Evaluate the results of several rounds of calls for proposals across the region and analyse individual reasons for drilling projects to not have yet commenced;
- ii) Evaluate the current legal, regulatory, financial, economic and institutional conditions for large-scale development of geothermal resources in the countries of the GRMF portfolio;
- iii) Assess the investment conditions and identify remaining barriers for investments in the respective national contexts;
- iv) Assess the donor structures for geothermal energy with the target to create and strengthen cooperation between the development partners in the sector.

Part 2

Based on this evaluation, the consultant shall work in the field and provide concrete support to the RGCU in its role as a mediator by:

- i) Finding solutions for the improvement of the institutional and regulatory framework;
- ii) Developing advisory strategies for the policy dialogue with the official bodies (lobbying for geothermal energy);
- iii) Providing capacity building on project financing, tariff calculation and project management; and
- iv) Facilitating negotiations between regulators and developers of individual projects of the GRMF.

SCOPE OF SERVICES

The consultant shall review, assess, and evaluate the tasks described below, as required. The consultant shall critically analyse the facts and propose alternatives, if deemed appropriate. The services of the Consultant comprise but are not limited to:

(a) Assessment of the Regulatory, Institutional and Economic Framework for Geothermal Development

- i) Evaluate the current legal framework regarding ownership and usage rights of geothermal resources (underground water, superficial land use, heat and power production linkages) in each of the twelve countries of the GRMF portfolio, considering environmental legislation affecting the potential usage of geothermal resources.
- ii) Evaluate the regulatory and institutional context of geothermal development in each of the twelve countries considering for example tariff policy, power purchase regulations, heat sales regulation, tax incentives, subsidies, concession law and an analysis of the key institutions and their mandate in each country.
- iii) Evaluate the actual results of several rounds of the Call for Proposals across the region. It is particularly important here to work out the individual reasons why the drilling projects have not yet commenced on a project-by-project basis. At the same time, paths to solutions are to be developed.
- iv) Assessment of the current donor structures with existing or planned projects (technical assistance and investment projects) for Geothermal Energy in East Africa with the target to create and strengthen cooperation between the donors in the sector for a stronger and more visible impact on the market.
- v) Assess the investment conditions and identify remaining barriers to investment in the respective national contexts, including policy barriers, the overall investment climate and infrastructure and human capital.

(b) Operational measures to improve the regulatory environment/facility

- i) Facilitating negotiations between regulators and developers of individual projects of the GRMF covering legal, technical and financial aspects including joint missions and site visits (if appropriate) in order to strengthen the role of GRMF as a mediator and make sure there is a fruitful and effective communication.
- ii) Provide capacity building to the relevant official institutions with regard to tariff calculation, project financing and project management taking into consideration the identified regulatory gaps in our projects and identified reasons for delays of the projects in general.
- iii) Advising strategies for the policy dialogue with the official bodies (especially the Ministries of Energy); ensuring a political will to promote geothermal energy (lobbying).
- iv) Active participation in high level meetings, participation in negotiations of developers and/or RGCU with targeted countries, presentation of concepts in official bodies of targeted countries.
- v) Jointly organize workshops with the RGCU and the relevant public and private stakeholders (e.g., ministries, regulators, developers) in the target countries.

- vi) Supporting the RGCU in the development of scenarios regarding climate change impacts in the region and the additional value of geothermal energy, as well as adaption regarding a potential higher probability of droughts causing power shortages in the region.
- vii) Explore the possibility of combining geothermal power generation and the production of green hydrogen in East Africa and sensitive the countries accordingly.
- viii) Train the RGCU staff to ensure a continuous implementation of tasks under Part 2 after end of this consultancy assignment.

Interested Consultancy firms must have been in existence for the last five (5) years and have undertaken consultancies of similar nature. Consultancy firms/Consultants may associate with other firms in order to enhance their capacity and qualifications. Interested firms are required to submit one (1) original and three (3) copies of the Expression of Interest clearly marked as original and copies and the language of the expression of interest is English.

Consultants must submit a **Covering Letter**, indicating the lead firm's name, address, and contact person with their telephone and email. Where applicable, the letter must mention if the submission is by a joint venture. The EoI shall have the following in the sequence below:

Presentation of firm(s) showing the firms main activities and expertise (max. 5 pages per firm, **no brochures**). In case of an association, it must include clear statements regarding the nature and type of the association as well as the competence and responsibilities of each association member.

Statements and Declarations:

Each declaration must be on a separate page with the letter head of the consulting company. It must include the name of this project, the date of declaration and the signature of the responsible person.

- A. **Declaration of submitting a proposal** in case of being short-listed. For an association, all members must sign or provide this statement. Sub-contractors do not need to submit this declaration.
- B. **Declaration of no conflict of interests** or of **affiliations** of any kind with other firms which may present a conflict of interest in providing the envisaged services. For an association, all members must provide this statement. Sub-contractors do not need to submit this declaration.
- C. **Declaration of association** (if applicable) from each association member, consisting of the intended contractual arrangement with international and local firms and nominating the lead consultant. Sub-contractors do not need to submit a declaration of association.
- D. **Declaration to observe the highest standard of ethics (Declaration of Undertaking)** during execution of the contract. Applicants should be aware that any fraudulent or corrupt activities disqualify them immediately from participation in the selection process and will be subject to further legal investigation. The said declaration shall be submitted and duly signed by the lead consultant and all members of the association (if applicable).
- E. **Certified audited accounts** for the last three years of the lead consultant and all associated partners.

Lacking or faulty declarations will lead to an exclusion from the evaluation.

List of project references. Please provide up to three (3) reference projects covering the last five (5) years in order to assess your firm's / association's experience. The reference projects must be strictly related to the envisaged services and will be evaluated according to the set evaluation criteria. Up to two (2) reference projects from subcontractors will be accepted. Use the form in Annexe 4 for presentation of the reference projects. Only reference projects using this form will be evaluated.

List of the consultant's personnel and back stoppers that are available for the envisaged services. Please provide information about education, professional experience, regional experience, specific project-related expertise and years with the firm. This list shall provide information to judge the consultants' **general ability** to provide the required personnel having the specific experience for the project in case of an offer. Personnel belonging to the firm or having a long cooperation gets more points.

Interested consultants are requested to submit concise, clear, but substantial documents and to adhere to the above structure. Non-compliance with this invitation or faulty information shall lead to exclusion. **Any surplus of information not specific to the material requested will be penalized.**

Specific evaluation criteria and their individual weight are presented in the following table:

	SCORING GRID	POINTS
1.0	Evidence of experience gained in the last 3 years (experience of the firm)	40
1.1	Experience in handling similar projects	15
1.2	Experience under various working conditions in developing countries	15
1.3	Experience of region or country preferably in the same sector	10
	Sub Total	40
2.0	Suitability for this specific project (experience of the available experts)	60
2.1	Assessment of available technical knowledge specific to this project	30
2.2	Assessment of the personnel structure regarding the tasks expected	15
2.3	Assessment of the key personnel in permanent employment and always available to monitor the team and provide back-up services from the home office	10
2.4	The form of the application documents: are they complete and related to the project?	5
	Sub Total	60
	Grand Total	100

The pass mark shall be 70%

The preparation and the submission of the prequalification document is the responsibility of the applicant, and no relief or consideration can be given for errors and omissions.

After opening the prequalification documents and until preparation of the short-list of the qualified consultants, **no communication** of any type shall take place unless initiated by the procuring entity in writing.

The address for submission of Expressions of Interest is:

The Chairperson,
African Union Commission,
Building C, Third (3) Floor, Roosevelt Street.
P. O. Box 3243,
Addis Ababa, Ethiopia