

Enabling African Cities for Transformative Energy Access – Uganda Scale-up

Request for Expressions of Interest (EoI) Issued by ICLEI Africa



Request for EoI from private sector partners for prequalification in a competitive dialogue for implementing clean cooking interventions in informal settlements within the Greater Kampala Metropolitan Area (GKMA)

REol issued: 21 October 2024

Submission of EoI: by Friday 8 November 2024

Bids and technical queries can be sent to Dr. Azizat Gbadegesin (azizat.gbadegesin@iclei.org) with David Sheridan (david.sheridan@iclei.org) in copy.

Please indicate interest in responding to this REoI, undertaking field visits, and **any queries by Friday, 1 November 2024**. Responses to queries will be shared with all interested parties.

Interested parties who do not indicate an interest to respond to the REoI are welcome to submit their EoI, however they must accept that they may not receive responses to all questions submitted from other parties.

Submitted EoIs will be assessed against criteria set forth in this document and used for purposes of prequalification of interested parties to proceed to the dialogue stage of the procurement process.

ICLEI Africa reserves the right not to appoint a service provider in relation to this procurement process. If you have not heard from us 3 months after the closing date, please take it that you were not successful.





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1. Introduction

1.1. Project background

Low rates of access to clean forms of cooking results in a range of negative outcomes including those experienced at household level, and in the wider environment. The urbanisation of Uganda is expected to continue into the foreseeable future with the proportion of urban residents residing in densely populated informal settlements expected to rise. Without proper intervention these populations will continue to be underserved. Decentralised, modern, and clean cooking solutions offer new pathways for energy access in such markets with the beneficial impact being acknowledged in national policy. The ENACT-Uganda Scale-up project contributes to clean cooking access for local communities, leading to improved health and socio-economic wellbeing. This project is funded with UK Aid from the UK government via the Transforming Energy Access platform, in collaboration with the Ugandan Ministry of Energy and Mineral Development (MEMD).

The <u>Enabling African Cities for Transformative Energy Access (ENACT)</u> initiative aims to create an enabling environment for the public and private sectors to work together to address availability and access barriers to clean and affordable cooking energy access for underserved communities living in informal settlements within the GKMA. To date, the project has been implemented in Kampala, Uganda and Freetown, Sierra Leone.

The ENACTUS initiative will support market-led solutions by providing catalytic funding and technical assistance to clean cooking Micro, Small and Medium Enterprises (MSMEs), as well capacity building for the public sector. This support will facilitate partnerships between public and private entities, helping to overcome access and availability challenges in informal settlements within the Greater Kampala Metropolitan Area (GKMA). Through catalytic funding to private sector clean cooking partners, the project will enable the development and refinement of financing and business models tailored to meet the needs of households, microenterprises, and institutions in these communities.

The Enabling African Cities for Transformative Energy Access Uganda Scaleup (ENACTUS) project builds on work undertaken in Kampala Capital City between 2020 and 2034, where ICLEI Africa worked closely with national government, urban authorities, private sector and development partners and others. This scale-up phase of the project targets informal settlements within the Greater Kampala Metropolitan Area (GKMA).

The project also aims to:

- i. Leverage marketing activities to raise awareness on the benefits of using clean cooking products and services for households and businesses;
- ii. Strengthen partnerships between local governments, informal communities, and the private sector in the design, implementation, and monitoring of modern and clean cooking access interventions in informal settlements and slums;
- iii. Empower women in informal settlements and slums who are engaged in productive energy use activities and/ or involved in the clean cooking supply and delivery chain; and
- iv. Collect usage data to inform intervention design and implementation in the long-term. This data will inform market pricing, carbon accounting reporting and financial modelling of cooking solutions for informal settlements.

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1.2. Market data on cooking in the Kampala informal settlements

In the previous phase of ENACT activities in Kampala, a baseline clean cooking access survey was carried out for an informal settlement in the Central Division of Kampala. The primary aim was to understand the community's current status regarding access to clean cooking and to pinpoint existing gaps and opportunities for enhancing awareness and access to affordable and contextually suitable clean cooking interventions. The data collection process encompassed a mix of household surveys, focus group discussions, and key informant interviews. A comprehensive report was compiled informing market entry.

The full report from this baseline survey is available on the <u>project website</u>. Market assessments and baseline surveys informing market conditions are expected to be carried out under ENACTUS in Q4 2024. Applicants are strongly encouraged to read through existing reports for insights on delivering contextually suitable clean cooking solutions.

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2. Request for Expressions of Interest

2.1. Key definitions used in this request for expression of interest

- Private Sector Entity: A single entity or a consortium of entities partnering to deliver the services outlined in this REol. For a consortium, a lead implementer who will be the contracted party, must be identified in the Eol. The consortium can be a combination of private micro, small, or medium enterprise (MSME), community-based organisation, or non-profit organisation. Partnerships with a diversified product offering are encouraged. Locally-owned, female owned, and / or entities with product offerings with a high proportion of local content are especially encouraged to apply.
- Lead implementer: The entity within a consortium that will lead and oversee implementation and delivery of the proposed interventions. The funding agreement will be between ICLEI Africa and the lead implementer, who will in turn sign and manage any sub-agreements with the other partners involved in the proposed project, in the case of a consortium.
- Clean cooking interventions: These refer to clean cooking fuels, stoves, and services within
 the target location and its environs, to meet the objectives and targets outlined in this REoI.
 Applications offering more than one type of clean cooking technology are encouraged. For
 definitions of clean cooking please refer to relevant Ugandan energy policy.
- Sustainable jobs: Refers to a job that has been enabled by the ENACT project, which contributes to the long-term economic, social, and environmental sustainability of a society.

2.2. Project Details

ENACTUS promotes a clean cooking technology and fuel agnostic approach. We therefore encourage private sector partners and consortia of partners to propose a diversified technology/ fuel offering appropriate to the informal settlement market in the GKMA. In addition to this:

- The ENACTUS project expects to support the implementation of clean cooking solutions in up to four (4) informal settlements within the GKMA.
- Catalytic funding awarded at the conclusion of the competitive procurement process (the competitive dialogue) will support up to four (4) private sector partners to implement evidence-driven, locally tailored, innovative, scalable and replicable clean cooking interventions.

These interventions will contribute to the ENACTUS project objectives and targets. These include providing access to clean, sustainable, and affordable cooking solutions to at least 6000 households, as well as micro-enterprises and social institutions across up to four (4) informal settlements, located in the vicinity of urban centres in the GKMA over a period of eleven (11 months). The implementation of these interventions is expected to create sustainable jobs, especially for female owned and/or managed businesses.

The table below provides a high-level overview of the scope of activities linked to this REoI:

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Features	Details
Location	Up to four informal settlements within the GKMA
Clean cooking technology	A diversified technology / fuel offering is encouraged to include:
Target beneficiaries	 Households Small businesses Social institutions (e.g. schools, health centres)
Anticipated results	 6000 households, small businesses and social institutions transitioned to clean cooking technologies At least 25% the beneficiaries should be small businesses, with at least a third of these businesses being female-led At least 40 sustainable jobs created as a result of this funding provided through the ENACTUS project
Maximum funding	Up to £ 350,000 (three hundred and fifty thousand Great British Pounds). This is the total funding available. The amount per successful entity will be less.
Implementation period	Eleven (11) months between February 2025 and December 2025
Funding can cover	 Last mile product distribution channels including market entry startup costs Market activation including product marketing, training, community engagement and awareness raising Supply side investments (e.g. reduction of unit costs) Monitoring, evaluation, and reporting After sales services and customer support Provision of end-user finance options to make the clean cooking products more affordable Innovative finance including costs associated with carbon project registration Others, as identified and approved by ICLEI Africa during the dialogue phase

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2.3. Purpose of the Request for Expressions of Interest (REoI)

The variety of potential project implementation sites, together with the diversity of potential partner entities, technologies and business models in the market suggests that several alternative solutions satisfying the project requirements may be possible.

To adequately assess and evaluate all proposed solutions submitted by pre-qualified entities, the ENACTUS project seeks to undertake detailed discussions with pre-qualified entities on the technical and commercial arrangements required to support the tailoring and development of clean cooking access solutions.

The submission of the EoI is therefore an expression of interest to enter a competitive dialogue procurement process in collaboration with ICLEI Africa. This process will lead to the development of a Request for Proposals (RfP) against which pre-qualified entities will make submissions.

2.3.1. Project Selection Process

The submission of an Expression of Interest (EoI) in response to this REoI will be followed by the evaluation of interested entities against predefined criteria. A positive evaluation will lead to the prequalification of entities to take part in further stages of a closed competitive procurement process.

A multi-stage, interactive procurement process detailed in the following table will enable the refinement of proposed solutions through structured dialogue sessions before final submission and evaluation of proposals. The process is designed to achieve the most innovative and effective clean cooking interventions for informal settlements in the Greater Kampala Metropolitan Area (GKMA)

The table below provides an overview of the competitive dialogue process:

Stage	Description
Stage 1: Pre-Qualification	Interested entities are invited to submit an Expression of Interest (EoI), along with qualifications and past experience. A shortlist of service providers will be selected based on pre-defined criteria: technical merit, cost-effectiveness, innovation, local content, sustainability and scalability, etc.
Stage 2: Competitive Dialogue	Shortlisted entities will be provided with and respond to an RFP and participate engage in structured dialogue sessions with the ENACTUS project team. These sessions will focus on refining proposed solutions, addressing project needs, and ensuring alignment with project objectives. Entities will have the opportunity to clarify their proposals, explore innovative approaches, and refine pricing strategies during the dialogue phase.

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Stage 3: Submission of Final Proposals	Following the dialogue phase, entities will respond to a revised RFP including a detailed ToR by submitting their final proposals . Final proposals will be evaluated based on a combination of technical merit , cost-effectiveness , innovation , local context applicability and responsiveness , sustainability and scalability , etc.
Stage 4: Awarding of Contract	Contracts will be awarded to entities offering the best overall solutions as determined by the evaluation panel.

2.3.2. Timeline (key dates per stage)

Stage	 Description 	Indicative Timeline
Stage 1:	Eol Submission and Selection: Eol submission and initial selection is mandatory to be considered for further phases. Rated criteria are used, and the top applicants will prequalify for the competitive dialogue.	EoIs to be submitted by 8 November 2024
	Information sessions and field visits: Information and Q&A sessions regarding ENACTUS requirements with service providers that have expressed interest in submitting an Eol. Site visits to shortlisted settlements/ areas.	First week of November 2024
	Entities that have submitted EoIs will be informed on whether they qualify to enter the competitive dialogue phase and provided with RFPs.	By 15 November 2024
Stage 2:	Pre-qualified entities submit interim proposals: Entities submit interim proposals addressing ENACTUS requirements. One-on-one dialogue sessions refine proposed solutions, ensuring alignment with ENACTUS requirements and entity business plans and models.	By 30 November 2024
Stage 3:	Request Final Proposals, Evaluation, and Contract Award: After the dialogue phase, Final Proposals are submitted in response to a final RFP.	Final proposal submission by 15 December 2024
Stage 4:	The ENACTUS procurement team conducts the final evaluation and awards the contract/s.	Contracting by 31 January 2025
Contract Implement ation	During contract implementation, the ENACTUS project team will maintain strong oversight and support the process with active contract management.	February 2025 – December 2025

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2.4. Competitive Dialogue Key Requirements

During the competitive dialogue phase, the shortlisted bidders will be expected to actively engage in structured dialogue sessions with the ENACTUS project team and partners. The goal of these sessions is to refine and adapt the proposed clean cooking interventions to meet the specific needs of informal settlements within the Greater Kampala Metropolitan Area (GKMA). The competitive dialogue will focus on achieving the most innovative and effective clean cooking solutions through collaborative discussions, addressing both technical and commercial arrangements.

Key Aspect of the Competitive Dialogue

Refinement of Proposals:

- Bidders will be required to refine their initial EoIs and draft proposals by incorporating feedback from the ENACTUS team, stakeholders from host urban authorities, the Ugandan Ministry of Energy and Mineral Development (MEMD), and other project partners.
- The dialogue will help align proposed interventions with the project's objectives, such as
 delivering scalable clean cooking solutions to 6,000 households and small businesses,
 while fostering local content, job creation, sustainability, and setting the conditions for
 additional investment.

Addressing Project Needs:

Bidders must demonstrate how their clean cooking solution(s) will tackle the challenges
of access and affordability, especially for underserved communities. Within their
submissions and during the dialogues, bidders should also provide innovative approaches
to enhance their product offering(s), pricing models, and end-user financing mechanisms.

Exploring Partnerships:

Bidders will have the opportunity, with no obligation, to explore collaborative
partnerships with other entities, including suppliers, community organisations, and/ or
financial institutions, to strengthen the delivery and impact of their interventions.

Clarifying Pricing and Business Models:

 The competitive dialogue will also focus on refining pricing structures and business models to ensure cost-effectiveness and market competitiveness. Bidders should be prepared to tailor business models to reflect realistic market conditions in the informal settlements.

Alignment with Project Targets:

 Bidders will be expected to provide detailed plans on how they intend to meet the ENACTUS key targets, including delivering clean cooking solutions to households and small businesses, creating jobs (with a focus on female-led enterprises), and reducing greenhouse gas emissions.



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Final Proposal Submission:

 After the dialogue phase, bidders will submit a final proposal incorporating the feedback and insights gained during the discussions. These proposals will be evaluated on their technical merit, cost-effectiveness, innovation, and ability to achieve project outcomes.

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Specifications

The total budget available to all supported private sector entity(ies) (individual companies and/ or a consortium) support under ENACTUS is £ 350 000 (three hundred and fifty thousand Great British Pounds) in grant funding. Successful service providers will deliver the activities within eleven (11) months, commencing in February 2025. Only one (1) Eol per service provider will be accepted, and consortia are encouraged to apply. Entities that submit Eols in their individual capacities may also form consortia later in the procurement process. Co-funding by the service provider is strongly encouraged to demonstrate value for money.

The clean cooking products and services must be ready to launch upon contracting, and should include the fuel, equipment/stove requirements, accompanying accessories, and after sales services. Similarly, operational, administrative, and logistical arrangements should be demonstrated to be in place at time of contracting.

As far as possible equipment should meet technical quality standards used by the Uganda National Bureau of Standards or other reputable clean energy organisations/ associations. Proof of such must be provided in the service provider's applications.

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3. Oversight, Capacity Building, and Technical Assistance

ENACTUS is implemented by ICLEI Africa. ICLEI Africa will carry out capacity and technical assistance and will provide the following support to grant winning entities:

- Strategic advice throughout the project to ensure implementation of context-appropriate clean and affordable cooking interventions in alignment with ENACTUS objectives;
- Monitoring the progress of the project through regular check-in meetings with the service provider, reviewing reports and undertaking monitoring activities;
- Conducting capacity and technical needs assessments in advance of the provision of needs based technical assistance.

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4. Evaluation criteria

The following scoring criteria will be considered during the EoI review:

Criteria	Description	Points
Delivery team	Team members and roles indicating availability of qualified staff to handle different aspects of the business as is required for this work	20 points
Relevant experience	Demonstrated experience of delivering clean cooking interventions in urban informal settlements, to urban low-income households, social institutions and/or small businesses in Uganda	25 points
Partnerships with financial institutions	Proven existing and/ or recent partnerships and/ or collaboration with financial institutions	10 points
Company ownership and tax compliance	Company is owned, registered and incorporated in Uganda or internationally, with ability to operate with ease in Uganda. Company is tax compliant and all taxes paid up to date.	10 points
Quality standards	Company's products are compliant with technical quality standards used by the Uganda National Bureau of Standards and/ or other reputable clean energy organisations/ associations	10 points

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5. Submission process

Indication of interest:

Prior to submitting the EoI, kindly indicate your interest in responding to this REoI via email with answers to the following:

- i. Name of company
- ii. Contact details of key focal points regarding the EoI
- iii. Interest in attending information and Q&A sessions regarding ENACTUS requirements
- iv. Interest and availability of company (a maximum of 2 representatives) in going on site visits to shortlisted settlements/ areas in the first week of November 2024
- v. Any queries regarding submitting an EoI

Expression of interest

Please submit the EoI and supporting documents listed below to Dr Azizat Gbadegesin (azizat.gbadegesin@iclei.og) with David Sheridan (<u>david.sheridan@iclei.org</u>) in copy by 23:59 (SAST) on 8 November 2024. Please use the subject line 'ENACTUS EoI: Implementation of Clean Cooking Interventions in informal settlements in the GKMA' with an EoI attached in Word and PDF format (not exceeding 10 pages) containing the following information:

1. Company details

- Name of submitting company/organisation and in the case of a consortium: the lead organisation and all consortium members
- Key team members/managers and their roles within the company/ consortium, and indication of current number of employees (full time and/or part time)
- Provide organisational structure and organogram of the company (indicate gender of staff in the roles in the organogram)
- Name, email address(es) and phone number(s) of 2 contact persons in your company/organisation
- Detailed address(es) of business locations within GKMA, and within Uganda (Include a map of the GKMA with these locations pinned for easier referencing)
- Clean cooking fuel(s) and technologies your organisation/ consortium is involved in including the number of years and type of experience in manufacturing, wholesaling, retailing, installation, scale of distribution etc.
- Number of years and type of experience with each fuel/ technology as indicated, including whether as manufacturer, wholesaler, retailer, installer, etc., as applicable to your organisation/ consortium
- Provide brief details of experience working with municipal council authorities and national governments

2. Commercial and market information

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- Gross revenue: Average annual gross revenue in the last three years of operation (if available)
- Sales volume: Average volumes (including units) of the clean cooking technologies/ fuels manufactured, distributed, sold, etc monthly and over a typical 6-month period (broken down into informal versus formal deployment if possible)
- Market details: A description of typical markets where your products and/ or services are
 offered, and how your organisation/ consortium is able to move its products and services
 into the market, especially the informal settlement market. Include information on your
 pricing, branding, and communication strategy.
- Location of Operations: Please provide details of the geographical areas within which the company is conducting business operations and/ or which are included in any business expansion plans.
- Urban informal settlements: Describe, if available, relevant experience with deploying your organisation/ consortium's products and services in: urban informal settlements, low income households, social institutions, and businesses
- Financial partnerships: Brief details on any recent partnerships with financial institutions, to include as a minimum name of the financial institution(s), type of partnership(s) engaged in, roles of partners, duration of the existence of the partnership, etc. The existence of such is not mandatory but advantageous.

3. Consortium Participation (if applicable):

• Indicate whether you are open to working within a consortium, and provide details if relevant. This is particularly relevant to the diversified fuel offering approach.

4. Supporting documents

- CVs of key team members who will work on the project, including **their roles in the business and this project**.
- Company/organisation registration document(s) and/or certificate of incorporation, with up-to-date tax compliance certificate.
- Proof of company/organisation's up to date public liability and product liability insurance should it exist. Companies not meeting this minimum threshold may apply but should be provide written commitment that they are prepared to acquire such insurance as required by the ENACTUS team and the ENACTUS donor organisations.
- Company profile or link to company website demonstrating past relevant experience.
- Evidence of certified quality standards of product(s) (or a statement explaining the status of progress in obtaining certification for product quality).
- If available, product catalogue and/ or specification of proposed products and services.

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<u>ICLEI – Local Governments for Sustainability</u> is a global network working with more than 2500 local and regional governments committed to sustainable urban development. Active in 125+ countries, we influence sustainability policy and drive local action for low emission, nature-based, equitable, resilient and circular development.

This project is funded with UK Aid from the UK government via the Transforming Energy Access Platform