



## **Terms of Reference (ToRs) for a short-term consultancy to conduct a study on the current financing mechanisms for private sector investment in renewable energy access**

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### **1.0 Introduction**

These are ToRs for the required technical support towards conducting a study on the current financing mechanisms for private sector investment in renewable energy. The generated report will provide an overview of the current finance mechanisms for advancing private sector investment in renewable energy and clearly highlight the various financial products, procedures, rules & regulations, challenges/limitations and emerging issues in respect to access to credit financing for renewable energy access.

These ToRs further present the overall objectives of the consultancy, the suggested methodology and approaches, the expected outputs and the required qualification and experiences of the consultant to conduct the study.

### **2.0 Background**

Environment Alert (EA) <sup>1</sup> is implementing a project titled *'Increasing access to sustainable and renewable energy alternatives in the Albertine Graben'* that aims at communities adopting sustainable renewable energy alternatives to reduce dependency on biomass for their energy needs. The project is being implemented in collaboration with the World-Wide Fund-Uganda Country Office (WWF-UCO) with financial support from the Norwegian Agency for Development Cooperation (Norad). One of the project outcomes is *'Central and district local government have put in place an enabling environment (policies, strategies and incentives) to increase energy access and improve energy efficiency for cooking and conservation'*

In line with this outcome, there is already an earlier study that was conducted by Environmental Alert on *'Unlocking Financing and Investments for Clean and Renewable Energy Access in Uganda.'* The study indicated that although financing and investment towards renewable energy has been increasing over the last decade, there are still gaps in accessing credit for private sector investment in the sub sector.

It's against that background that Environment Alert is seeking for a competent consultant to undertake a study on the current finance mechanisms (products, procedures, rules & regulations, challenges/limitations and emerging issues in respect to access to credit) for private sector and public/community investment in renewable energy access.

### **2.1 Objectives of the consultancy**

The overall object of the consultancy is to undertake a study on the current finance mechanisms for private sector investment in renewable energy access, clearly documenting the various financial products, procedures, rules & regulations, challenges/limitations and emerging issues in respect to access to credit financing for renewable energy access.

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<sup>1</sup> Further information about Environmental Alert detailed in the profile available at: <http://envalert.org/wp-content/uploads/2018/07/EA-profile-Updated.pdf>

## 2.2 Scope of work

The scope of work for the Consultant will include but not limited to:

- a) *Provide an overview of the current finance mechanisms for advancing private sector investment in renewable energy access;*
- b) *Review the current constraints (both policy and practice) at national and local levels that are limiting accessing to credit for private sector investment in renewable energy access;*
- c) *Suggest/propose recommendations for addressing the constraints /limitations to access to credit for private sector investment in renewable energy access;*
- d) *Submit a draft study report to Environmental Alert;*
- e) *Present the draft study report to stakeholders for validation for further review and inputs;*
- f) *Submit a final report to Environmental Alert.*

## 2.3 Key deliverables

The consultant will work closely with Environmental Alert's designated staff and submit all the deliverables to EA.

- i. Inception report;
- ii. A draft study report findings that will be validated;
- iii. A final study report on the current financing mechanisms for private sector investment in renewable energy access with recommendations;

**Notable:** All deliverables shall be submitted in softcopy in an editable format.

## 2.4 Methodology

The methodology will be proposed by the consultant. However, we expect that the consultant will use participatory and interactive approaches to engage key stakeholders in respect to access to financing for investment in renewable energy access.

## 2.5 Time frame and timelines for the consultancy

The assignment is planned to take place during the month of June & July, 2019 and is anticipated to take not more than 15 working days. In **Table 1**, the tasks, outputs and associated timelines within which the outputs should be delivered are presented.

**Table 1:** Key tasks, expected outputs and related timeframe for submission of the outputs.

Task	Output	Duration	Due date
A) Facilitate inception meeting	Inception report	0.5 day	7 <sup>th</sup> June, 2019
B) Sign contract	Signed contract	0.5 day	7 <sup>th</sup> June, 2019
C) Present and submit the draft report to EA	Draft report submitted to EA	10 days	28 <sup>th</sup> June 2019
D) Facilitate a validation workshop for CSOs and Networks to validate the draft study report findings	A validated draft study report	1day	2 <sup>nd</sup> July, 2019
E) Address comments and integrate input from the validation workshop into the final report		2 days	4 <sup>th</sup> July, 2019
F) Submit final report	Final report	1 day	5 <sup>th</sup> July, 2019
<b>Total days</b>		<b>15 days</b>	

## 2.6 Correspondence

All contractual and implementation correspondences will be addressed to Dr. Joshua Zake (PhD), Environmental Alert, P.O Box 11259, Kampala, Uganda, **Email:** [ed@envalert.org](mailto:ed@envalert.org) or [joszake@gmail.com](mailto:joszake@gmail.com).

## 2.7 Payments

The consultant will be paid professional fees as compensation for his/her technical/professional expertise and time invested in the delivery of the expected outputs. This will be discussed and agreed amicably for a win-win for both the consultant and Environmental Alert.

**Notable** is that the Consultant will be responsible for declaration of the income for income tax purposes and where applicable, *EA will make 6% statutory deductions (from the gross payment) payable to Uganda Revenue Authority as withholding tax in accordance with the income tax regulations of Uganda.*

## 2.8 Contractual conditions

- a) The Consultants shall be persons of high integrity and competence in application of the task at hand for the period required.
- b) Except with prior agreement with EA, the Consultants shall not publicize or make public through media or in private any (part) of the raw or finished material, recommendations or information provided within the framework of this contract.
- c) All reference materials belonging to EA that the Consultants may have in possession by virtue of the contract shall be surrendered to EA at the end of the contract.
- d) In case of conflict arising from the implementation or execution of this contract, the parties agree to do their best to avoid legal action, but shall seek arbitration from a third party acceptable to both parties.

## 2.9 Qualifications and required competencies for the Consultant

Environmental Alert is looking for a competent consultant of consultant/s with the following qualifications and competencies:

- i. *Relevant academic background with a minimum qualification of a Master's degree in appropriate discipline including: Environment, Natural Resources/Energy Economics, Engineering, Environment and Natural Resources, Policy and Advocacy;*
- ii. *Demonstrate experience (at least 3 years) in carrying out similar assignments in relation to financing/ investment in renewable energy access;*
- iii. *Strong research, analytical, facilitation and communication skills;*
- iv. *Good understanding of the energy sector in Uganda;*
- v. *Excellent presentation, documentation and reporting skills;*
- vi. *Ability to work efficiently and deliver on committed outputs under the assignment within agreed timelines and deadline.*

## 3.0 Application process/submission of the technical and financial proposal

The consultant is expected to interpret these ToRs and submit an expression of interest with a technical and financial proposal for delivery of the expected outputs and the cost implications in terms of professional fees respectively. Other supportive documents/evidence as described in sub-section 2.9 should as well be submitted.

This will be the basis for selection of the consultants, who will be invited to interact with a vetting team at Environmental Alert through presentation and discussions.

The technical and financial proposal should be submitted to Executive Director, Environmental Alert P.O Box 11259, Kampala, Uganda. Or email to [PO.energy@envalert.org](mailto:PO.energy@envalert.org) with a copy to [ed@envalert.org](mailto:ed@envalert.org) or hand deliver to Plot 3, Sonko Lane, Kabalagala (Off Gaba Road).

Applications should be delivered to the above address not later than **31<sup>st</sup> May, 2019**.