**REQUEST FOR EXPRESSION OF INTEREST (REOI)**

**Kigali, on 22 June 2023**

**Ref No:** RW-REG/EDCL-344186-CS-QBS

**Project:** Rwanda - Energy Access and Quality Improvement Project

**Tender Name:** **Hiring a consultant to design loan product for Clean Cooking financing.**

1. **BACKGROUND AND CONTEXT**

In a move to support the Government of Rwanda’s target to reduce the percentage of households that use firewood for cooking from a baseline value of 79.90% in 2017 to 42% by 2024, BRD in collaboration with the Government of Rwanda (GOR) and the World Bank launched a Clean Cooking Results-based Financing (CC-RBF) subsidy under the Energy Access and Quality Improvement Project (EAQIP). The project is financed by the World Bank to a tune of USD 17 Million equivalent to Rwandan Francs 17 billion and is implemented by BRD in partnership with Energy Development Corporation Limited (EDCL).

The subsidy is designed to address the affordability of clean cooking technologies through the reduction of cooking stove prices with varying subsidy amounts allocated to the beneficiary categories with the objective of reaching the lowest income population in Rwanda.

1. **PROPOSED DUTIES AND RESPONSABILITIES OF THE CONSULTANT**

BRD also intends to provide loan facilities in the clean cooking sector. The credit will be directly granted to clean cooking companies and/or on-lent through participating financial institutions (commercial banks, microfinance institutions, SACCOs) as it is being done in other renewable energy projects. The Bank therefore would like to recruit a consultant with expertise in clean cooking to develop a clean cooking lending product for BRD. The consultant is required to design loan products for a number of clean cooking technologies/fuels such as financing LPG, electric cooking stoves/cookers, and other green cooking technologies. The consultant is also expected to design a loan product that can be financed against RBF subsidy receivables.

The consultant is required to also conduct a detailed risk analysis across a variety of clean cooking options and propose a workable risk mitigation matrix. S/he should be capable of designing modern analytical tools for the identification and quantification of the risks and establishing a fair risk-based premium for the bank. The lending package should be able to provide comprehensive information about the clean cooking technology, technical specification, international and regional practices, demand side risk, supply side risk, and the mapping of available suppliers in the Rwanda market.

**The key responsibilities include:**

* Conduct the international and regional best practices in clean cooking financing and recommend best cases from other developing countries.
* With the input from Market Facilitator, assess existing clean cooking sub-sectors including LPG, pellet-based stoves, electric stoves among others with their basic specification and technical risk aspects.
* Develop risk and return matrix by each clean cooking sub-sector and the category of tier of the available clean cooking technologies.
* Develop standard templates including appraisal reports to use while in the financing of clean cooking.
* Propose the clean cooking loan product for both on-lending and direct lending.
1. **Duration of the assignment.**

The assignment will last for a period of 66 working days from the date of Contract signing.

1. **Qualification, Knowledge, and Skills.**
* Master’s degree in business administration, Banking, Finance, Economics, Energy finance, or relevant discipline.
* Minimum 10 years of experience working for bank/financial institutions and designing investment loan products.
* Experience in designing Renewable Energy loan products will be an added advantage.
* Demonstrable skills and competencies in designing modern risk management tools.
* Sound knowledge in the renewable energy sector with a specific focus on clean cooking.
* Solid understanding of the credit appraisal process, project finance, and credit policies.
* Sound knowledge of credit rating models and risk premium structuring.
* Excellent proficiency in English, both written and spoken.

# How to apply

Interested consultants should provide the following:

* Expression of Interest
* Curriculum Vitae
* Brief technical proposal (no longer than five pages) demonstrating the consultant’s
* understanding of the assignment and approach/methodology to do the assignment
* Copy of the degree (s) and the professional certificate (s)
* Copies of certificates proving experience.
* Financial proposal including a breakdown of their all-inclusive fees, including professional fees, (in its own envelope).
1. **Selection process**

The Consultant will be selected in accordance with the Quality Based Selection (QBS) method set out in the Procurement Regulations.

Shortlisted consultants will be ranked based on the number of provided experiences (completion certificates supported by their related contracts) and copies of degrees.

The expression of interests must be submitted in written form (electronically) addressed to the Managing Director of the Energy Development Corporation Limited (EDCL) through the e-procurement system not later than 17/07/2023 **at 5:00pm Kigali time (GMT +2).**

Sincerely,

Done at Kigali, on 22/6/2023

**Gentile UMUSHASHI Félix GAKUBA**

**Head Procurement Management Services Managing Director**

**Terms of Reference for the recruitment of a consultant to design loan product for Clean Cooking financing (18th July 2022)**

1. **BACKGROUND AND CONTEXT**

In a move to support the Government of Rwanda’s target to reduce the percentage of households that use firewood for cooking from a baseline value of 79.90% in 2017 to 42% by 2024, BRD in collaboration with the Government of Rwanda (GOR) and the World Bank launched a Clean Cooking Results-based Financing (CC-RBF) subsidy under the Energy Access and Quality Improvement Project (EAQIP). The project is financed by the World Bank to a tune of USD 17 Million equivalent to Rwandan Francs 17 billion and is implemented by BRD in partnership with Energy Development Corporation Limited (EDCL).

The subsidy is designed to address the affordability of clean cooking technologies through the reduction of cooking stove prices with varying subsidy amounts allocated as per Ubudehe 1, 2, and 3 categories with the objective of reaching the lowest income population in Rwanda.

The CC-RBF expects to subsidize 500,000 households (2.15 million Rwandans) to gain access to cleaner cooking technologies, 25% of the beneficiary households are expected to be female-headed households.

The World Bank bi-weekly meeting with EDCL and BRD held on 22nd March, 2022 recommended BRD to prepared a note elaborating a justification to hire a consultant who will design lending products for clean cooking Companies that are in need of debt financing to enable them implement the CC-RBF project. The consultant will be hired by EDCL and remunerated from the project technical Assistance funds.

1. **PROPOSED DUTIES AND RESPONSABILITIES OF THE CONSULTANT**

BRD is currently providing finance for a variety of renewable energy projects including hydropower, mini-grid projects and stand-alone solar home systems. BRD channels the required financing (both grant and line of credit) through participating financial institutions (on-lending) and to energy private companies (direct lending).

BRD also intends to provide loan facilities in the clean cooking sector. The credit will be directly granted to clean cooking companies and/or on-lent through participating financial institutions (commercial banks, microfinance institutions, SACCOs) as it is being done in other renewable energy projects. The Bank therefore would like to recruit a consultant with expertise in clean cooking to develop a clean cooking lending product for BRD.

The consultant is required to design loan products for a number of clean cooking technologies/fuels such as financing LPG, electric cooking stoves/cookers, and other green cooking technologies. The consultant is also expected to design a loan product that can be financed against RBF subsidy receivables.

The consultant is required to also conduct a detailed risk analysis across a variety of clean cooking options and propose a workable risk mitigation matrix. S/he should be capable of designing modern analytical tools for the identification and quantification of the risks and establishing a fair risk-based premium for the bank. The lending package should be able to provide comprehensive information about the clean cooking technology, technical specification, international and regional practices, demand side risk, supply side risk, and the mapping of available suppliers in the Rwanda market.

**The key responsibilities include:**

* Conduct the international and regional best practices in clean cooking financing and recommend best cases from other developing countries.
* With the input from Market Facilitator, assess existing clean cooking sub-sectors including LPG, pellet-based stoves, electric stoves among others with their basic specification and technical risk aspects.
* Develop risk and return matrix by each clean cooking sub-sector and the category of tier of the available clean cooking technologies.
* Develop standard templates including appraisal reports to use while in the financing of clean cooking.
* Propose the clean cooking loan product for both on-lending and direct lending.

# Key deliverables.

* Inception report describing how the assignment will be executed.
* First draft report.
* Final report recommending the different possible loan products (Financing against CC-RBF Subsidy, etc.) for financing Clean Cooking Companies.
1. **Duration of the assignment.**

The assignment will last for a period of 66 working days from the date of Contract signing.

1. **Qualification, Knowledge, and Skills.**
* Master’s degree in Business Administration, Banking, Finance, Economics, Energy finance, or relevant discipline.
* Minimum 10 years of experience working for bank/financial institutions and designing investment loan products.
* Experience in designing Renewable Energy loan products will be an added advantage.
* Demonstrable skills and competencies in designing modern risk management tools.
* Sound knowledge in the renewable energy sector with a specific focus on clean cooking.
* Solid understanding of the credit appraisal process, project finance, and credit policies.
* Sound knowledge of credit rating models and risk premium structuring.
* Excellent proficiency in English, both written and spoken.
1. **REPORTING ARRANGEMENTS.**

The Consultant will report to the Manager, Energy Portfolio functionally and administratively to the EAQIP CC-RBF Coordinator.