

**REQUEST FOR PROPOSAL FOR  
CONSULTANCY SERVICES FOR AN ENERGY  
MARKET STUDY ON PRODUCTIVE USE OF  
ENERGY FOR SMEs IN SENEGAL**

*Country:*  
**Senegal**

*Project Names:*  
**Energy Business Development (EBD)**

*Date of Submission:*  
**July 2016**

## TABLE OF CONTENT

### **Terms of reference**

I) Background and context .....	3
II) Objectives .....	3
III) Scope of services.....	4
1) Activities .....	4
2) Expected deliverables.....	6
3) Target area.....	6
IV) Team Composition &Qualification Requirements for the Key Experts .....	6
V) Reporting Requirements and Time Schedule for Deliverables.....	7
VI) Client’s Input and Counterpart Personnel.....	7
VII) Proposal guidelines .....	7
1) Technical proposal .....	7
2) Budget .....	8
3) List of client references .....	8
VIII) Submission of EOI and proposal.....	8

## TERMS OF REFERENCE

### I) Background and context

GVEP is implementing a programme to support development and growth of energy focused businesses in 4 countries in Africa, including Senegal: The Energy Business for Development (EBD) programme funded by the World Bank through the Russian government and co-funded by ENERGIA. The Objective is to strengthen the capacity of micro, small and medium enterprises (MSMEs) to provide access to energy to rural communities as well as to support them in productive uses of energy.

In relation with productive uses of energy, the programme will support 3 different initiatives:

- Energy Opportunities for Women in Senegal (EOWS) project: the programme will aim at increasing the effectiveness of women led businesses through productive uses of energy generally in off grid areas, including helping them acquire the necessary equipment and source of energy. This component is co-funded by ENERGIA.
- Energy Productive Use Support projects in collaboration with ASER:
  - The programme will support productive uses of energy in newly electrified villages in collaboration with ASER.
  - The programme will offer technical and business assistance to PREMs (Projets Energétiques Multi-Sectoriels).
- Technical Assistance to the Senegal National Biogas Programme (“PNB”): Support the national biogas programme to deploy 10,000 units of biogas systems for rural households by providing business and technical assistance to selected biogas companies. Under that component households receiving bio digesters are going to develop related activities, for instance fish farming or gardening activities that could benefit from an increase access to energy.

The project started in September 2015 and is ending in August 2017.

### II) Objectives

**The overall goal of this study will be to capitalize and enrich the current tools used by GVEP to provide support to businesses in the field of productive uses of energy.**

The study is comprised of 2 inter-related components:

- Component 1: review and assess the economic viability of 40 selected projects led by women to be supported with productive uses of energy and develop a standard methodology/toolkit to be used for future projects.

- Component 2: develop 12 factsheets for productive uses of energy in newly electrified villages and 12 factsheets for off grid areas.

### III) Scope of services

#### 1) Activities

**Component 1: review and assess the economic viability of 40 selected projects led by women to be supported with productive uses of energy and develop a standard methodology/toolkit to be used for future projects.**

- The consultant will review the existing information from the EOWS project, in particular the list of selected women groups and their respective projects as well as the methodology used to select these groups for support in productive uses.
- When a business plan has been produced the consultant will review the business plan and provide recommendations on any gaps identified, the risk associated with the project and its economic viability. He will then provide recommendations on the way forward for each project assessed.
- When the project business plan is to be improved, the consultant will support the team by providing extra inputs as required by the team (technical inputs related to agriculture, food processing, energy but also economic inputs) and focussing on the risk assessment for each project (especially the women groups capacities to invest and repay their loans), measures to be undertaken in order to mitigate this risk or suggestions of alternatives for risky options.
- For those projects that have been selected but where the business plan has not yet been produced, the consultant will support the team in putting together a business plan format which should be used as a tool to decide whether an investment in new energy equipment is profitable for the selected group.
- In any of the above case the ultimate objective will be to ensure that investment in energy equipment for productive uses of energy are recommended to selected groups or enterprises only when these are associated with positive impact on the group/enterprise performance, productivity and other parameters. Recommendations to invest in energy equipment for productive uses should therefore depend on the development of proper business plan to ensure that profitability of their investment. Investing in new energy appliances should not be promoted at all costs. The decision should rather be based on the business plan implying that the recommendation for a group or an individual enterprise can as well be to abstain from acquiring energy equipment if the projected additional revenue is insufficient to recover the investment. This is essential in order to avoid predictable misallocations, which might drive some groups/enterprises into financial problems.

- Therefore, the consultant will develop a « productive use business plan toolkit » that provide the necessary guidance to produce a business plan for the targeted groups/enterprises in similar context in order to ensure the profitability of their investment into electric appliances and energy equipment's and allow the team to make the right recommendations to the selected groups/enterprises.

**Component 2: develop 12 factsheets for productive uses of energy in newly electrified villages and 12 factsheets for off grid areas.**

- The consultant will put in place factsheets for at least 12 sectorial interventions to upgrade businesses thanks to a better access to energy in off grid areas through the use of renewable energy. The sectorial interventions are: 1/ gardening activities 2/ breeding animals like poultry 3/ processing food like milling cereals 4/ refrigeration systems 5/ cooling for the storage of milk 6/ sewing activities 7/ agroforestry products workshop 8/ lighting, TV or mobile charging 9/ heating food for small restaurants 10/ mechanical workshop 11/ baker's shop 12/ fish farm.
- The consultant will put in place factsheets for at least 12 sectorial interventions to upgrade energy access for productive uses in electrified areas. The sectorial interventions are the same as described above.
- Each factsheet will detail the technical intervention which will include an assessment of energy needs and constraints, required equipment and its characteristics (power, lifetime, and type of current ...) and the kind and characteristics of final products or services. The factsheets will also include potential suppliers for the equipment, a business plan that allows to understand their investment requirements and the medium-term profitability, the risks and precautions as well as some insights regarding the potential economic, social and environmental estimated impact (data used should be representative means valid in Senegal). The factsheets will present different scenario depending on the business size (in term of resources, level of equipment, turnover, and/or kinds of products). The consultant will provide a template for the factsheets (both for connected and off grid areas) that will be validated by the client.
- In order to put together the factsheets, the suggested methodology is:
  - Review existing information available and as provided by the client
  - Look for businesses that already have a good access to energy (off grid and connected) and that are both representative of the kind of businesses we support (in Tambacounda regions and under the collaboration with ASER or PNB) and of what we would like to achieve once current businesses are upgraded through a better energy access
  - Conduct interview with the business owners to obtain information related to the required equipment, energy needs, consumption profile, costs, benefits, any constraints they are facing, their market, get information about their business model. At least the consultant will interview 5 business owners for each factsheet.
  - Conduct interviews as needed with energy product suppliers and other potential informants working in relation with productive uses of energy, sectorial activities of our interest... (Government agencies, NGO, consultant firms...)
  - Based on the information obtained through the desk research and interviews, the consultant will put in place the factsheets

## 2) Expected deliverables

The Consultant shall prepare and submit to GVEP the followings documents and reports, in English:

- Detailed methodology and workplan for the study

A report study that includes:

- For component 1: an analysis of the current approach used to select groups/enterprise for productive use support and investment in energy appliances and recommendations for improvements; a review of the existing business plans in place and recommendations for improvements, the development of new business plans for those groups/enterprises which have not yet been assessed and a productive use business plan toolkit and methodology.
- For component 2: all the factsheets as well as a report summarizing all sources of data that have been used to construct them

## 3) Target area

The target area will include:

Component 1: Tambacounda

Component 2: the interviews will need to be done in areas that are representative of the current areas where GVEP is working.

## IV) Team Composition & Qualification Requirements for the Key Experts

The selected consultant for this work will be an organisation that has the capacity to work simultaneously on the different components and has the following experience and knowledge:

- Excellent knowledge of energy markets in West Africa and in particular in Senegal, including awareness of the energy market dynamics in Senegal.
- Strong experience and understanding of business support activities, in particular the setting up of business plans
- Previous experience of energy demand survey and particular understanding of the terrain in Senegal.
- Technical and practical knowledge and experience related with energy, mechanical engineering, thermal engineering, energy conservation, renewable energy, agriculture (solar pump, solar windmill ...)
- Solid experience related with the study and promotion of productive uses of energy
- Knowledge of the country's rural electrification program and current energy context in Senegal.
- A solid track record doing similar work /study around access to energy and productive use of energy for SMES (provide project references).
- Experience in conducting energy needs assessments.

- Strong Ability to communicate well in oral and written English and French. (the reports will be in English)
- Availability to start end July

## **V) Reporting Requirements and Time Schedule for Deliverables**

The assignment is expected to take a maximum of ten (10) weeks and reports should be submitted as follows:

- Detailed workplan – 1 week after commencement of study
- Draft reports – 8 weeks after commencement of study
- Final reports– 10 weeks after commencement of study
- A report for component 1 which includes:
  - An analysis of the current approach used to select groups/individual enterprises for productive use support, a list of gaps identified in the approach and recommendations for improvements;
  - A review of the existing business plans in place and recommendations for improvements
  - The development of new business plans for those groups/enterprises which do not yet have a business plan (these will be annexed to the report) and recommendations on the profitability of the investment into productive uses appliances
- A report for component 2 which includes:
  - A productive use business plan toolkit and methodology, fact sheets per sector and list of recommendations

## **VI) Client's Input and Counterpart Personnel**

GVEP will make all necessary introductions. GVEP will provide the consultant with all available reports on past studies, oversee and monitor overall progress, ensure that deliverables are completed to a high standard, and provide input and guidance on the final report.

## **VII) Proposal guidelines**

### **1) Technical proposal**

The project proposal should not exceed 20 pages. The proposal should include:

- presentation of the organisation/consortium/consultant
- Objective of the study
- Methodology /approach proposed
- Presentation of Credentials: Relevant Work and Studies
- Workplan, and Timeline
- A financial proposal/budget

- Description of Team and Roles: include organisational and personnel qualifications as directly relevant to the study.
- CVs of Key Team Members: one-page maximum for each proposed team member, as well as key sub-contractors, assistants and/or project consultants should be submitted

## 2) Budget

The proposed budget for this assignment should be no more than USD 35,000 including VAT. Candidates are requested to submit a financial proposal. Consultants are expected to provide an itemised descriptive budget. The narrative budget should include descriptions of the specific roles, responsibilities and compensation for all project team members and consultants as well as detailed descriptions of proposed travel, supplies and equipment to be purchased.

## 3) List of client references

Provide a list of up to three (3) references including email addresses and telephone numbers. References of past funders are highly preferred.

## VIII) Submission of EOI and proposal

You are hereby requested to submit an Expression of Interest complete with a technical as well as a financial proposal and confirm your availability to commence the works immediately after receiving a potential contract approval.

The Consultant will be selected in accordance with the procedures set out in the World Bank's Guidelines: Selection and Employment of Consultants by World Bank Borrowers (current edition) based on the consultants' qualification (CQS).

Expression of Interest (Eoi) with the technical and financial proposal should be submitted by August 7th of 2016, electronically to both [mathieu.dalle@gvepinternational.org](mailto:mathieu.dalle@gvepinternational.org) and [Aminata.Sane@gvepinternational.org](mailto:Aminata.Sane@gvepinternational.org). Include "STUDY ON PRODUCTIVE USE OF ENERGY FOR SMES IN SENEGAL" in the subject line.