## Terms of Reference for Independent Verification Agents (IVA)

**Project Name:** Inclusive Markets for Energy Efficiency in Uganda (IMEU)

**Implementing Organisation:** SNV Netherlands Development Organisation

**Donor:** Swedish Embassy in Uganda.

SNV is a non-profit international development organization. Founded in the Netherlands 50 years ago, we have built a long-term local presence in 39 of the poorest countries in Asia, Africa, and Latin America. We believe that nobody should live in poverty. We are dedicated to supporting a society in which all people, regardless of race, class, or gender, have the freedom to pursue their sustainable development. Our focus is to increase people's income and employment opportunities in productive sectors, such as agriculture, as well as improving access to basic services, such as energy, water, sanitation, and hygiene.

The Inclusive Markets for Energy Efficiency in Uganda (IMEU) is a four-year project funded by the Embassy of Sweden and implemented by a consortium including SNV Netherlands Development Organisation (SNV) as the lead, Makerere University-CEDAT and Private Sector Foundation Uganda (PSFU). IMEU has a market development fund which intends to stimulate the demand and supply of energy efficiency services and products in Uganda. IMEU will implement the MDF through three mechanisms; Technical Assistance (TA); Catalytic Grants (CG) and Results Based Financing (RBF), which will be offered to qualified business in agriculture and built environment. To implement the financing mechanism, IMEU will require the services of an Independent Verification Agency (IVA) to verify claims submitted to the MDF by RBF recipients. SNV is in the process of hiring Independent Verification Agents (IVA) who will support the IMEU project.

This Terms of Reference describes the responsibilities of the Independent Verification Agent (IVA) and its objectives, activities, deliverables and working modalities for IMEU’s Results Based Financing mechanism. This ToR has been compiled with the aim to facilitate the delivery of a transparent and independent verification process.

* 1. **Objectives of the Independent Verification Agent**

The objective of the IVA is to verify the claims of the investees (companies that will benefit from IMEU’s Market Development Fund financing mechanisms) of IMEU funds through field surveys. The IVA will analyse the data and create a field verification report that informs IMEU on the number of (un)verified sales and connections according to a pre-defined format. The Field Verification report will be one of the sources that will support IMEU to decide on a (partial) award of the claim and release the cash transfer accordingly.

* 1. **Scope of activities**

The IVA will support the compilation of the Claim Verification Report based on the following activities (both for the Results-Based and the Sustainability Component):

1. Field survey to ascertain at retailers and end user, the number of products/services sold/provided.
2. Prepare a Field Verification report detailing the validity of the products and services sold or provided, respectively.

The necessary steps to deliver the objectives referred to above are explained in more detail below:

* 1. **Necessary pre-verification tasks**

The IVA may be required to participate in the pre-verification planning visits and meetings like an audit planning. The outputs of this activity shall include but are not limited to a work plan, implementation strategy, methodology, relevant implementation tools and reporting templates.

* 1. **Review of reports and relevant documentation**

The IVA will support reviewing incentive claim reports by verifying that:

1. The originating organisation is properly identified.
2. The details of the retailer/end users are complete, including but not limited to:
   * Full names of the users. Phone contact
   * Exact geographic location of the users
   * Specifications of the products that have been supplied, including serial numbers
   * Specification of the type of service provided
   * Date of delivery
   * Type of product
   * Payment price for the product/services
   * Condition of the products supplied
   * Whether warranty & after-sales services are offered by the recipient

* 1. **Field Verification**

1. The IVA will undertake field verifications. The specific locations to be visited will be based on:

* In the districts where IMEU’s investees are submitting claims
* An appropriate sampling process designed for field verification
* Specifically identified users highlighted for follow-up during phone verifications
* Targeting issues highlighted during telephone verification by other IVAs

1. The IVA will carry out a field visit to Energy Service Companies (ESCOs) and Energy Service Provider Companies (ESPCs) a sample of customers, do interviews with customers, ESCOs/ESPCs to verify on the spot if the customers have registered energy efficiency through the products/service supplied.
   * Carry out interviews in a language well understood by the user
   * Collect answers from costumers (users)/retailers to a set of pre-defined questions
   * Carry out interviews with retailers to verify details of the transactions
2. Additionally, these field visits may also be used to capture additional monitoring and impact data; as well as to collect data on the company and market development to inform the review process of the RBF projects.

* The IVA will be required to provide GPS coordinates of the visited households
* Take pictures of ESCOs/ESPCs staff and customers (with their consent) and their products.
  1. **Reporting**

The IVA will document the findings in English related to the field verification processes:

1. Present the findings of the verification exercise and market observations after concluding the verification exercise
2. Submit, in the reports, pictures of the energy efficiency products (including serial number) taken during the verification process
3. The IVA will be responsible for reporting errors or omissions on the reported sales
4. The IVA will report on any inconsistencies identified during the verification process, which may require further investigation.
   1. **Key Deliverables**
5. Verification report per SMEs, ESCO and/or ESPC listed to be verified, comprising:

* Review energy audits and energy efficiency corrective plans agreed upon between ESCO/ESPC and their SME and Institutional clients.
* Document verification (including data reconciliation) of all sales reports
* Field verification details

1. Primary and secondary data collected during the assignment as per specific task requested by SNV
2. Pictures from the field per unit sold (serial number)/connection.

* 1. **Application Requirements**

1. Company profile and CVs of the proposed IVAs accompanied by a letter of expression of interest. Clear methodology of how the assignment will be conducted. Timelines when the activity will be completed. Show a clear understanding of the TOR.
2. Proof of experience in similar assignments with references.
3. Proof of compliance: Certificate of registration, valid operating permit/ trading license, most recent tax compliance certificate from URA.
4. Financial proposal including all operating costs and professional fees to carry out this assignment.
5. Lead personnel must have qualifications and at least 7 years’ experience in process and financial auditing
6. Support personnel must have at least 3 years’ experience in conducting monitoring/ evaluations; sales data processing, analysis, and reporting.

* 1. **Deadline for proposals submission**

All the proposals must be submitted by the 8th of September 2022 through the e-mail: ugandatenders@snv.org. Please indicate submission of proposals for IVA consultancy in the subject line.

**Required document for submission**

Interested consultants are required to submit the following:

A)Technical proposal with the following details:

1. Understanding of the assignment
2. Methodology and approach to be used based business model canvas
3. Operational plan with clear timeline
4. CVs of the proposed consultants

**B) Financial proposal (in Uganda Shillings)**

Submit a detailed financial proposal with a breakdown of days and fees per consultant proposed for this consultancy. The fees should also include travel costs and other administration costs.

**C) Past Performance – three references**

Applicants must prove that they have enough experience in assignments comparable with the work they are bidding for in terms of scope and complexity. Applicants must prove this experience using only and exactly three references for similar work they have done in the last 2 years

**Selection criteria**

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|  | 1. **Criteria** | **Maximum score** |
| 1 | **Past Performance and Capacity of the Firm** – Quality and relevance of previous work conducted by the firm, this can be ascertained by certificate of completion or recommendation from contracting authority. | 20 |
| 2 | **Technical Proposal** – The firm should demonstrate the following.   1. A clear understanding of the assignment and submit a clear synthesis of how it will meet the requirements in all sections 2. A viable and appropriate methodology that guarantees transparent verification of sales claims. 3. A realistic operational plan for verification of sales reports submitted by 8 companies for 1 quarter (March 2023 to May 2023). | 40 |
| 3 | **Expertise and Experience of the consultant’s team**– Qualifications and relevant experience of the key personnel (CVs) as well as certification as process auditors and evaluators. | 20 |
| 4 | **Financial Proposal** – A realistic breakdown of costs required to deliver the assignment that demonstrates value for money (including clear units/unit costs, separating professional fees, per diems and other reimbursable costs). | 20 |
|  | **TOTAL** | 100 |

**Tender disclaimer.**

*SNV reserves the right to either accept or reject any or all bids submitted. SNV reserves the right to either increase or decrease the assignment scope depending on budget availability. SNV can stop this procurement at any time without need to give explanation or can extend the deadline for submission once it sees it fit. In case you do not hear from SNV within 3 weeks of closure of the bid receipt date, consider yourself unsuccessful.**SNV also reserves the right to reject and cancel the tender in case any illegal, corrupt, coercive, or collusive practices are noticed. Late bids will be rejected*. *Please note that viewing, downloading or otherwise using the TOR constitutes acceptance on your part of all the above noted statements and conditions.*