

SOLAR FOR PRODUCTIVE USE

EnDev Kenya

Request for Expression of Interest

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Partnership with solar distributors to establish and strengthen supply and distribution of quality solar powered systems for productive use in business settings.

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1. Summary – Request for Expression of Interest

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and SNV Netherlands Development Organisation in Kenya hereby invite eligible organizations to submit their expression of interest (EOI), to participate as a beneficiary of project support towards enhancing the supply, distribution and access of **solar powered systems for productive use** in business settings. **Productive use** entails solar solutions (both electrical and thermal solutions) for income generation for small scale businesses (both individual and enterprise set-up).

This request for expression of interest (EOI) therefore includes the following:

- Details on the project and the opportunity for the solar distributors included below.
- Details on eligible organizations included below.
- Details on the application requirements, process and timelines all included below.
- The official application template to participate in the project under the solar for productive use component, has been included as an attachment to this request for EOIs.

2. Project Background

a) Energising Development (EnDev) Programme

The Energising Development (EnDev) Programme is an energy access partnership currently financed by six donor countries – the Netherlands, Germany, Norway, the United Kingdom, Switzerland and Sweden. The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH acts as lead agency for the implementation of the programme and cooperates closely with the Netherlands Enterprise Agency (RVO) at the global level, and with various implementation partners at the country level.

The EnDev Kenya project is structured into three components i.e. cookstove, cooking fuel and solar and implemented by GIZ, SNV and Practical Action. The project also has an element of targeting poor and vulnerable groups with specific focus in refugee settings in Kakuma. The overall objective of the EnDev Kenya project is to contribute to the Kenya's SE4All initiative whose goal is to achieve 100% universal access to modern energy services by 2030 for both cooking and electricity. The project will intervene in three major areas, specifically the supply side, demand side and the enabling environment.

b) Solar for productive use in business settings

Under the solar component of the project, the project seeks to accelerate access to appropriate, reliable and affordable energy services for the small and micro enterprises (SMEs), by establishing and strengthening supply and distribution of solar powered systems for productive use by the SMEs (including but not limited to small scale traders, small holder farmers, micro enterprises). The solar productive use interventions are jointly implemented by GIZ and SNV using a similar approach.

The project will therefore support the existing and new distributors of quality off-grid solar powered systems for productive use. The selection process will give high priority to the professionally managed enterprises who demonstrate high potential and capacity to implement and work with a larger network of targeted beneficiaries (agents, stockiest and retailers) hence enhancing delivery, overall achievement of results, ownership and therefore sustainability of the interventions.

In summary the project will focus on the following intervention areas:

- Promotion and awareness creation for solar solutions for productive use.
- Training and capacity building for last mile distribution.
- Enhancing technical capacities, quality assurance and after sales support/mechanisms for solar solutions for productive use.
- Business to business linkages to strengthening rural and peri-urban distribution channels.
- Facilitate linkages with financial institutions/intermediaries to catalyse and increase access to finance for solar for productive use solutions
- Facilitate the creation of an enabling environment

c) Eligible technologies/products

The project will promote access to **small and medium solar solutions** appropriate for productive use in business settings. This includes solar powered products that can be used either to enhance income generation or to directly generate income. The project will give priority to quality products and suppliers who will provide after sales support including product warranties.

The project will therefore include measures to vet products in order to ensure relevance/appropriateness to the market. Examples of solar powered solutions to be promoted will include but not limited to solar powered agricultural solutions such as the solar irrigations kits, solar cooling and refrigeration, and agricultural processing such as drying, grinding and milling. Other business solutions may include barber kits and phone charging kits among many others. The project will remain open to new but tested solar powered solutions targeting SMEs as users of the technology.

d) Support provided by the project

Though a market-based approach, the project will facilitate the establishment and/or strengthening of the supply, distribution and use of the appropriate solar powered solutions. This will involve a mix of technical assistance and financial support to facilitate market development activities. More specifically:

- a) Technical assistance - will involve need based support to enhance supply and distribution of the targeted products. This may include but not limited to business advisory services such as market intelligence, business linkages and partnership development, business skills training, and enhancing business enabling environment among other need-based support.
- b) Financial facilitation/assistance – the project will provide financial support towards pre-agreed activities in line with the project intervention areas mentioned above. The support will be structured in a performance-based approach in line with achievement of the expected or agreed-upon results/outcomes. For exclusive/bilateral support to a company, the project will cost share with each company on a 50/50 basis, the costs of pre-agreed activities. The contribution from the participating company can be either in cash or in-kind (e.g. staff time, venue etc.). The project will directly pay for the pre-agreed activities after implementation.

e) Examples of eligible activities

Based on the intervention areas mentioned above, the project will facilitate implementation of activities to overcome market development barriers in order to increase uptake and use of solar powered products for productive uses in business settings. The activities to address market barriers may include but not limited to any of the following:

- Promotion and awareness creation may include market activations, product exhibitions, end user education/behaviour change campaigns and marketing materials, among others.
- Training and capacity building for last mile distribution may include recruitment and training of distribution partners, stockiest, retailers, sales agents and/or group-based promoters, among others.
- Enhancing technical capacities, quality assurance and after sales support, may include capacity building of solar technicians, provision of technical sales support to small scale businesses acquiring the products/energy solutions, and enhancement of call centre services, among others.
- Business to business linkages may include activities to promote and facilitate distribution partnership development and implementation.
- Facilitating financial linkages may include activities to promote and facilitate end user credit models.

Among other activities to be identified during implementation. The solar companies will therefore identify and prioritize their specific support needs.

3. Application requirements

The project seeks to support organizations with the following characteristics:

- a) Companies registered and operating in Kenya.
- b) Organizations distributing or planning to distribute solar powered systems targeting business users.

- c) Willingness and capacity to take lead in identifying needs, planning and implementation of the agreed activities.
- d) Have quality assurance mechanisms in place including after sales support. Companies providing product warranties will have an added advantage.
- e) Co-financing – the companies will be required to contribute to implementation costs (either in cash or in-kind) equivalent to at least 50% of the estimated implementation budget.
- f) Companies applying to receive performance based financial re-imbursements, must have the financial capacity to implement pre-agreed activities before receiving refunds from the project.
- g) Willingness to sign an MOU and report to the project. The companies will be required to report sales data and provide periodic progress reports to the extent supported by the project.

4. The application and implementation process

Stages	Steps
I. Partnership development	<ul style="list-style-type: none"> a) Call for EoIs from interested applicants. b) Targeted sensitization and screening meetings.
II. MoU/Letter of partnership negotiation and signing.	<ul style="list-style-type: none"> a) Evaluation and selection of applicants. b) Product selection and approvals. c) Submission of full proposals from selected applicants. d) Due diligence / MoU negotiation visits. e) MoU/Letter of partnership signing.
III. Implementation	<ul style="list-style-type: none"> a) Periodically agree on specific activities, work plans and budgets including baseline and financial contribution from the beneficiary. b) Beneficiary submits claims and progress reports after successful implementation.
IV. Funds disbursement from the project	<ul style="list-style-type: none"> a) Verification of claims and reports submitted by the beneficiary. b) Funds disbursement based on verified claims.
V. Progress monitoring	<ul style="list-style-type: none"> c) Beneficiary submits relevant sales data on a monthly basis. d) On-site visits either during activity implementation or progress/results monitoring after implementation.


5. The application window and submissions.

Eligible organizations are hereby invited to submit their **expression of interest (EOI)** to participate in the project.

Submit your EOI using the **official application template** to Email: snvendevkenya@snv.org and anna.ingwe@giz.de and cc to walter.kipruto@giz.de. An application template has been provided as an attachment to this request for expression of interest.

Applications/EOIs will be accepted until 15th November 2020.

The project is being implemented from Jan 2020 to Mar 2021. The project will assess applications, undertake due diligence and sign MoUs on a continuous basis over this period, but will give priority to applications on a first come first serve basis.



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