

RFQ Reference: 69/07/RM/ISA-2024	Date: 08 August 2024
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Subject: RFQ for Hiring of Investment Manager (IM/Manager) for African Solar Facility

SECTION 1: REQUEST FOR QUOTATION (RFQ)

ISA kindly requests your quotation for the provision of goods, works and/or services as detailed in Annex 1 of this RFQ.

This Request for Quotation comprises the following documents:

Section 1: This Request Letter

Section 2: RFQ Instructions and Data

Annex 1: Schedule of Requirements

Annex 2: Quotation Submission Form

Annex 3: Technical and Financial Offer

Annex 4: Checklist for Submission of Bid

When preparing your quotation, please be guided by the RFQ Instructions and Data. Please note that quotations must be submitted using Annex 2: Quotation Submission Form and Annex 3 Technical and Financial Offer, by the method and by the date and time indicated in Section 2. It is your responsibility to ensure that your quotation is submitted on or before the deadline. Quotations received after the submission deadline, for whatever reason, will not be considered for evaluation.

The ISA recognizes the importance of valuing diversity and promoting inclusion in all our work programs and partnerships. The ISA highly values engaging with organizations and/or teams that reflect its geographical and diverse nature.

Thank you and we look forward to receiving your quotations.

Issued by:

Signature: _____

Name: Procurement Unit

Date: August 08, 2024

SECTION 2: RFQ INSTRUCTIONS AND DATA

Introduction	<p>Bidders shall adhere to all the requirements of this RFQ, including any amendments made in writing by ISA. This RFQ is conducted in accordance with the ISA Financial Regulations and Procedures and ISA Procurement Manual</p> <p>Any Bid submitted will be regarded as an offer by the Bidder and does not constitute or imply the acceptance of the Bid by ISA. ISA is under no obligation to award a contract to any Bidder as a result of this RFQ.</p> <p>ISA reserves the right to cancel the procurement process at any stage without any liability of any kind for ISA, upon notice to the bidders or publication of cancellation notice on ISA website</p>
Deadline for the Submission of Quotation	<p>18.08.2024 by 2300 HRS IST</p> <p>If any doubt exists as to the time zone in which the quotation should be submitted, refer to http://www.timeanddate.com/worldclock/.</p> <p>For eTendering submission - as indicated in eTendering system. Note that system time zone is in EST/EDT (New York) time zone.</p>
Method of Submission	<p>Quotations must be submitted as follows:</p> <p><input type="checkbox"/> E-tendering</p> <p><input checked="" type="checkbox"/> Dedicated Email Address</p> <p><input type="checkbox"/> Courier / Hand delivery</p> <p><input type="checkbox"/> Other Click or tap here to enter text.</p> <p>Bid submission address: procurement@isolaralliance.org</p> <ul style="list-style-type: none"> ▪ File Format: PDF files only ▪ File names must be maximum 60 characters long and must not contain any letter or special character other than from Latin alphabet/keyboard. ▪ All files must be free of viruses and not corrupted. ▪ Max. File Size per transmission: 10 MB ▪ It is recommended that the entire Quotation be consolidated into as few attachments as possible. ▪ The bidder should receive an email acknowledging email receipt.
Cost of preparation of quotation	<p>ISA shall not be responsible for any costs associated with a Bidder's preparation and submission of a quotation, regardless of the outcome or the manner of conducting the selection process.</p>
Supplier Code of Conduct, Fraud, Corruption,	<p>All prospective suppliers must read the ISA Supplier Code of Conduct and acknowledge that it provides the minimum standards expected of suppliers to the ISA. The Code of Conduct, which includes principles on labour, human rights, environment and ethical conduct may be found at: https://isolaralliance.org/images/ISA%20Supplier%20Code%20of%20Conduct_14.4.2023.final%20version.pdf</p> <p>Moreover, ISA strictly enforces a policy of zero tolerance on proscribed practices, including fraud, corruption, collusion, unethical or unprofessional practices, and obstruction of ISA vendors and requires all bidders/vendors to observe the highest standard of ethics during the procurement process and contract implementation.</p>
Gifts and Hospitality	<p>Bidders/vendors shall not offer gifts or hospitality of any kind to ISA staff members including recreational trips to sporting or cultural events, theme parks or offers of holidays, transportation, or invitations to extravagant lunches, dinners or similar. In pursuance of this policy, ISA: (a) Shall reject a bid if it determines that the selected bidder has engaged in any corrupt or fraudulent practices in competing for the contract in question; (b) Shall declare a vendor ineligible, either indefinitely or for a stated period, to be awarded a contract if at any time it determines that the vendor has engaged in any corrupt or fraudulent practices in competing for, or in executing a ISA contract.</p>

Conflict of Interest	<p>ISA requires every prospective Supplier to avoid and prevent conflicts of interest, by disclosing to ISA if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, specifications, cost estimates, and other information used in this RFQ. Bidders shall strictly avoid conflicts with other assignments or their own interests, and act without consideration for future work. Bidders found to have an undisclosed conflict of interest shall be disqualified.</p> <p>The ISA shall have the discretion to disqualify or proceed with a bidder who has disclosed a probable conflict of interest subject to further evaluation and review of various factors such as access to sensitive information which may confer unfair advantage as against other bidders. The decision on a probable conflict of interest shall be made in the best interest of the work of the ISA.</p> <p>Bidders must disclose in their Bid their knowledge of the following: a) If the owners, part-owners, officers, directors, controlling shareholders, of the bidding entity or key personnel who are family members of ISA staff involved in the procurement functions and/or the Government of the country or any Implementing Partner receiving goods and/or services under this RFQ.</p> <p>The eligibility of Bidders that are wholly or partly owned by the Government shall be subject to ISA's further evaluation and review of various factors such as being registered, operated and managed as an independent business entity, the extent of Government ownership/share, receipt of subsidies, mandate and access to information in relation to this RFQ, among others. Conditions that may lead to undue advantage against other Bidders may result in the eventual rejection of the Bid.</p>
General Conditions of Contract	<p>Any Purchase Order or contract that will be issued as a result of this RFQ shall be subject to the General Conditions of Contract</p> <p><input type="checkbox"/> https://www.isolaralliance.org/images/ISA_GTB.pdf</p>
Special Conditions of Contract	<p><input type="checkbox"/> Cancellation of PO/Contract if the delivery/completion is delayed by 10 days</p> <p><input type="checkbox"/> Others [pls. specify]</p>
Pre-bid Conference	<p>Not Applicable</p>
Eligibility	<p>A vendor who will be engaged by ISA may not be suspended, debarred, or otherwise identified as ineligible by any UN Organization or the World Bank Group or any other international Organization. Vendors are therefore required to disclose to ISA whether they are subject to any sanction or temporary suspension imposed by these organizations. Failure to do so may result in termination of any contract or PO subsequently issued to the vendor by ISA.</p> <p>It is the Bidder's responsibility to ensure that its employees, joint venture members, sub-contractors, service providers, suppliers and/or their employees meet the eligibility requirements as established by ISA.</p> <ul style="list-style-type: none"> • Bidders must have the legal capacity to enter a binding contract with ISA. Company registration certificate or any other document proving legal entity. • The bidder must have annual turnover of more than USD 100,000 - Please attach relevant documents. • The IM must have a local presence and an existing team based out of Africa • The fund manager must have prior experience of successfully raising and deploying capital in the • Infrastructure and solar energy sector in emerging markets • The IM should have the ability to conduct business relationships in English and French. • The IM may be required to make a presentation of their proposal to ISA and evaluation committee. • Supporting Information and Documents (Attached as Annexure-I)
Currency of Quotation	<p>Quotations shall be quoted in USD/INR</p>

Joint Venture, Consortium or Association	<p>If the Bidder is a group of legal entities that will form or have formed a Joint Venture (JV), Consortium or Association for the Bid, they shall confirm in their Bid that : (i) they have designated one party to act as a lead entity, duly vested with authority to legally bind the members of the JV, Consortium or Association jointly and severally, which shall be evidenced by a duly notarized Agreement among the legal entities, and submitted with the Bid; and (ii) if they are awarded the contract, the contract shall be entered into, by and between ISA and the designated lead entity, who shall be acting for and on behalf of all the member entities comprising the joint venture, Consortium or Association. Refer to Clauses 22 – 27 under Solicitation Process in the Procurement Manual (will be provided on request) for details on the applicable provisions on Joint Ventures, Consortium or Association.</p>
Only one Bid	<p>The Bidder (including the Lead Entity on behalf of the individual members of any Joint Venture, Consortium or Association) shall submit only one Bid, either in its own name or, if a joint venture, Consortium or Association, as the lead entity of such Joint Venture, Consortium or Association. Bids submitted by two (2) or more Bidders shall all be rejected if they are found to have any of the following:</p> <ul style="list-style-type: none"> a) they have at least one controlling partner, director or shareholder in common; or b) any one of them receive or have received any direct or indirect subsidy from the other/s; or b) they have the same legal representative for purposes of this RFQ; or c) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about, or influence on the Bid of, another Bidder regarding this RFQ process; d) they are subcontractors to each other’s Bid, or a subcontractor to one Bid also submits another Bid under its name as lead Bidder; or e) some key personnel proposed to be in the team of one Bidder participates in more than one Bid received for this RFQ process. This condition relating to the personnel, does not apply to subcontractors being included in more than one Bid.
Duties and taxes	<p>The United Nations (privileges and immunities) Act, 1947 is applicable to ISA pursuant to a notification by the host country. Therefore, ISA is exempt from all direct taxes, except charges for public utility services, and is exempt from customs restrictions, duties, and charges of a similar nature in respect of articles imported or exported for its official use in India. All quotations shall be submitted net of any direct taxes and any other taxes and duties, unless otherwise specified below: All prices must:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> be inclusive of VAT and other applicable indirect taxes <input type="checkbox"/> be exclusive of VAT and other applicable indirect taxes <p>[according to project and applicable country agreement]</p>
Language of quotation	<p>English Including documentation including catalogues, instructions and operating manuals.</p>
Documents to be submitted	<p>Bidders shall include the following documents in their quotation:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Annex 2: Quotation Submission Form duly completed and signed <input checked="" type="checkbox"/> Annex 3: Technical and Financial Offer duly completed and signed and in accordance with the Schedule of Requirements in Annex 1 <input checked="" type="checkbox"/> Company Profile. <input checked="" type="checkbox"/> Registration certificate; <input checked="" type="checkbox"/> Company Profile. <input checked="" type="checkbox"/> Descriptive Literature: Bidders shall provide full technical details of products being offered, including technical sheets and pictures showing details and general views. Specific details of items offered should be clearly stated as standard catalogues may offer options; <input checked="" type="checkbox"/> Documents showing that the bidder has minimum of five (5) years of relevant experience – proof of work orders/ contract is to be submitted. <input checked="" type="checkbox"/> Statement of satisfactory Performance (Certificates) from the top two clients in terms of Contract value in similar field, plus client’s contact details who may be contacted for further information on those contracts;
Quotation validity period	<p>Quotations shall remain valid for 90 days from the deadline for the Submission of Quotation.</p>
Price variation	<p>No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted at any time during the validity of the quotation after the quotation has been received.</p>
Partial Quotes	<p><input checked="" type="checkbox"/> Not permitted</p>

	<input type="checkbox"/> Permitted Insert conditions for partial quotes and ensure that the requirements are properly listed in lots to allow partial quotes
Alternative Quotes	<input checked="" type="checkbox"/> Not permitted
Payment Terms	<input checked="" type="checkbox"/> Within 30 days upon ISA's acceptance and receipt of invoice.
Conditions for Release of Payment	Attached as Annexure-I
Contact Person for correspondence, notifications and clarifications	E-mail address: procurement@isolaralliance.org Attention: Quotations shall not be submitted to this address but to the address for quotation submission above. Otherwise, offer shall be disqualified. Any delay in ISA's response shall be not used as a reason for extending the deadline for submission, unless ISA determines that such an extension is necessary and communicates a new deadline to the Proposers.
Clarifications	Requests for clarification from bidders will not be accepted any later than 2 days before the submission deadline. Responses to request for clarification will be communicated thru email.
Evaluation method	<input checked="" type="checkbox"/> The Contract or Work Order will be awarded to the lowest price substantially compliant offer
Evaluation criteria	<input checked="" type="checkbox"/> Full compliance with all requirements as specified in Annex 1 <input checked="" type="checkbox"/> Full acceptance of the General Conditions of Contract <input checked="" type="checkbox"/> Comprehensiveness of after-sales services <input type="checkbox"/> Earliest Delivery /shortest lead time <input type="checkbox"/> Others Click or tap here to enter text.
Right not to accept any quotation	ISA is not bound to accept any quotation, nor award a contract or Purchase Order
Right to vary requirement at time of award	At the time of award of Contract or Work Order, ISA reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty-five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.
Type of Contract to be awarded	<input type="checkbox"/> Work Order <input checked="" type="checkbox"/> Contract for Works <input type="checkbox"/> Other Type/s of Contract [pls. specify]
Expected date for contract award.	30 August 2024
Publication of Contract Award	ISA will publish the contract awards valued at USD 100,000 and more on the ISA website.
Policies and procedures	This RFQ is conducted in accordance with ISA Financial Regulation and Procedures and ISA procurement manual
Other Provisions	The ISA is striving to achieve gender parity in all its activities. In this regard, female-owned organizations and/or teams with significant gender diversity are strongly encouraged to submit a proposal. The ISA recognizes the importance of valuing diversity and promoting inclusion in all our work programs and partnerships. The ISA strives to engage with organizations and/or teams that reflect its geographical representation and diversity.

ANNEX 1: SCHEDULE OF REQUIREMENTS

The fund manager’s scope of work is as follows:

- a. **Design & refine mechanics** and the operational plan for the component(s) of the ASF they are managing and prepare **underwriting criteria** for the components (with the approval of the GSF)
- b. **Build a pipeline** of investible opportunities
- c. Managing the **entire cash to cash cycle** including **raising funds** by attracting pools of capital and making investments
- d. **Coordinate in respect of the TA with the GSF** to allocate resources for building capacity across enterprises, FIs, and government as deemed fit and as necessary to promote solar and create an investible pipeline
- e. **Monitoring & Evaluation** of the relevant component(s) performance and reporting in accordance with the impact framework created and agreed with the GSF
- f. **Run back-office, cash flow operations and legal compliance** of the relevant component(s)
- g. Adherence to ESG parameters and DFI Enhanced Blended financing principles and the OECD DAC Blended Finance Principles
- h. Additionality and Impact assessment
- i. Knowledge dissemination

Each of these is explained in more detail below.

a. Design & refine mechanics and operational plan of the fund

The fund manager will work with legal and tax advisors to draw up a proposal for incorporation and registration of the fund, keeping in mind aspects such as appropriateness and tax considerations of place of incorporation and registration.

Such proposals will need to be acceptable to ISA and GSF. If different IMs are ultimately identified for various components of the ASF, they would need to coordinate to ensure that the ASF and all its components are domiciled and set up in the same jurisdiction. Jurisdictions will need to be acceptable for investors and be a preferred location for investments into Africa.

The ASF may be deployed in ISA member countries and subject to any investor requirements/considerations. To balance the various considerations of all stakeholders and achieve maximum impact while maintaining the portfolio at an acceptable level of risk, the IM will be required to maintain a composite portfolio score at 1.5 (weighted by \$ deployed) as per the criteria and methodology set out in Annex A. The Facility will also pay an Impact Incentive to IMs. This Impact Incentive will be determined based on impact targets that IM achieves. The Impact targets that the IM proposes to achieve should be included in the proposal. In order to ensure the IM is incentivized to invest in higher impact projects an impact weighted scoring methodology is proposed as set out in Schedule A of Annex B. This methodology will be applied to determine the Percentage Impact Target Achieved (subject to an overall Cap and floor of 120% and 85% respectively). The Impact Incentive will be payable over the performance fee payable based on the financial returns earned by the entire portfolio multiplied by the Percentage Impact Target Achieved.

The fund manager is also expected to define the fund’s operational, financial, and reporting procedures, and get the same approved by the GSF.

This will also include preparation of underwriting criteria for each of the product that IM is chosen for. These criteria will include amongst others – key factors to consider, product duration, macro, project risk criteria, impact criteria, additionality tests, return expectations etc.

b. Build pipeline of investible opportunities

Refine & detail out investment eligibility criteria: The fund manager is expected to define the enterprise / project eligibility criteria for financing under each component, as well as to review, adapt, grow and advance the pipeline of investible projects. The profile of the target investments and investment process should be refined in line with the ASF’s philosophy.

Supporting the pipeline development strategy: This includes performing critical outreach, engagement and opportunity screening, including handling inbound and outbound leads, contributing to developing and implementing a marketing, promotion and communication strategy, and other activities that help maintain a steady pipeline of bankable projects / enterprises.

Developing the pipeline: This will likely require partnerships and communication with on-the-ground entities to perform due diligence on borrowers and identifying suitable investment opportunities. The fund manager will determine the staff to best fit their approach and **should strongly consider an “on-the-ground team”** which can be valuable not just for identifying and evaluating investment options but also monitoring the investments and investees on ground.

c. Managing the entire cash to cash cycle

The fund manager will be expected to provide all services related to each component’s investment cycle.

This includes:

Raising funds: The minimum size of the facility is US\$200mn. The GSF will provide anchor capital of \$80-100mn for the ASF, split across the components as follows:

	Year 1	Year 2	Year 3	Year 4
Guarantee	\$20-30m	\$30-40m	\$40m	\$40m
Insurance	\$0-10m	\$10-20m	\$10-20m	\$10-20m
investment	\$0-10m	\$20-30m	\$30m	\$30m

The additional amount of \$100mn is expected to be raised by the IM along with the GSF and the IM’s proposal can include a higher fund size with the IM raising the amount in excess of the proposed facility

as above. The fee etc will accordingly be adjusted. The IM is expected to bring a network of potential investors, build relationships with new potential investors, and lead pitch meetings with potential investors. The IM will lead the development of a strategy and marketing materials for fundraising. The IM will be expected to raise capital for the relevant component(s) of the ASF by attracting both concessionary as well as for-profit private capital pools. The IM will set an appropriate risk profile for the fund to accommodate investors per their risk appetite.

In this regard, the ISA will work with the IM to bring in concessionary capital from the likes of GCF, DFC and other leading public, DFI and philanthropic donors. However, this capital will have to be leveraged with contributions from others sources, including commercial/private capital providers for the Investment Facility. Securing such capital will be the primary responsibility of the IM to ensure the capital raise for the \$200mn occurs as per the timelines in Annex B (*IM Heads of Term*). If the IM's submission includes a proposal to raise funds beyond \$200mn, this shall be in accordance with the timelines proposed by the IM and agreed and set out in the definitive documentation.

Appraisal: Desk due diligence, site visits, other analysis strategies to screen opportunities and other types of due diligence to inform the investment decision-making for the relevant component(s) of the ASF.

Decisions: Design and run Investment Committee with requisite experts and independent views. Make sure investment decisions take place with robust frameworks and governance.

Documentation: Work with legal counsel to finalize and execute definitive documentation on appropriate terms.

Disburse: Making investments in line with the requirements of the definitive documentation and detailed business plans received and vetted by the Manager and in such tranches as agreed to be feasible by the Investment Committee.

Monitor: Monitor the portfolio, assess risk exposures as well as exposure limits and sub-limits that may have been promised to investors, including but not limited to maintaining a portfolio risk score of 1.5 as set out in Annex A, and prepare required reports

FX Management: Manage liquidity and FX exposure, as well as other back-office functions in managing each component(s) of the ASF.

Exit opportunities: Source suitable investment exit opportunities both for any equity / quasi-equity investment, as well as debt (where applicable)

d. Coordinate with the GSF to allocate TA resources to build capacity and policy frameworks

The fund manager will coordinate with the GSF to help in allocation of TA resources. This will be aimed to build capacity of local financial institutions, enterprises / project sponsors, and respective country governments that will help in improving project bankability and building a robust pipeline for the relevant component(s) of the ASF.

e. Monitoring & Evaluation of fund's performance and impact

The manager will define an optimal M&E strategy to support the impact thesis of each component(s) of the ASF, and report on the same.

The manager will produce monthly, quarterly and annual reports as required by the GSF, the ISA and the investors. These will include financial, operational and ESG performance.

The fund manager will be required to host at least quarterly performance reviews with the GSF/ISA and investors and an annual on-site meeting of Investors.

f. Run back office, day to day operations and legal compliance

The manager will run daily cash operations of each component(s), manage investor disbursements, making temporary investments awaiting disbursement, managing treasury and appropriate legal compliance.

The manager will also be reporting to investors in the manner required by each investor. They will be required to manage cash flows of the facility taking into account cash needs of the portfolio, facility and the investors various needs.

The manager will also be required to prepare periodic reports outlining the performance of the relevant component(s) both on impact and financial parameters.

g. ESG and Adherence to agreed blended financing principles

The manager will ensure that each component(s) of the ASF and portfolio deploy ESG best practices and comply with IFC Performance Standards (and any additional ESG requirements that investors might have). Blended financing provided by the project will adhere to DFI Enhanced Blended Concessional Finance Principles for Private Sector Projects and the OECD DAC Blended Finance Principles. IM may be required by ISA to provide certification of these on periodic basis.

h. Impact and Additionality

The manager will ensure that the projects undertaken by the ASF have strong additionality and impact as per criteria laid down for the ASF as set out in Schedule A of Annex B. The manager will also ensure Impact measurement of is done as per globally accepted standards.

i. Knowledge Dissemination

The manager will prepare case studies on investments made which will be available for sharing of knowledge and lessons learned. These case studies will also be used by the GSF, other regional facilities and ISA for working with various stakeholders across the world.

Periodic performance review:

IM will be subject to a performance review at the end of the second year. This review will measure their performance in terms of capital raised and projects invested in / pipeline against the targets provided. Thereafter, IM will be subject to performance reviews at the end of every 6th Year. These reviews will measure performance against pre-agreed targets, financial and risk outcomes of the facility, including the portfolio risk score and the impact targets. In case of significant deviations and if there is need to adjust the parameters, criteria or methodology in respect of any aspect, the IM and the GSF and Investors will agree what specific measures or changes need to be made and any changes will be subject to the process set out in the ASF's definitive documentation.

Threshold requirements/Grounds for disqualification:

Proposals will not be considered if any of the following threshold requirements are not met or if any grounds for disqualification as set out below are discovered during the RFP stage (whether declared or not) or subsequently. Managers are required to provide an undertaking along with their proposal confirming compliance with the requirements below in respect of their proposal. Absence of a satisfactory undertaking will be a ground for disqualification.

Threshold requirements:

- Investment experience of at least 10 years of the manager and / or the Key management professionals
- Size of assets managed is at least \$100 mn of the manager or the key management
- Experience in infrastructure assets and particularly solar energy
- Physical location of key members in Africa (outside Mauritius)

Grounds for Disqualification:

- Disqualification by UN, World Bank, or any other global agency
- The proposed IM entity or its owners/shareholders are organized in any country that is sanctioned by the UN, US or the EU.
- Any conflicts between the activities of the proposed ASF and the manager's existing or future operations. If there are any existing or potential conflicts, please make a detailed disclosure in respect of such matters as well as a detailed proposal to mitigate such conflicts and the ISA shall, in its sole discretion, decide whether or not the described conflicts and mitigation measures are acceptable.
- The proposed manager or its owners/shareholders were engaged by ISA to advise on the structuring of the GSF/ASF.

Information about the ASF and its Components:

The ASF will be a financing vehicle to help crowd-in investments in the solar sector by providing various forms of risk mitigation support and blended risk capital.

Key objectives of establishing the ASF are:

- Mobilize 1,600 MW of solar projects in Africa worth USD1.4 bn;

- Be a platform that has cutting edge knowledge and expertise on solar;
- Become a self-sustaining vehicle with its own ability and track record to develop new financing facilities for solar across the world; and
- Be a platform that is agile yet has robust internal controls to ensure financings are done expeditiously and within the overall mandate of ISA.

The ASF will be focused on stimulating investments in solar projects in Africa through the following three components, which will be managed by the IM and a TA component. A broad description is provided below:

Component	Description	Size of the Facility	Type of Capital	Structure options
Technical Assistance	Grants to help build robust regulatory and contractual frameworks. Managed by the GSF	\$10 mn	Grant	- Grants allowing capacity building support – leveraging local ecosystem
Guarantees / Risk Mitigation	Payment Guarantees/Risk Sharing Facilities with Domestic Lenders	\$50 mn in Phase 1 \$100 mn in Phase 2	22 yr fund. Public/philanthropic/ DFI funds	- Payment guarantees with / without liquidity facilities (to cover delays in off-taker payments and lower the risk of default and bring down the cost / extent of guarantee cover needed) - Risk sharing facilities with lenders with / without a first loss layer (lowers risk capital for lenders; in partnership with domestic lenders, can ensure availability of local currency financing). - Grant / Loan for premium payable to other provider (eg., MIGA)
Insurance Facility	Loan with concessional pricing and extended grace period to cover insurance costs	\$50 mn	- 15 yr fund. Public/philanthropic/ DFI funds	- Senior loan with interest reduction or waiver to the extent of construction insurance premium paid; - Junior loan in the amount of the insurance premium payable; interest at concessional rate; repayment of the loan and interest is subordinated to senior loan repayments
Investment	Investments in distributed solar projects, solar mini grids	\$90 mn	- 23 yr fund. Mix of (\$30 m) invested as junior capital and senior equity / quasi equity capital (\$60 m)	- Equity / Mezzanine / Sub-debt / Self-liquidating investments (wide flexibility to use a product that is appropriate)

Total	\$200 mn
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1. **Technical Assistance (TA) facility:** Currently in Africa, regulatory frameworks are weak and do not support solar project development in many countries. Similarly, in several cases, a pipeline of bankable projects needs to be developed through market studies, pre-project work etc. The Technical Assistance Facility aims to address these gaps. The facility will be focused on creating enabling regulatory frameworks in African nations that will help create a pipeline of bankable projects by supporting project development and building capacity among enterprises/sponsors as well as local governments and other relevant stakeholders to ensure robust regulatory frameworks, credit analysis and contract structures. The TA facility will have an initial size of USD10 mn and will be administered by the GSF.

2. **Payment Guarantee Facility:** The GSF proposes to make available a suite of risk mitigation or guarantee products to ensure the availability of appropriate financing structures that minimize the financing burden for technically sound projects and ensure they get off the ground. Such products include: (a) payment guarantees with / without liquidity facilities (to cover delays in off-taker payments and lower the risk of default and bring down the cost / extent of guarantee cover needed) or (b) risk sharing facilities with lenders with / without a first loss layer (enables greater deployment of capital as it lowers risk capital for lenders; in partnership with domestic lenders, can ensure availability of local currency financing). The Investment Manager will determine the extent and nature of risk cover to ensure that the risks are mitigated, and the projects get off the ground. The guarantee facility will be launched in phases – Phase 1 comprising of USD50 mn. Thereafter it will be increased to USD100 mn gradually. The guarantee facility will support all solar projects in Africa meeting pre-defined underwriting criteria. The guarantee facility will be managed by a professional investment manager and will also work with the Multilateral Investment Guarantee Agency (MIGA) for credit support functions.

Key criteria for financing under this facility will include but not restricted to:

- Available for solar projects in ISA member countries
 - Priority for distributed solar and mini-grid projects
 - Will cover only post commissioning payment risks
 - Offer commercial terms for Non LDC countries and benign terms for LDC countries
 - Terms offered to replicate at least return of capital after taking into account expected loss on the investment
 - No more than 10% of amount in one investment
 - Single Country exposure capped at 20%
 - Can be offered to financial institutions to cover portfolio risk and facilitate lending to a portfolio of such projects / buy-out of existing portfolios – single financial institution limit 15%
 - No guarantees to cover sovereign obligations
 - Guarantees to be offered only on “partial” basis
 - May also be used to provide concessional loans to cover premium on guarantee facility/ insurance taken by the projects from reputed providers like MIGA
 - Guarantees not Grants i.e. suitable terms providing protection and return of investor capital
3. **Insurance Facility:** Currently, in many African countries, the cost of insurance is very high (specially during construction), making project economics unviable. The insurance facility will seek to partly mitigate this by providing concessional interest loans to cover the cost of insurance. With a USD50 mn facility size, the insurance facility will have a tenure of 15 years and loans provided by the facility will have tenors of 6-7 years. These loans will be repaid once commercial operations are commenced. The insurance facility will tie up with reputed insurance companies who will provide insurance for these projects. The insurance facility will help projects in two ways – i) It will help get competitive insurance for solar projects; and ii) help improve project returns by 50 to 100 bps.

Key criteria for financing under this facility will include but not restricted to:

- Available for solar projects in identified countries
- Priority for distributed solar and mini-grid projects

- Loan provided will cover insurance cost, preferably for construction period only
- Project will have to take insurance from permitted insurers
- Loan offered will be junior to senior loans but senior to equity / sub-debt.
- Loan will be repayable before any dividend etc are paid to equity equity / sub-debt
- Loan payable from any excess cash generated beyond the debt servicing of the project
- Tenor of loans restricted to 10 years
- Overall terms offered to replicate atleast return of capital after taking into account expected loss on the investment
- Expected interest rate to be benchmarked to similar loans available in the market, however reduced by the part of the insurance cost that is sought to be covered
- No more than 5% of amount in one investment
- Single Country exposure capped at 20%

Blended Investment Facility: Distributed solar projects suffer in Africa due to lack of attractive risk capital. This is mainly due to high risk of distributed solar projects. A blended equity facility will bridge this gap by providing equity for distributed solar projects. With USD30 mn of junior capital funded by the GSF and USD60 mn of commercial capital, the totaling facility size would USD90 mn. The blended finance facility is estimated to provide equity risk capital with an investment ticket size of USD1-10 mn. This facility is critical to address the compelling need for distributed solar given the energy access it enables quickly.

Key criteria for financing under this facility will include but not restricted to:

- Available for solar projects in identified countries
- Applicable only for distributed solar and mini-grid projects
- Will not finance project development equity
- Primarily aimed to enable greenfield project development
- No buy-out of equity / other financier from proceeds of the facility
- Terms offered to generate a net IRR of atleast US\$ 8% after taking into account local currency depreciation (using World Bank forecasts) and losses in the portfolio
- No more than 10% of amount in one investment
- Single Country exposure capped at 20%
- All investments to have suitable exit provisions. Base case exit in 7 years and not beyond 10 years in any case.
- Priority to self liquidating instruments to enable exit from project cash flows.
- No controlling positions in projects / holding company.
- Suitable governance and minority protection rights for the Facility.
- No significant premium to existing project developers .
- Investments not Grants i.e. suitable terms providing protection and return of investor capital.

Role of the GSF

- Investment Managers will report directly to the GSF for their operations and performance. All day to day liasoning will be with the GSF's team.
- The GSF's representatives will be permanent members of Investment Committee of the ASF. They will have one vote on each matter coming up to Investment Committee
- In order to build institutional capacity as well as minimize expenses, the GSF will carry out common functions beneficial to all regional facilities such as:
 - Providing anchor capital, including junior capital where needed
 - Share learnings across all facilities
 - Monitor risk and governance at RFs

- Provide interface with Investors
- Deploy the TA programme
- The GSF will have oversight and visibility across regional facilities to ensure: (i) appropriate governance of all facilities, including in particular in respect of ESG matters, and (ii) monitor investment decision making, portfolio management and operations.
- The GSF will charge a supervision fee of [0.5%] p.a. to each of the Facilities.
- The GSF will provide anchor capital to the ASF as below:

	Year 1	Year 2	Year 3	Year 4
Guarantee	\$20-30m	\$30-40m	\$40m	\$40m
Insurance	\$0-10m	\$10-20m	\$10-20m	\$10-20m
investment	\$0-10m	\$20-30m	\$30m	\$30m

The Government of India is considering a \$25 million investment as capital contribution in the GSF in addition to \$10 million coming from the ISA. Bloomberg Philanthropies and CIFF have also committed their support to the GSF.²

Role of ISA

- ISA will provide global knowledge and technical support (where needed) to the IM. ISA will also provide inputs on projects being developed across the member countries, these could feed into the project pipeline for the IM.
- ISA and IM can work together to organize high level outreach and industry events in member countries. These would include workshops and sessions to build awareness, work with regulators and industry bodies for creating enabling environment for solar investments.
- To the extent needed, ISA may help the GSF and IM in raising capital for the investments.

Legal Agreements

- Post the RFP process, the selected manager(s) will need to enter into definitive documentation with the GSF and other investors, including suitable agreements outlining each of their respective responsibilities, and the requirements of the investors. These agreements will inter-alia include responsibilities of manager, decision making process, periodic reporting requirements, performance measurement, fee payment, ground for termination, conflict management, process to make sure there is no risk of adverse selection etc. Key heads of term are as set out in Annex B.

Countries of operations

For a list of ISA member countries, please visit: <https://isolaralliance.org/membership/countries>

Information about ISA

For information on ISA, please visit: <https://isolaralliance.org/>

² See: <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1973514>

Supporting Information and Documents

Kindly provide the following supporting documents:

1. Company registration and certificate of incorporation or similar charter or other documents
2. **All active, past and related programs that the IM has worked on, covering the below aspects:**
 - a. Strategies managed (both internal and external capital strategies)
 - b. Geographies applicable
 - c. Size of the facility
 - d. Impact achieved
 - e. Returns achieved
 - f. Key Investors
 - g. Time-line of the facility
 - h. Key portfolio investments
 - i. Key success factors
 - j. Key lessons learnt
 - k. Names of personnel who managed the strategy
3. **Capital raise experience** – highlighting the products, capital raised and investors accessed by the Manager
4. **Portfolio management experience:** A table providing key information on the various portfolios managed by the Manager, including key value-add by the Manager and exit track record. Please also disclose any significant disputes with any investee company, reasons for such disputes and the measures taken to avoid and deal with the dispute.
5. Alignment with the ASF's Mission and Vision

Please explain how your firm's values and experience aligns with the mission and vision of the ISA and of the proposed ASF.

6. **Technical Proposal**, with the following details. Managers are expected to submit proposals highlighting the below details separately for each component they are applying for:
 - a. **Structure:** Proposal for jurisdiction and legal structure of the ASF; Investment Strategy; Investment frameworks and evaluation criteria to be used; Ability to leverage the existing operations of the IM. Strategy for portfolio investment risk management; Fundraising strategy and timelines; it being clarified that the fund raise timelines for the \$200m amount as set out in Annex B need to be adhered to. If the IM's submission includes a proposal to raise funds beyond \$200mn, this shall be in accordance with the timelines proposed by the IM and agreed and set out in the definitive documentation.
 - b. **Staffing and Team Structure:** Core execution team and envisaged roles, relevant experience and resumes, sector focus and geographies.
 - c. **Deal Sourcing strategy:** Details of strategy in respect of sourcing a pipeline and competencies in respect thereof. Details of potential pipeline that IM sees could also be provided.
 - d. **Diligence process and investment decision making process:** The process that the IM proposes for each component of the ASF.

- e. **Portfolio strategy:** Details of portfolio management strategy and portfolio review process, and value add. For the avoidance of doubt the portfolio risk score shall be maintained as set out below in accordance with Annex A.
- f. **Coordination strategy:** across Africa Solar Facility components.
- g. **Back-office and operations:** Back-office team, process design and familiarity with various investor frameworks.
- h. **In-house hedging and other mitigation tools:** Availability of any in-house product hedging, and other local currency or other risk mitigation tools that can be made available to relevant components of the ASF.
- i. **Governance & Conflict management:** The general principles expected in respect of governance of the ASF are as set out in Annex B. The technical proposal can include additional details that do not deviate from these which are to be agreed and included in the definitive documentation. The technical proposal must include the proposed process to manage conflicts as and when they arise between the components of the ASF and other activities of the Manager.
- j. **Timeline of implementation:** Timeline for the implementation of each component of the ASF that IM is applying for, it being clarified that the fund raise timelines for the \$200m amount asset out in Annex B need to be adhered to. If the IM's submission includes a proposal to raise funds beyond \$200mn, this shall be in accordance with the timelines proposed by the IM and agreed and set out in the definitive documentation.
- k. **Outline of fund deployment:** A high level business plan for the component(s) of the ASF that Manager is applying for. A detailed business plan may be requested as a part of the evaluation process.
- l. **ESG:** Outline how the Manager processes to evaluate proposals for ESG risk and monitor these risks in accordance with the IFC Performance Standards. For the avoidance of doubt, if there are investors who have other ESG requirements, those would also need to be complied with.
- m. **Blended Finance:** Details of the Manager's experience deploying blended capital and complying with the application of blended finance principles and requirements. The ASF will need to be deployed in accordance with the OECD DAC Blended Finance Principles and the DFI Enhanced Blended Concessional Finance Principles for Private Sector Projects.
- n. **Risks** and proposed mitigation strategy
- 7. **Heads of Term:** Comments/mark-up to the Key Heads of Term set out in Annex B.
- 8. Additional Matters if any
- 9. **References from global investors (at least four)**

Notes:

- 2. Apart from the aspects set out in this RFP in respect of which proposals are to be provided, and which will, in turn, form the basis on which bids will be evaluated, if there are aspects of this RFP / GSF or the structure of the sub-facilities that require clarification or in respect of which the bidder has a differing view, feedback may be for ISA's consideration. If ISA, in its sole discretion, believes a clarification is to be provided or it accepts the variation, such clarification / variation will be notified to all interested bidders to ensure a level playing field.
- 3. In case of any inconsistency between this RFP and any of the ancillary documents, including but not limited to presentations/FAQs, the terms of this RFP shall prevail.

Payment Terms:

Payment will be made only upon ISA's acceptance of the work performed. The terms of payment shall be within thirty (30) days, after receipt of invoice and certification of acceptance of work issued by the proper authority in ISA with direct supervision of the Contractor. Payment will be affected by bank transfer in the currency of contract.

ANNEXURE 2: QUOTATION SUBMISSION FORM

Bidders are requested to complete this form, including the Company Profile and Bidder's Declaration, sign it and return it as part of their quotation along with Annex 3: Technical and Financial Offer. The Bidder shall fill in this form in accordance with the instructions indicated. No alterations to its format shall be permitted and no substitutions shall be accepted.

Name of Bidder:	Click or tap here to enter text.	
RFQ reference:	Click or tap here to enter text.	Date: Click or tap to enter a date.

Company Profile

Item Description	Detail
Legal name of bidder or Lead entity for JVs	Click or tap here to enter text.
Legal Address, City, Country	Click or tap here to enter text.
Website	Click or tap here to enter text.
Year of Registration	Click or tap here to enter text.
Legal structure	Choose an item.
Are you a UNGM registered vendor?	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, insert UNGM Vendor Number
Quality Assurance Certification (e.g. ISO 9000 or Equivalent) (If yes, provide a Copy of the valid Certificate):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does your Company hold any accreditation such as ISO 14001 or ISO 14064 or equivalent related to the environment? (If yes, provide a Copy of the valid Certificate):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does your Company have a written Statement of its Environmental Policy? (If yes, provide a Copy)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does your organization demonstrate significant commitment to sustainability through some other means, for example internal company policy documents on women empowerment, renewable energies or membership of trade institutions promoting such issues (If yes, provide a Copy)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Is your company a member of the UN Global Compact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Bank Information	Bank Name: Click or tap here to enter text. Bank Address: Click or tap here to enter text. IBAN: Click or tap here to enter text. SWIFT/BIC: Click or tap here to enter text. Account Currency: Click or tap here to enter text. Bank Account Number: Click or tap here to enter text.			
Previous relevant experience: 3 contracts				
Name of previous contracts	Client & Reference Contact Details including e-mail	Contract Value	Period of activity	Types of activities undertaken

Bidder's Declaration

Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	Requirements and Terms and Conditions: I/We have read and fully understand the RFQ, including the RFQ Information and Data, Schedule of Requirements, the General Conditions of Contract, and any Special Conditions of Contract. I/we confirm that the Bidder agrees to be bound by them.
<input type="checkbox"/>	<input type="checkbox"/>	I/We confirm that the Bidder has the necessary capacity, capability, and necessary licenses to fully meet or exceed the Requirements and will be available to deliver throughout the relevant Contract period.
<input type="checkbox"/>	<input type="checkbox"/>	Ethics: In submitting this Quote I/we warrant that the bidder: has not entered into any improper, illegal, collusive or anti-competitive arrangements with any Competitor; has not directly or indirectly approached any representative of the Buyer (other than the Point of Contact) to lobby or solicit information in relation to the RFQ ;has not attempted to influence, or provide any form of personal inducement, reward or benefit to any representative of the Buyer.
<input type="checkbox"/>	<input type="checkbox"/>	I/We confirm to undertake not to engage in proscribed practices, , or any other unethical practice, with the UN or any other party, and to conduct business in a manner that averts any financial, operational, reputational or other undue risk to the UN and we have read the United Nations Supplier Code of Conduct : https://www.un.org/Depts/ptd/about-us/un-supplier-code-conduct and acknowledge that it provides the minimum standards expected of suppliers to the UN.
<input type="checkbox"/>	<input type="checkbox"/>	Conflict of interest: I/We warrant that the bidder has no actual, potential, or perceived Conflict of Interest in submitting this Quote or entering a Contract to deliver the Requirements. Where a Conflict of Interest arises during the RFQ process the bidder will report it immediately to the Procuring Organisation's Point of Contact.
<input type="checkbox"/>	<input type="checkbox"/>	Prohibitions, Sanctions: I/We hereby declare that our firm, its affiliates or subsidiaries or employees, including any JV/Consortium members or subcontractors or suppliers for any part of the contract is not under procurement prohibition by the United Nations, including but not limited to prohibitions derived from the Compendium of United Nations Security Council Sanctions Lists and have not been suspended, debarred, sanctioned or otherwise identified as ineligible by any UN Organization or the World Bank Group or any other international Organization.
<input type="checkbox"/>	<input type="checkbox"/>	Bankruptcy: I/We have not declared bankruptcy, are not involved in bankruptcy or receivership proceedings, and there is no judgment or pending legal action against them that could impair their operations in the foreseeable future.

Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	Offer Validity Period: I/We confirm that this Quote, including the price, remains open for acceptance for the Offer Validity.
<input type="checkbox"/>	<input type="checkbox"/>	I/We understand and recognize that you are not bound to accept any Quotation you receive, and we certify that the goods offered in our Quotation are new and unused.
<input type="checkbox"/>	<input type="checkbox"/>	By signing this declaration, the signatory below represents, warrants and agrees that he/she has been authorised by the Organization/s to make this declaration on its/their behalf.

Signature: _____

Name: Click or tap here to enter text.

Title: Click or tap here to enter text.

Date: Click or tap to enter a date.

ANNEXURE-3: TECHNICAL AND FINANCIAL OFFER - SERVICES

Bidders are requested to complete this form, sign it and return it as part of their quotation along with Annex 2 Quotation Submission Form. The Bidder shall fill in this form in accordance with the instructions indicated. No alterations to its format shall be permitted and no substitutions shall be accepted.

Name of Bidder:	Click or tap here to enter text.	
RFQ reference:	Click or tap here to enter text.	Date: Click or tap to enter a date.

Technical Offer

Provide the following:

- a brief description of your qualification, capacity and expertise that is relevant to the Terms of Reference.
- a brief methodology, approach and implementation plan;

Financial Offer

THE UNIT PRICES PROVIDED BELOW SHOULD BE ALL-INCLUSIVE BASIS CONSIDERING LUMPSUM FEE. NO ADDITIONAL COST LINE SHOULD BE ADDED TO THE TABLE.

Currency of Quotation: USD/INR

Specification	Cost (in USD/₹)
Cost for Development of Deliverables per the Terms of Reference*	
Other Cost (if any)	
Taxes (if applicable)	
Total Amount of Financial Proposal	

* A detailed breakdown has to be submitted by each bidder.

Compliance with Requirements

	You Responses		
	Yes, we will comply	No, we cannot comply	If you cannot comply, pls. indicate counter - offer
Minimum Technical Specifications	<input type="checkbox"/>	<input type="checkbox"/>	Click or tap here to enter text.
Delivery Term	<input type="checkbox"/>	<input type="checkbox"/>	Click or tap here to enter text.
Delivery Lead Time	<input type="checkbox"/>	<input type="checkbox"/>	Click or tap here to enter text.
Validity of Quotation	<input type="checkbox"/>	<input type="checkbox"/>	Click or tap here to enter text.
Payment terms	<input type="checkbox"/>	<input type="checkbox"/>	Click or tap here to enter text.
Other requirements [pls. specify]	<input type="checkbox"/>	<input type="checkbox"/>	Click or tap here to enter text.

I, the undersigned, certify that I am duly authorized to sign this quotation and bind the company below in event that the quotation is accepted.

Exact name and address of company

Company Name Click or tap here to enter text.

Address: Click or tap here to enter text.

Click or tap here to enter text.

Phone No.: Click or tap here to enter text.

Email Address: Click or tap here to enter text.

Authorized Signature:

Date: Click or tap here to enter text.

Name: Click or tap here to enter text.

Functional Title of Authorised

Signatory: Click or tap here to enter text.

Email Address: Click or tap here to enter text.

ANNEX 4: CHECKLIST FOR SUBMISSION OF BID

Item	Yes, we have submitted	If you cannot submit, pls. indicate the reason
Technical Proposal	<input type="checkbox"/>	Click or tap here to enter text.
Filled up Annex 2 and Bidder Declaration form	<input type="checkbox"/>	
Registration Certificate	<input type="checkbox"/>	
Annual Turnover Certificate	<input type="checkbox"/>	
Documents against Qualifying criteria as per Annexure-1	<input type="checkbox"/>	
Financial Proposal	<input type="checkbox"/>	Click or tap here to enter text.

The submission of proposal should highlight in subject line “RFQ for Hiring of Investment Manager (IM/Manager) for African Solar Facility”