



**RURAL ELECTRIFICATION AGENCY**

# **Invitation for Initial Selection**

**Nigeria Electrification Project:**

**Development of Solar Hybrid Mini Grids  
for Rural Economic Development –  
Minimum Subsidy Tender  
(Phase 1 – 4 lots)**

**April 12<sup>th</sup>, 2019**

This document is subject to copyright.

This document may be used and reproduced for non-commercial purposes only. Any commercial use, including without limitation reselling, charging to access, redistribute, or for derivative works such as unofficial translations based on this document is not allowed.



# Specific Procurement Notice

## Invitation for Initial Selection

### **Nigeria Electrification Project: Development of Solar Hybrid Mini Grids for Rural Economic Development – Minimum Subsidy Tender (Phase 1 – 4 lots)**

**Employer:** Rural Electrification Agency

**Project:** Nigeria Electrification Project

**Contract Title:** Development of Solar Hybrid Mini Grids for Rural Economic Development - Minimum Subsidy Tender (Phase 1 – 4 lots)

**Country:** Nigeria

**Credit No.:** 62910

**ISD No:** REA-NEP-SHM1

**Issued on:** April 12<sup>th</sup>, 2019

1. The Rural Electrification Agency (REA) has applied for financing from the World Bank towards the cost of the Nigeria Electrification Project (NEP) and intends to apply part of the proceeds towards payments under the Contract for Solar Hybrid Mini Grids for Rural Economic Development (Minimum Subsidy).
2. The REA intends to initially select Applicants for Solar Hybrid Mini Grids for Rural Economic Development (Minimum Subsidy). This component of the NEP will support the development of privately financed and operated mini grids in rural areas with high economic growth potential. The Request for Proposals (RFP) will be for a pilot tender to build, own, and operate solar hybrid mini grids in 57 sites, packaged into four lots in the Niger, Sokoto, Ogun, and Cross River states.

At the RFP stage, Proposers will be evaluated on the basis of quality (technical proposal) and price (minimum subsidy required). The REA-NEP will provide the subsidies requested by the successful Proposers to ensure a viable implementation of the mini grids.

It is expected that the Request for Proposals will be issued in July 2019.

3. Initial Selection will be conducted through the procedures as specified in the World Bank's Procurement Regulations for IPF Borrowers dated July 2016 and revised November 2017 and August 2018, as available on <http://pubdocs.worldbank.org/en/178331533065871195/Procurement-Regulations.pdf>, and is open to all eligible Applicants as defined in the Procurement Regulations.
4. Interested eligible Applicants may obtain further information from the REA at the address below during office hours 08:00 to 17:00 hours (WAT). A complete set of Initial Selection documents in English may be obtained for free, either on the REA's website indicated below, or through a written request to the REA by email or at the regular mail address below. In addition, the Initial Selection Document may be sent to the interested Applicant by regular mail upon additional payment of Twelve Thousand Naira (NGN12,000.00) for places within Nigeria, Thirty Thousand Naira (NGN30,000.00) for places in Europe and West Africa, and Fifty Thousand Naira (NGN50,000.00) for all other countries to cover the cost of delivery. Payment can be made via [www.remita.net](http://www.remita.net) by generating Remita Retrieval Reference (RRR) in favor of Rural Electrification Agency – Nigeria Electrification Project.
5. The REA intends to issue the invitation for Initial Selection on April 12<sup>th</sup>, 2019. Applications for Initial Selection should be in hard copy in clearly marked envelopes and delivered to the address below by 12:00 noon (WAT) on June 3<sup>rd</sup>, 2019. Late applications will be rejected.

Rural Electrification Agency (REA)

Attn: Esther Adejoke Odumusu Head, PMU - NEP

No. 22 Freetown, Wuse II

900288, Abuja

Nigeria

Tel: +234 803 499 5157

Tel: +234 817 217 2915

E-mail: [nep@rea.gov.ng](mailto:nep@rea.gov.ng)

Initial Selection web page: <http://rea.gov.ng/mini-grid-tender/>



RURAL ELECTRIFICATION AGENCY

# Invitation for Initial Selection

## Nigeria Electrification Project: Solar Hybrid Mini Grids for Rural Economic Development (Minimum Subsidy)

**Employer:** Rural Electrification Agency

**Project:** Nigeria Electrification Project

**Contract Title:** Development of Solar Hybrid Mini Grids for Rural Economic Development - Minimum Subsidy Tender (Phase 1 – 4 lots)

**Country:** Nigeria

**Credit No.:** 62910

**ISD No:** REA-NEP-SHM1

**Issued on:** April 12<sup>th</sup>, 2019

# Table of Contents

<b>Specific Procurement Notice</b>	<b>i</b>
<b>Acronyms and Definitions</b>	<b>3</b>
<b>Part 1 – Initial Selection Procedures</b>	<b>4</b>
Section I - Instructions to Applicants (ITA)	5
Section II – Initial Selection Data Sheet (ISDS)	23
Section III – Initial Selection Criteria and Requirements	28
Section IV – Application Forms	37
Section V – Eligible Countries	54
Section VI – Fraud and Corruption	55
<b>Part 2 – Employer’s Requirements</b>	<b>57</b>
Section VII – Scope of Employer’s Requirements	58
<b>Appendix A : Overview of the Regulatory Framework for Mini Grids in Nigeria</b>	<b>65</b>
A.1 Types of Authorizations	65
A.2 Tariff Regulation	66
A.3 Arrival of the Main Grid	67

## Acronyms and Definitions

Acronym	Full Form
COD	Commercial Operations Date
ESHS	Environmental, Social, Health and Safety
GBV	Gender-based Violence
ITA	Instructions to Applicants
ISDS	Initial Selection Data Sheet
ISD	Initial Selection Document
NEP	Nigeria Electrification Project
REA	Rural Electrification Agency
RFP	Request for Proposals
SEA	Sexual Exploitation and Abuse
USD	United States Dollar

Term	Definition
“Applicant”	A single legal entity, or a Joint Venture, that submits an Application.
“Application”	The application submitted by an Applicant in response to this Invitation for Initial Selection, consisting of the documents in ITA 11.1.
“Application Submission Letter”	The form provided in Section IV – Application Forms of the Initial Selection Document.
“Contract”	A contract entered into resulting from the Request for Proposals (RFP) process for which this Initial Selection is conducted.
“Individual”	Any person who is able to control the entity through ownership or any other way.
“Initial Selection Document”	Shall have the meaning given in ITA 6.1.
“Initially Selected Applicant”	An Applicant whose Application has met or exceeded (“passed”) all the pass/fail requirements, and has been short selected upon ranking the Applicants that had met the pass/fail requirements
“Preferred Proposer”	A Proposer whose Proposal has obtained the highest ranking in the RFP process.
“Project”	Nigeria Electrification Project.
“Proposer”	An Initially Selected Applicant that submits a Proposal.
“Successful Proposer”	A Preferred Proposer that has successfully concluded negotiations.

# **Part 1 – Initial Selection Procedures**



# Section I - Instructions to Applicants (ITA)

## Contents

<b>A.</b>	<b>General</b>	<b>7</b>
1.	Scope of Application	7
2.	Source of Funds	7
3.	Fraud and Corruption	7
4.	Eligible Applicants	8
5.	Eligibility	10
<b>B.</b>	<b>Contents of the Initial Selection Document</b>	<b>10</b>
6.	Sections of Initial Selection Document	10
7.	Clarification of Initial Selection Document and Pre-Application Meeting	11
8.	Amendment of Initial Selection Document	12
<b>C.</b>	<b>Preparation of Applications</b>	<b>12</b>
9.	Cost of Applications	12
10.	Language of Application	12
11.	Documents Comprising the Application	12
12.	Application Submission Letter	13
13.	Documents Establishing the Eligibility of the Applicant	13
14.	Documents Establishing the Qualifications of the Applicant	13
15.	Signing of the Application and Number of Copies	13
<b>D.</b>	<b>Submission of Applications</b>	<b>14</b>
16.	Sealing and Marking of Applications	14
17.	Deadline for Submission of Applications	14
18.	Late Applications	14
19.	Opening of Applications	14
<b>E.</b>	<b>Procedures for Evaluation of Applications</b>	<b>15</b>
20.	Confidentiality	15
21.	Clarification of Applications	15
22.	Responsiveness of Applications	15
23.	Margin of Preference	15
24.	Subcontractors	16

<b>F.</b>	<b>Evaluation of Application and Initial Selection of Applicants</b>	<b>16</b>
25.	Evaluation of Applications	16
26.	Employer’s Right to Accept or Reject Applicants	19
27.	Initial Selection of Applicants	19
28.	Notification of Initial Selection	20
29.	Request for Proposals	20
30.	Changes in Qualifications of Applicants	21
31.	Procurement Related Complaint	22

## A. General

### 1. Scope of Application

1.1 In connection with the invitation for Initial Selection indicated in Section II, Initial Selection Data Sheet (**ISDS**), the Employer, as defined **in the ISDS**, issues this Initial Selection Document (“Initial Selection Document”) to prospective applicants (“Applicants”) interested in submitting applications (“Applications”) for Initial Selection to submit Proposals for the Works Design and Build described in Section VII, Scope of Employer’s Requirement. In case proposals for the Works Design and Build are to be invited as individual contracts (i.e., the slice and package procedure), these are listed **in the ISDS**. The Request for Proposals (RFP) number corresponding to this Initial Selection is also provided **in the ISDS**.

### 2. Source of Funds

2.1 The Borrower or Recipient (hereinafter called “Borrower”) indicated **in the ISDS** has applied for or received financing (hereinafter called “funds”) from the International Bank for Reconstruction and Development or the International Development Association (hereinafter called “the Bank”) in an amount specified **in the ISDS**, towards the cost of the project named **in the ISDS**. The Borrower intends to apply a portion of the funds to eligible payments under the contract(s) resulting from the Request for Proposals (RFP) process for which this Initial Selection is conducted.

2.2 Payment by the Bank will be made only at the request of the Borrower and upon approval by the Bank, and will be subject, in all respects, to the terms and conditions of the Loan (or other financing) Agreement. The Loan (or other financing) Agreement prohibits a withdrawal from the loan (or credit) account for the purpose of any payment to persons or entities, or for any import of goods, equipment, plant or materials, or services if such payment or import, to the knowledge of the Bank, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. No party other than the Borrower shall derive any rights from the Loan (or other financing) Agreement or have any claim to the proceeds of the loan (or credit).

### 3. Fraud and Corruption

3.1 The Bank requires compliance with the Bank’s Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in the WBG’s Sanctions Framework, as set forth in Section VI, Fraud and Corruption.

3.2 In further pursuance of this policy, Applicants shall permit and shall cause their agents (where declared or not), subcontractors, subconsultants, service providers, suppliers, and their personnel, to permit the Bank to inspect all accounts, records and other

documents relating to any Prequalification process, Initial Selection process, Bid submission (in case prequalified), Proposal submission (in case initially selected) and contract performance (in the case of award), and to have them audited by auditors appointed by the Bank.

#### 4. Eligible Applicants

- 4.1 Applicants shall meet the eligibility criteria as per this Instruction and ITA 5.1.
- 4.2 An Applicant may be a firm that is a private entity, a state-owned enterprise or institution subject to ITA 4.9 - or any combination of such entities in the form of a joint venture (“JV”) under an existing agreement or with the intent to enter into such an agreement supported by a letter of intent. In the case of a joint venture, all members shall be jointly and severally liable for the execution of the entire Contract in accordance with the Contract terms. The JV shall nominate an authorized representative who shall have the authority to conduct all business for and on behalf of any and all the members of the JV during the Initial Selection process, RFP process (in the event the JV submits a Proposal) and during contract execution (in the event the JV is awarded the Contract). Unless specified **in the ISDS**, there is no limit on the number of members in a JV.
- 4.3 A firm is not permitted to participate for initial selection for the same contract both as an individual firm and as a part of a joint venture or as a subcontractor. However, a firm may participate as a subcontractor in more than one Application but only in the capacity of a subcontractor. Applications submitted in violation of this procedure will be rejected
- 4.4 A firm and any of its affiliates (that directly or indirectly control, are controlled by or are under common control with that firm) are not permitted to submit more than one application for initial selection for the same contract, either individually, as joint venture or as a subcontractor among them. Applications submitted in violation of this procedure will be rejected.
- 4.5 An Applicant may have the nationality of any country, subject to the restrictions pursuant to ITA 5.1. An Applicant shall be deemed to have the nationality of a country if the Applicant is constituted, incorporated or registered in and operates in conformity with the provisions of the laws of that country, as evidenced by its articles of incorporation (or equivalent documents of constitution or association) and its registration documents, as the case may be. This criterion also shall apply to the determination of the nationality of proposed specialized sub-contractors or suppliers for any part of the Contract including related Services.

- 4.6 Applicants and proposed specialized sub-contractors or suppliers for any part of the Contract including related services (for the purpose of this ITA 4.6 referred to as “Applicants”) shall not have a conflict of interest. Applicants shall be considered to have a conflict of interest, if they, or any of their affiliates, participated as a consultant in the preparation of the Employer’s Requirement (other than design to be carried out as part of this Works Design and Build contract) or have been hired or proposed to be hired by the Employer or Borrower as Engineer for contract implementation of the Works Design and Build that are the subject of this Initial Selection. In addition, Applicants may be considered to have a conflict of interest if they have a close business or family relationship with a professional staff of the Borrower (or of the project implementing agency, or of a recipient of a part of the loan) who: (i) are directly or indirectly involved in the preparation of the Initial Selection Document or Request for Proposals (RFP) Document or specifications of the Contract, and/or the Proposal evaluation process of such Contract; or (ii) would be involved in the implementation or supervision of such Contract, unless the conflict stemming from such relationship has been resolved in a manner acceptable to the Bank throughout the procurement process and execution of the Contract.
- 4.7 An Applicant that has been sanctioned by the Bank, pursuant to the Bank’s Anti-Corruption Guidelines, and in accordance with its prevailing sanctions policies and procedures as set forth in the WBG’s Sanctions Framework, as described in Section VI, paragraph 2.2 d. shall be ineligible to be prequalified for, initially selected for, bid for, propose for or be awarded a Bank-financed contract or benefit from a Bank-financed contract, financially or otherwise, during such period of time as the Bank shall have determined.
- 4.8 The list of debarred firms and individuals is available as specified **in the ISDS.**
- 4.9 Applicants that are state-owned enterprise or institutions in the Employer’s Country may be eligible to be initially selected, compete and be awarded a Contract(s) only if they can establish, in a manner acceptable to the Bank, that they (i) are legally and financially autonomous (ii) operate under commercial law, and (iii) are not under supervision of the Employer.
- 4.10 An Applicant shall not be under suspension from bidding or submitting proposals by the Employer as the result of the execution of a Bid or Proposal–Securing Declaration.

4.11 An Applicant shall provide such documentary evidence of eligibility satisfactory to the Employer, as the Employer shall reasonably request.

4.12 A firm that is under a sanction of debarment by the Borrower from being awarded a contract is eligible to participate in this procurement, unless the Bank, at the Borrower's request, is satisfied that the debarment:

- (a) relates to fraud or corruption; and
- (b) followed a judicial or administrative proceeding that afforded the firm adequate due process.

## 5. Eligibility

5.1 Firms and individuals may be ineligible if they are nationals of ineligible countries as indicated in Section V. The countries, persons or entities are ineligible if (a) as a matter of law or official regulations, the Borrower's country prohibits commercial relations with that country, provided that the Bank is satisfied that such exclusion does not preclude effective competition for the supply of goods or the contracting of works or services required; or (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's country prohibits any import of goods or contracting of works or services from that country, or any payments to any country, person, or entity in that country. When the Works Design and Build is implemented across jurisdictional boundaries (and more than one country is a Borrower, and is involved in the procurement), then exclusion of a firm or individual on the basis of ITA 5.1(a) above by any country may be applied to that procurement across other countries involved, if the Bank and the Borrowers involved in the procurement agree.

## B. Contents of the Initial Selection Document

6. Sections of Initial Selection Document 6.1 This Initial Selection Document consists of parts 1 and 2 which comprise all the sections indicated below, and which should be read in conjunction with any Addendum issued in accordance with ITA 8.

### PART 1 Initial Selection Procedures

- Section I - Instructions to Applicants (ITA)
- Section II - Initial Selection Data Sheet (ISDS)
- Section III - Initial Selection Criteria and Requirements

- Section IV - Application Forms
- Section V – Eligible Countries
- Section VI – Fraud and Corruption

## **PART 2 Employer’s Requirements**

- Section VII - Scope of Employer’s Requirement

- 6.2 Unless obtained directly from the Employer, the Employer accepts no responsibility for the completeness of the document, responses to requests for clarification, the minutes of the pre-Application meeting (if any), or Addenda to the Initial Selection Document in accordance with ITA 8. In case of any discrepancies, documents issued directly by the Employer shall prevail.
- 6.3 The Applicant is expected to examine all instructions, forms, and terms in the Initial Selection Document and to furnish with its Application all information or documentation as is required by the Initial Selection Document.

### **7. Clarification of Initial Selection Document and Pre-Application Meeting**

- 7.1 An Applicant requiring any clarification of the Initial Selection Document shall contact the Employer in writing at the Employer’s address indicated **in the ISDS**. The Employer will respond in writing to any request for clarification provided that such request is received no later than fourteen (14) days prior to the deadline for submission of the applications. The Employer shall forward a copy of its response to all prospective Applicants who have obtained the Initial Selection Document directly from the Employer, including a description of the inquiry but without identifying its source. If so indicated **in the ISDS**, the Employer shall also promptly publish its response at the web page identified **in the ISDS**. Should the Employer deem it necessary to amend the Initial Selection Document as a result of a clarification, it shall do so following the procedure under ITA 8 and in accordance with the provisions of ITA 17.2.
- 7.2 If indicated **in the ISDS**, the Applicant’s designated representative is invited at the Applicant’s cost to attend a pre-Application meeting at the place, date and time mentioned **in the ISDS**. During this pre-Application meeting, prospective Applicants may request clarification of the project requirement, the criteria for qualifications or any other aspects of the Initial Selection Document.
- 7.3 Minutes of the pre-Application meeting, if applicable, including the text of the questions asked by Applicants, including those

during the meeting (without identifying the source) and the responses given, together with any responses prepared after the meeting will be transmitted promptly to all prospective Applicants who have obtained the Initial Selection Document. Any modification to the Initial Selection Document that may become necessary as a result of the pre-Application meeting shall be made by the Employer exclusively through the use of an Addendum pursuant to ITA 8. Non-attendance at the pre-Application meeting will not be a cause for disqualification of an Applicant.

**8. Amendment of Initial Selection Document**

- 8.1 At any time prior to the deadline for submission of Applications, the Employer may amend the Initial Selection Document by issuing an Addendum.
- 8.2 Any Addendum issued shall be part of the Initial Selection Document and shall be communicated in writing to all Applicants who have obtained the Initial Selection Document from the Employer. The Employer shall promptly publish the Addendum at the Employer's web page identified **in the ISDS**.
- 8.3 To give Applicants reasonable time to take an Addendum into account in preparing their Applications, the Employer may, at its discretion, extend the deadline for the submission of Applications in accordance with ITA 17.2.

**C. Preparation of Applications**

**9. Cost of Applications**

- 9.1 The Applicant shall bear all costs associated with the preparation and submission of its Application. The Employer will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Initial Selection process.

**10. Language of Application**

- 10.1 The Application as well as all correspondence and documents relating to the Initial Selection exchanged by the Applicant and the Employer, shall be written in the language specified **in the ISDS**. Supporting documents and printed literature that are part of the Application may be in another language, provided they are accompanied by an accurate translation of the relevant passages in the language specified **in the ISDS**, in which case, for purposes of interpretation of the Application, the translation shall govern.

**11. Documents Comprising the Application**

- 11.1 The Application shall comprise the following:
  - (a) **Application Submission Letter**, in accordance with ITA 12.1;
  - (b) **Eligibility**: documentary evidence establishing the Applicant's eligibility, in accordance with ITA 13.1;
  - (c) **Qualifications**: documentary evidence establishing the



Applicant's qualifications, in accordance with ITA 14; and

(d) any other document required as specified **in the ISDS**.

11.2 The Applicant shall furnish information on commissions and gratuities, if any, paid or to be paid to agents or any other party relating to this Application

**12. Application Submission Letter**

12.1 The Applicant shall complete an Application Submission Letter as provided in Section IV, Application Forms. This Letter must be completed without any alteration to its format.

**13. Documents Establishing the Eligibility of the Applicant**

13.1 To establish its eligibility in accordance with ITA 4, the Applicant shall complete the eligibility declarations in the Application Submission Letter and Forms ELI (eligibility) 1.1 and 1.2, included in Section IV, Application Forms.

**14. Documents Establishing the Qualifications of the Applicant**

14.1 To establish its qualifications to perform the contract(s) in accordance with Section III - Initial Selection Criteria and Requirements, the Applicant shall provide the information requested in the corresponding Information Sheets included in Section IV, Application Forms.

14.2 Wherever an Application Form requires an Applicant to state a monetary amount, Applicants should indicate the USD equivalent using the rate of exchange determined as follows:

- (a) for construction turnover or financial data required for each year - exchange rate prevailing on the last day of the respective calendar year (in which the amounts for that year are to be converted); and
- (b) value of single contract - exchange rate prevailing on the date of the contract.

Exchange rates shall be taken from the publicly available source identified **in the ISDS**. Any error in determining the exchange rates in the Application may be corrected by the Employer.

**15. Signing of the Application and Number of Copies**

15.1 The Applicant shall prepare one original of the documents comprising the Application as described in ITA 11 and clearly mark it "ORIGINAL". The original of the Application shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Applicant. In case the Applicant is a JV, the Application shall be signed by an authorized representative of the JV on behalf of the JV and so as to be legally binding on all the members as evidenced by a power of attorney signed by their legally authorized signatories.

15.2 The Applicant shall submit copies of the signed original Application, in the number specified **in the ISDS**, and clearly mark them “COPY”. In the event of any discrepancy between the original and the copies, the original shall prevail.

## **D. Submission of Applications**

### **16. Sealing and Marking of Applications**

16.1 The Applicant shall enclose the original and the copies of the Application in a sealed envelope that shall:

- (a) bear the name and address of the Applicant;
- (b) be addressed to the Employer, in accordance with ITA 17.1; and
- (c) bear the specific identification of this Initial Selection process indicated **in the ISDS** 1.1.

16.2 The Employer will accept no responsibility for not processing any envelope that was not identified as required in ITA 16.1 above.

### **17. Deadline for Submission of Applications**

17.1 Applicants may either submit their Applications by mail or by hand. Applications shall be received by the Employer at the address and no later than the deadline indicated **in the ISDS**. When so specified **in the ISDS**, Applicants have the option of submitting their Applications electronically, in accordance with electronic Application submission procedures specified **in the ISDS**.

17.2 The Employer may, at its discretion, extend the deadline for the submission of Applications by amending the Initial Selection Document in accordance with ITA 8, in which case all rights and obligations of the Employer and the Applicants subject to the previous deadline shall thereafter be subject to the deadline as extended.

### **18. Late Applications**

18.1 The Employer reserves the right to accept applications received after the deadline for submission of applications, unless otherwise specified **in the ISDS**.

### **19. Opening of Applications**

19.1 The Employer shall open all Applications at the date, time and place specified **in the ISDS**. Late Applications shall be treated in accordance with ITA 18.1.

19.2 Applications submitted electronically (if permitted pursuant to ITA 17.1) shall be opened in accordance with the procedures specified in the **ISDS**.

19.3 The Employer shall prepare a record of the opening of Applications to include, as a minimum, the name of the Applicants. A copy of the record shall be distributed to all Applicants.

## **E. Procedures for Evaluation of Applications**

### **20. Confidentiality**

20.1 Information relating to the Applications, their evaluation and results of the Initial Selection shall not be disclosed to Applicants or any other persons not officially concerned with the Initial Selection process until the notification of Initial Selection results is made to all Applicants in accordance with ITA 28.

20.2 From the deadline for submission of Applications to the time of notification of the results of the Initial Selection in accordance with ITA 28, any Applicant that wishes to contact the Employer on any matter related to the Initial Selection process may do so only in writing.

### **21. Clarification of Applications**

21.1 To assist in the evaluation of Applications, the Employer may, at its discretion, ask an Applicant for a clarification (including missing documents) of its Application, to be submitted within a stated reasonable period of time. Any request for clarification from the Employer and all clarifications from the Applicant shall be in writing.

21.2 If an Applicant does not provide clarifications and/or documents requested by the date and time set in the Employer's request for clarification, its Application shall be evaluated based on the information and documents available at the time of evaluation of the Application.

### **22. Responsiveness of Applications**

22.1 The Employer may reject any Application which is not responsive to the requirements of the Initial Selection Document. In case the information furnished by the Applicant is incomplete or otherwise requires clarification as per ITA 21.1, and the Applicant fails to provide satisfactory clarification and/or missing information, it may result in disqualification of the Applicant.

### **23. Margin of Preference**

23.1 Unless otherwise specified in the ISDS, a margin of preference for domestic Proposers<sup>1</sup> shall not apply in the RFP process resulting from this Initial Selection.

---

<sup>1</sup> An individual firm is considered a domestic Proposer for purposes of the margin of preference if it is registered in the country of the Employer, has more than 50 percent ownership by nationals of the country of the Employer, and if it does not subcontract more than 10 percent of the contract price, excluding provisional sums, to foreign contractors. JVs are considered as domestic Proposers and eligible for domestic preference only if the individual member firms are registered in the country of the Employer, have more than 50 percent ownership by nationals of the country of the Employer, and the JV shall be registered in the country of the Borrower. The JV shall not subcontract more than 10 percent of the contract price, excluding provisional sums, to foreign firms. JVs between foreign and national firms will not be eligible for domestic preference.

## **24. Subcontractors**

24.1 Unless otherwise stated **in the ISDS**, the Employer does not intend to execute any specific elements of the Works Design and Build by sub-contractors selected in advance by the Employer (so-called “Nominated Subcontractors”).

24.2 The Applicant shall not propose to subcontract the whole of the contract. The Applicant may propose subcontractors for certain specialized parts of the contract. Applicants planning to use such specialized subcontractors shall specify, in the Application Submission Letter, the parts of the contract proposed to be subcontracted along with details of the proposed subcontractors including their qualification and experience.

## **F. Evaluation of Application and Initial Selection of Applicants**

### **25. Evaluation of Applications**

25.1 The Employer shall use the factors, methods, criteria, and requirements defined in Section III, Initial Selection Criteria and Requirements and the ISDS to evaluate the qualifications of the Applicants, and no other factors, methods, criteria, or requirements shall be used. The Employer reserves the right to waive minor deviations from the qualification criteria if they do not materially affect the technical capability and financial resources of an Applicant to perform the Contract.

25.2 Subcontractors proposed by the Applicant shall be fully qualified for their parts of the contract. The subcontractor’s qualifications shall not be used by the Applicant to qualify for the contract unless the applicant designates them as Specialized Subcontractors, in which case, the qualifications of the Specialized Subcontractor proposed by the Applicant may be added to the qualifications of the Applicant for the purpose of the evaluation, if specified in ISDS.

25.3 In case of multiple contracts, Applicants should indicate in their Applications the individual contract or combination of contracts in which they are interested. The Employer shall initially select each Applicant for the maximum combination of contracts for which the Applicant has thereby indicated its interest and for which the Applicant meets the appropriate aggregate requirements specified in Section III - Initial Selection Criteria and Requirements.

25.4 However, with respect to the specific experience under item Section III (Qualification Criteria and Requirements), 4.2, the Employer will select any one or more of the options as identified below:

N is the minimum number of contracts

V is the minimum value of a single contract.

**(a) Initial Selection for one Contract:**

Option 1: (i) N contracts, each of minimum value V;

**Or**

Option 2: (i) N contracts, each of minimum value V,

**Or**

(ii) Less than or equal to N contracts, each of minimum value V, but with total value of all contracts equal or more than  $N \times V$

**(b) Initial Selection for Multiple Contracts**

Option 1: (i) Minimum requirements for combined contract(s) shall be the aggregate requirements for each contract for which the Applicant has applied for as follows, and N1, N2, N3, etc. shall be different contracts:

**Lot 1:** N1 contracts, each of minimum value V1;

**Lot 2:** N2 contracts, each of minimum value V2;

**Lot 3:** N3 contracts, each of minimum value V3; ----etc.

**Or**

Option 2: (i) Minimum requirements for combined contract(s) shall be the aggregate requirements for each contract for which the Applicant has applied for as follows, and N1, N2, N3, etc. shall be different contracts:

**Lot 1:** N1 contracts, each of minimum value V1;

**Lot 2:** N2 contracts, each of minimum value V2;

**Lot 3:** N3 contracts, each of minimum value V3; ----etc.,

**Or**

(ii) **Lot 1:** N1 contracts, each of minimum value V1; or number of contracts less than or equal to N1, each of minimum value V1,

but with total value of all contracts equal or more than  $N1 \times V1$

**Lot 2:**  $N2$  contracts, each of minimum value  $V2$ ; or number of contracts less than or equal to  $N2$ , each of minimum value  $V2$ , but with total value of all contracts equal or more than  $N2 \times V2$

**Lot 3:**  $N3$  contracts, each of minimum value  $V3$ ; or number of contracts less than or equal to  $N3$ , each of minimum value  $V3$ , but with total value of all contracts equal or more than  $N3 \times V3$  ----etc.

**Or**

Option 3: (i) Minimum requirements for combined contract(s) shall be the aggregate requirements for each contract for which the Applicant has applied for as follows, and  $N1, N2, N3, \text{etc.}$  shall be different contracts:

**Lot 1:**  $N1$  contracts, each of minimum value  $V1$ ;

**Lot 2:**  $N2$  contracts, each of minimum value  $V2$ ;

**Lot 3:**  $N3$  contracts, each of minimum value  $V3$ ; ----etc.,

**Or**

(ii) **Lot 1:**  $N1$  contracts, each of minimum value  $V1$ ; or number of contracts less than or equal to  $N1$ , each of minimum value  $V1$ , but with total value of all contracts equal or more than  $N1 \times V1$

**Lot 2:**  $N2$  contracts, each of minimum value  $V2$ ; or number of contracts less than or equal to  $N2$ , each of minimum value  $V2$ , but with total value of all contracts equal or more than  $N2 \times V2$

**Lot 3:**  $N3$  contracts, each of minimum value  $V3$ ; or number of contracts less than or equal to  $N3$ , each of minimum value  $V3$ , but with total value of all contracts equal or more than  $N3 \times V3$  ----etc.,

**Or**

(iii) Subject to compliance as per (ii) above with respect to minimum value of single contract for each lot, total number of contracts is equal or less than  $N1 + N2 + N3$  --but the total value of all such contracts is equal or more than  $N1 \times V1 + N2 \times V2 + N3 \times V3$  +---

25.5 Only the qualifications of the Applicant shall be considered. The qualifications of other firms, including the Applicant's subsidiaries, parent entities, affiliates, subcontractors (other than specialized subcontractors in accordance with ITA 25.2 above) or any other firm(s) different from the Applicant shall not be considered.

**26. Employer's Right to Accept or Reject Applicants**

26.1 The Employer reserves the right to accept or reject any Application, and to annul the Initial Selection process and reject all Applicants at any time, without thereby incurring any liability to the Applicants.

**27. Initial Selection of Applicants**

27.1 The range of Applicants that the Employer may Initially Select ( $x$ =minimum number,  $y$  = maximum number) is specified in the ISDS.

27.2 Initial Selection of Applicants involves several steps, as follows:

- (a) **Step 1 - Table 1 Evaluation:** The first step of Initial Selection involves evaluation against the methods, criteria and requirements described in Section III, Table 1: Qualification Criteria and Requirements;
- (b) **Step 2 - Rejection:** Applicants that do not substantially meet the qualification criteria and requirements in Table 1: Qualification Criteria and Requirements will not be evaluated further, and will be eliminated from the Initial Selection process;
- (c) **Step 3 - Long List:** Applicants that substantially meet the qualification criteria and requirements in Table 1: Qualification Criteria and Requirements will be long listed, and evaluated further;
- (d) **Step 4 -** Depending on the number of Applicants that are long listed, one of the following options will apply:

**Option 1: All are Initially Selected:** Where the number of long listed Applicants is  $\leq x$ , all long listed Applicants are Initially Selected. In this scenario, there is no requirement to evaluate these long listed Applicants

against Table 2: Rated Criteria and Requirements;

**Option 2: Applicants are evaluated using Table 2**

**Evaluation:** Where the number of long listed Applicants is  $>x$ , the Employer shall evaluate all long listed Applicants against Table 2: Rated Criteria and Requirements. This evaluation method involves scoring each Application against rated criteria using the scoring methodology described;

- (e) **Step 5 - Rank Applicants:** The total scores, from this step of the Initial Selection evaluation, for each long listed Applicant are compared, and the Applicants are ranked from the highest to the lowest total score;
- (f) **Step 6 - Initial Selection up to x:** In accordance with the values selected by the Employer for  $x$  and  $y$ , the Employer Initially Selects the Applicants that are ranked from the highest score, to the Applicants ranked as  $x$ ;
- (g) **Step 7 – Reject  $y+1$  Applicants:** Where the number of long listed Applicants is  $>y$ , the Employer rejects all Applicants that are ranked greater than  $y$ , i.e. ranked as  $y+1, y+2, y+3$ , etc.;
- (h) **Step 8 - Optional, at the Employer’s Discretion:** Ranked Applicants which are greater than  $x$ , up to, and including  $y$ , are not normally Initially Selected. However, the Employer may, at its sole discretion, if justified, Initially Select one or more additional Applicant (s) from those that are ranked  $x+1$ , up to and including  $y$ . This Initial Selection will follow the order of ranking (i.e. the Employer cannot Initially Select  $x+2$ , without Initially Selecting  $x+1$ ).

**28. Notification of Initial Selection**

28.1 The Employer shall notify all Initially Selected Applicants in writing that they have been Initially Selected. In providing this notification the Employer shall include the names of all Applicants that have been Initially Selected.

28.2 The Employer shall separately notify all other Applicants that they have not been Initially Selected, and that they have been eliminated from the process. Any Applicant that has been eliminated from the process at this stage may request, in writing, the grounds on which they were eliminated.

**29. Request for Proposals**

29.1 Promptly after the notification of the results of the Initial Selection, the Employer shall invite Proposals from all the Applicants that have been initially selected.



- 29.2 Proposers may be required to provide a Proposal Security or a Proposal-Securing Declaration acceptable to the Employer in the form and an amount to be specified in the RFP Document, and the successful Proposer shall be required to provide a Performance Security as specified in the RFP Document.
- 29.3 If applicable, the successful Proposer may also be required to provide a separate Environmental, Social, Health and Safety (ESHS) Performance Security.
- 29.4 Proposers shall be required to provide the Code of Conduct which will apply to their employees and sub-contractors to ensure compliance with the Environmental, Social (including sexual exploitation and abuse (SEA) and gender based violence (GBV)), Health and Safety (ESHS) requirements.
- 29.5 Proposers may be required to submit management strategies and implementation plans to ensure compliance with key Environmental, Social (including sexual exploitation and abuse (SEA) and gender based violence (GBV)), Health and Safety (ESHS) requirements.
- 29.6 If required in the RFP documents, the successful Proposer shall provide additional information about its beneficial ownership using the Beneficial Ownership Disclosure Form included in the RFP document.

**30. Changes in Qualifications of Applicants**

- 30.1 Any change in the structure or formation of an Applicant after being initially selected in accordance with ITA 27 and invited to submit Proposal (including, in the case of a JV, any change in the structure or formation of any member and also including any change in any specialized subcontractor) shall be subject to the written approval of the Employer prior to the deadline for submission of Proposals. Such approval shall be denied if (i) an initially selected applicant proposes to associate with a disqualified applicant or in case of a disqualified joint venture, any of its members; (ii) as a consequence of the change, the Applicant no longer substantially meets the qualification criteria set forth in Section III - Initial Selection Criteria and Requirements Table 1- Qualification Criteria, and Requirements; or (iii) no longer continues to be in the list of Initially Selected Applicants as a result of the Employer's re-evaluation of the Application in accordance with ITA 27; or (iv) in the opinion of the Employer, the change may result in a substantial reduction in competition. Any such change should be submitted to the Employer not later than fourteen (14) days after the date of the Request for Proposals.

**31. Procurement  
Related  
Complaint**

31.1 The procedures for making a Procurement-related Complaint are as specified in the ISDS.

## Section II – Initial Selection Data Sheet (ISDS)

### A. General

<p><b>ITA 1.1</b></p>	<p>The identification of the Invitation for Initial Selection is: <b>REA-NEP-SHM1</b></p> <p>The Employer is:</p> <p style="padding-left: 40px;"><b>Rural Electrification Agency (REA)</b>/Managing Director’s Office  Mrs. Damilola Ogunbiyi  No. 22 Freetown, Wuse II  900288, Abuja  Nigeria  Tel: +234 803 499 5157  Tel: +234 817 217 2915  E-mail: <a href="mailto:nep@rea.gov.ng">nep@rea.gov.ng</a>  Website: <a href="http://www.rea.gov.ng">www.rea.gov.ng</a></p> <p>The Contract title is:</p> <p>Development of Solar Hybrid Mini Grids for Rural Economic Development - Minimum Subsidy Tender (Phase 1 – 4 lots)</p> <p>This Invitation for Initial Selection is for the Procurement of mini grid services in 57 sites, as described in Section VII – Scope of Employer’s Requirements (and not for the Procurement of Works Design and Build).</p> <p>The 57 sites are spread across four (4) states and will be packages into four (4) lots—one lot per state. The four (4) lots will be:</p> <ul style="list-style-type: none"> <li>▪ Lot 1 – REA – NEP -SHM1 – A. (Ogun state)</li> <li>▪ Lot 2 – REA – NEP – SHM1– B (Cross-river state)</li> <li>▪ Lot 3 – REA – NEP – SHM1 – C (Sokoto state)</li> <li>▪ Lot 4 – REA – NEP – SHM1 – D (Niger state)</li> </ul> <p>The RFP number is: REA-NEP-SHM1.</p>
<p><b>ITA 2.1</b></p>	<p>The Borrower is: <b>The Federal Government of Nigeria</b></p> <p>Loan or Financing Agreement amount: <b>USD350 million</b></p> <p>The name of the Project is: <b>Nigeria Electrification Project</b></p>
<p><b>ITA 4.1</b></p>	<p>Further to the eligibility criteria listed in ITA 4.1 and ITA 5.1, Applicants shall meet the eligibility criteria listed in Section III – Initial Selection Criteria and Requirements.</p>
<p><b>ITA 4.2</b></p>	<p>There is no limit to the number of Members in a Joint Venture.</p> <p>Any unincorporated single entity or Joint Venture will be required to be incorporated in the Federal Republic of Nigeria before signing the Grant Agreement with the REA.</p>

	Subcontractors are those that will perform certain activities under the Contract, but unlike Members in a Joint Venture, subcontractors will not have an equity stake in the Joint Venture.
<b>ITA 4.6</b>	Further to ITA 4.6, Applicants shall be considered to have a conflict of interest if any officer of the evaluation committees of the REA or Board members of the REA is a former or present director, shareholder, or has any pecuniary interest in the Applicant, or in the case of a Joint Venture, in any of its Members.
<b>ITA 4.8</b>	A list of debarred firms and individuals is available on the Bank’s external website: <a href="http://www.worldbank.org/debarr">http://www.worldbank.org/debarr</a> .
<b>ITA 4.9</b>	State-owned enterprises are not eligible to be initially selected.

## **B. Contents of the Initial Selection Document**

<b>ITA 6.1</b>	Further to the sections listed in ITA 6.1, this Initial Selection Document contains Appendix A: Overview of the Regulatory Framework for Mini Grids in Nigeria.
<b>ITA 7.1</b>	<p>The Applicant shall request clarifications in writing by sending an email to <a href="mailto:nep@rea.gov.ng">nep@rea.gov.ng</a>, with the following subject: Mini Grid Tender – Request for Clarifications for Initial Selection, or by regular mail, at the following address:</p> <p style="text-align: center;"><b>Rural Electrification Agency (REA)/Managing Director’s Office</b>  Mrs. Damilola Ogunbiyi  No. 22 Freetown, Wuse II  900288, Abuja  Nigeria  Tel: +234 803 499 5157  Tel: +234 817 217 2915</p> <p>The REA shall respond within seven (7) business days of the request for clarification.</p> <p>The REA shall post the request for clarifications and responses on its web page, without identifying the source of the requests. at: <a href="http://rea.gov.ng/mini-grid-tender/">http://rea.gov.ng/mini-grid-tender/</a></p> <p>The REA shall also send a copy of the request for clarifications and responses, without identifying the source of the requests, to all prospective Applicants who have obtained the Initial Selection Document directly from the REA.</p>

<b>ITA 7.2</b>	<p>A Pre-Application meeting will be held on April 15<sup>th</sup>, 2019 between 09:00 and 19:00 (WAT) at the following address:</p> <p>Ladi Kwali Hall,          Sheraton hotel,          Ladi Kwali Way, Wuse Zone 4          Abuja</p>
<b>ITA 7.3</b>	<p>Minutes will be transmitted promptly to all prospective Applicants who have obtained the Initial Selection Document as this is already contained in the REA.</p> <p>Minutes from the Pre-Application will be posted on the REA’s web page indicated in ITA 7.1.</p> <p>Any response prepared after the Pre-Application meeting will be posted on the following webpage: <a href="http://rea.gov.ng/mini-grid-tender/">http://rea.gov.ng/mini-grid-tender/</a></p>
<b>ITA 8.2</b>	<p>Any addendum issued shall be published on the following webpage: <a href="http://rea.gov.ng/mini-grid-tender/">http://rea.gov.ng/mini-grid-tender/</a></p>
<b>ITA 8.3</b>	<p>The REA will extend the deadline for submission of the Applications if an Addendum is issued.</p>

### C. Preparation of Applications

<b>ITA 10.1</b>	<p>This Initial Selection Document has been issued in English.</p> <p>The Application, supporting documents and printed literature that are part of the Application, as well as all correspondence between the Applicant and the REA, shall be submitted in English.</p>
<b>ITA 11.1 (d)</b>	<p>No application shall contain prices or price schedules or any other reference to rates and prices for undertaking the Contract. Any applications containing any such price information will be rejected and the relevant Applicant disqualified.</p>
<b>ITA 12.1</b>	<p>The REA reserves the right to disqualify an Applicant if the Application Submission Letter received is in a different format than the one provided in Section IV – Application Forms.</p>
<b>ITA 13.1</b>	<p>To establish its eligibility in accordance with ITA 4, the Applicant shall complete the eligibility declarations in the Application Submission Letter and Forms included in Section IV – Application Forms.</p> <p>The REA reserves the right to disqualify an Applicant if the forms received to establish eligibility of the Applicant are in a different format than those provided in Section IV – Application Forms.</p>

<b>ITA 14.1</b>	The REA reserves the right to disqualify an Applicant if the forms received to establish the qualifications of the Applicant are in a different format than those provided in Section IV – Application Forms.
<b>ITA 14.2</b>	The source for determining exchange rates is: <a href="https://www.oanda.com/currency/converter/">https://www.oanda.com/currency/converter/</a>
<b>ITA 15.2</b>	The Applicant must submit one (1) original, two (2) hard copies of the Application, marked “COPY”, and one (1) electronic copy of the Application on a flash drive, memory card, or CD.

## D. Submission of Applications

<b>ITA 17.1</b>	<p><b>The deadline for Application submission is:</b></p> <p>Date: June 3<sup>rd</sup>, 2019</p> <p>Time: 12:00 noon (WAT)</p> <p>For <b>Application submission purposes only</b>, the Employer’s address is:  Rural Electrification Agency (REA)/NEP-Managing Director’s Office  Attn: Damilola Ogunbiyi,  No. 22 Freetown, Wuse II, Abuja  900288,  Nigeria</p>
<b>ITA 18.1</b>	Late Applications will be returned unopened to the Applicants and the reason for such stated.
<b>ITA 19.1</b>	<p>The opening of the hard copy Applications shall be on June 3<sup>rd</sup>, 2019 at 12:00 noon (WAT) at the address below:</p> <p>Rural Electrification Agency (REA)/NEP - Managing Director’s Office,  Attn: Mrs. Damilola Ogunbiyi  No. 22 Freetown, Wuse II, Abuja  900288,  Nigeria  Tel: +234 803 499 5157  Tel: +234 817 217 2915</p>
<b>ITA 19.2</b>	This clause is not applicable

## E. Procedures for Evaluation of Applications

<b>ITA 24.1</b>	The REA does not intend to execute certain specific parts of the contract by Subcontractors selected in advance.
-----------------	--

## F. Evaluation of Applications and Initial Selection of Applicants

ITA 25.2	The relevant qualifications of the proposed Specialized Subcontractors will not be added to the qualifications of the Applicant for the purpose of evaluation as indicated in Section III - Initial Selection Criteria and Requirements.
ITA 25.3	<p>This clause is not applicable. Initially Selected Applicants will be required to indicate the lots they will submit a proposal for at the RFP stage.</p> <p>Initially selected Applicants are selected to submit a proposal for one (1) lot only at the RFP stage. Any Applicant submitting proposals for a combination of lots will be required to show that it fulfils the aggregate financing requirements at the RFP stage.</p>
ITA 25.4	This clause is not applicable at the Initial Selection stage but will be applicable at the RFP stage.
ITA 27.1	<p><b>Initial Selection – minimum number (x)</b></p> <p>The REA intends to Initially Select the following number of long listed Applications: sixteen (16). This number is referred to as <b>x</b>, and is the minimum number to be Initially Selected.</p> <p><b>Initial Selection – maximum number (y)</b></p> <p>The REA, may, at its sole discretion, Initially Select more than the minimum number of long listed Applications. The maximum number that may be Initially Selected is twenty (20). This number is referred to as <b>y</b>.</p>
ITA 31.1	<p>The procedures for making a Procurement-related Complaint are detailed in the “<a href="#">Procurement Regulations for IPF Borrowers</a> (Annex III).” If an Applicant wishes to make a Procurement-related Complaint, the Applicant shall submit its complaint following these procedures, in writing (by the quickest means available, that is either by email or fax), to:</p> <p><b>For the attention:</b> Mrs. Esther Adejoke Odumosu</p> <p><b>Title/position:</b> Head-Project Management Unit</p> <p><b>Government Representative:</b> Rural Electrification Agency</p> <p><b>Email address:</b> nep@rea.gov.ng</p> <p>In summary, at this stage, a Procurement-related Complaint may challenge any of the following:</p> <ol style="list-style-type: none"> <li>1. The terms of the Initial Selection Document; and</li> <li>2. The REA’s decision not to qualify an Applicant.</li> </ol>

## **Section III – Initial Selection Criteria and Requirements**

This section contains all the methods, criteria, and requirements that the REA shall use to evaluate Applications. Table 1 lists the pass/fail criteria that the REA will use to prepare the long list of Initially Selected Applicants. Table 2 lists the rated criteria and requirements that the REA may use (at its sole discretion) to initially select more Applicants than the minimum number. The information to be provided in relation to each requirement and the definitions of the corresponding terms are included in the respective Application Forms.

The Applicant may apply as a single legal entity, or as a Joint Venture. In the criteria and requirements table, the following applies:

- If the Applicant is applying as a single legal entity, it should meet the requirements as specified in the “Single Entity” column
- If the Applicant is applying as a Joint Venture, it should meet the requirements as specified in the three columns under “Existing or Intended Joint Venture”: “All Members Combined”, “Each Member”, and “One Member”.

### **Contents**

<b>Table 1– Qualification Criteria and Requirements</b>	<b>29</b>
1. Eligibility	29
2. Historical Contract Non-Performance	31
3. Financial Capacity	33
4. Technical Capacity	34
<b>Table 2 – Rated Criteria and Requirements</b>	<b>36</b>
1. Experience in developing mini grids	36
2. Experience in operating mini grids	37
3. Liquid assets available	38
4. Experience in raising finance debt	39



**Table 1 – Qualification Criteria and Requirements**

**1. Eligibility**

No.	Subject	Requirement	Single Entity	Existing or Intended Joint Venture			Submission Requirements
				All Members Combined	Each Member	One Member	
1.1	<b>Eligibility and Nationality</b>	Eligibility in Accordance with ITA 4.2 and nationality in accordance with ITA 4.5.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	<p>Application Submission Letter, and Form ELI-1.1, and (for a Joint Venture) Form ELI-1.2. These forms should be accompanied by the following attachments:</p> <ul style="list-style-type: none"> <li>▪ Power of attorney; and</li> <li>▪ Articles of Incorporation, or Documents of Registration of the entity, or equivalent documents of constitution; and</li> <li>▪ <b>For an incorporated Joint Venture:</b> Joint Venture Agreement, stating that the members are jointly and severally liable;</li> <li>▪ <b>For an unincorporated Joint Venture:</b> Letter of intent to form a Joint Venture, stating that the members are jointly and severally liable.</li> </ul>

No.	Subject	Requirement	Single Entity	Existing or Intended Joint Venture			Submission Requirements
				All Members Combined	Each Member	One Member	
1.2	<b>Conflict of Interest</b>	No conflicts of interest in accordance with ITA 4.6.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Application Submission Letter
1.3	<b>Bank Eligibility</b>	Not having been declared ineligible by the Bank, as described in ITA 4.7 and 5.1.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Application Submission Letter
1.4	<b>United Nations Resolution or Borrower's Country Law</b>	Not having been excluded as a result of prohibition in the Borrower's country laws or official regulations against commercial relations with the Applicant's country, or by an act of compliance with UN Security Council resolution, both in accordance with ITA 5.1 and Section V.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	<ul style="list-style-type: none"> <li>▪ Application Submission Letter; and</li> <li>▪ Form ELI-1.1 (for a single entity) or Forms ELI-1.2 (for each Joint Venture Member).</li> </ul>

## 2. Historical Contract Non-Performance

No.	Subject	Requirement	Single Entity	Existing or Intended Joint Venture			Submission Requirements
				All Members Combined	Each Member	One Member	
2.1	<b>History of Non-Performing Contracts</b>	Declare all past history of non-performing contracts <sup>2</sup> since January 2014. <sup>3</sup>	Must meet requirement	Must meet requirement	Must meet requirement <sup>4</sup>	N/A	Form CON-2
2.2	<b>Suspension Based on Execution of Bid or Proposal Securing Declaration by the Employer</b>	Not be under suspension based on execution of Bid or Proposal Securing Declaration pursuant to ITA 4.10.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Application Submission Letter
2.3	<b>Pending Litigation</b>	Declare all pending litigations.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Form CON-2
2.4	<b>Litigation History</b>	Declare litigation history since January 2014. <sup>5</sup>	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Form CON-2

<sup>2</sup> Nonperformance, as decided by the Employer, shall include all contracts where (a) nonperformance was not challenged by the contractor, including through referral to the dispute resolution mechanism under the respective contract, and (b) contracts that were so challenged but fully settled against the contractor. Nonperformance shall not include contracts where Employers decision was overruled by the dispute resolution mechanism. Nonperformance must be based on all information on fully settled disputes or litigation, i.e. dispute or litigation that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the applicant have been exhausted.

<sup>3</sup> If the company was incorporated after January 2014, since the date of incorporation.

<sup>4</sup> This requirement also applies to contracts executed by the Applicant as Joint Venture member.

<sup>5</sup> If the company was incorporated after January 2014, since the date of incorporation.

No.	Subject	Requirement	Single Entity	Existing or Intended Joint Venture			Submission Requirements
				All Members Combined	Each Member	One Member	
2.5	<b>Environmental, Social, Health, and Safety (ESHS) past performance</b>	<ul style="list-style-type: none"> <li>▪ An employer has not suspended or terminated a contract and/or called the performance security for a contract for reasons related to Environmental, Social, Health, or Safety (ESHS) performance since January 2016.<sup>6</sup></li> <li>▪ The Applicant has not paid any fine relating to ESHS violations since January 2016.<sup>7</sup></li> </ul>	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Application Submission Letter

---

<sup>6</sup> If the company was incorporated after January 2016, since the date of incorporation.

<sup>7</sup> Ibid.

### 3. Financial Capacity

No.	Subject	Requirement	Single Entity	Existing or Intended Joint Venture			Submission Requirements
				All Members Combined	Each Member	One Member	
3.1	<b>Financial position</b>	The audited balance sheets or, if not required by the laws of the Applicant’s country, other financial statements acceptable to the Employer, for the last three (3) years shall be submitted and must demonstrate the current soundness of the Applicant’s financial position and indicate its prospective long-term profitability.	Must meet requirement	N/A	Must meet requirement	N/A	Form FIN-3.1 with audited financial statements (with certification stamp) for the past three (3) financial years (2016, 2017, and 2018).
3.2	<b>Availability of liquid assets</b>	The Applicant shall demonstrate that it had at least USD1 million or its Nigerian Naira equivalent in liquid assets as at December 31 <sup>st</sup> , 2018, net of the Applicant’s other commitments. This requirement applies for one (1) lot only. Any Applicant submitting proposals for a combination of lots will be required to show that it fulfils the aggregate financing requirements at RFP stage.	Must meet requirement	Must meet requirement	N/A	N/A	Form FIN-3.1 with the audited financial statements for the past three (3) financial years.
3.3	<b>Ability to Secure Debt</b>	The Applicant shall demonstrate evidence that it has experience in raising debt, shown by having raised debt successfully for at least two (2) projects in infrastructure since January 2014, for an amount of at least USD5 million or its Nigeria Naira equivalent for each project. For these projects, the Applicant should provide: <ul style="list-style-type: none"> <li>▪ A brief description of the project and of the equity amount raised</li> <li>▪ References (names and contact information).</li> </ul>	Must meet requirement	Must meet requirement	N/A	N/A	Form FIN-3.

## 4. Technical Capacity

No.	Subject	Requirement	Single Entity	Existing or Intended Joint Venture			Submission Requirements
				All Members Combined	Each Member	One Member (not necessarily Lead)	
4.1	<b>Experience in Developing Mini grids</b>	<p>The Applicant has designed and built at least two (2) mini grids* of at least 10kW in generation capacity each, since January 2014, and these mini grids are still in operation* at the time of issuance of this initial selection document, as evidenced by:</p> <ul style="list-style-type: none"> <li>▪ A description of the mini grid systems (size, generation technology, number of customers, location, year of commercial operations date (COD), and annual gross generation)</li> <li>▪ References (names, contacts).</li> </ul>	Must meet requirement	Must meet requirement	N/A	One Member must, on its own, meet requirement.	Form EXP-4.1
4.2	<b>Experience in Operating Mini Grids</b>	<p>The Applicant has operated at least two (2) mini grids* of at least 10kW in generation capacity each, since January 2014, and these mini grids are still in operation at the time of issuance of this Initial Selection Document*, as evidenced by:</p> <ul style="list-style-type: none"> <li>▪ A description of the mini grid systems (size, generation technology, number of customers, location, year of COD, and annual gross generation)</li> <li>▪ References (names, contacts).</li> </ul>	Must meet requirement	Must meet requirement	N/A	One Member must, on its own, meet requirement.	Form EXP-4.2

**\* Definitions:**

- For the purpose of evaluating Applicants' experience, 'mini grids' are defined as systems with:
  - Generation capacity between 10kW and 10MW<sup>8</sup>, and
  - A network that distributes power to two or more customers.
- Mini grid in 'operation' is defined as:
  - The customers are served by the mini grid
  - The customers are served by the main grid, if the main grid arrived in the site previously served by the mini grid and the assets were bought out by the utility or decommissioned.

---

<sup>8</sup> This is a definition of mini grids for the purpose of evaluating Applicants' experience only. It is not the definition of the systems that Applicants will develop for this project (which are capped at 1MW).

**Table 2 – Rated Criteria and Requirements**

**1. Experience in developing mini grids**

Requirement	Scoring		Documentation												
	Maximum score	Remark	Submission Requirement												
<p><b>Number of similar mini grid development projects</b></p> <p>Number of mini grids of at least 10kW in generation capacity developed since January 2014 that are still in operation at the time of issuance of this this Initial Selection Document that exceed the number specified in Table 1, Criteria 4.1 (2 projects).</p> <p><b>Scoring methodology:</b></p> <table border="1"> <thead> <tr> <th>Number of mini grids developed</th> <th>&gt;= 6 mini grids</th> <th>5 mini grids</th> <th>4 mini grids</th> <th>3 mini grids</th> <th>2 mini grids</th> </tr> </thead> <tbody> <tr> <td><b>Weighting</b></td> <td><b>100</b></td> <td><b>70</b></td> <td><b>40</b></td> <td><b>10</b></td> <td><b>0</b></td> </tr> </tbody> </table>	Number of mini grids developed	>= 6 mini grids	5 mini grids	4 mini grids	3 mini grids	2 mini grids	<b>Weighting</b>	<b>100</b>	<b>70</b>	<b>40</b>	<b>10</b>	<b>0</b>	25	In case of a Joint Venture, all members combined will be evaluated.	Form EXP 4.1
Number of mini grids developed	>= 6 mini grids	5 mini grids	4 mini grids	3 mini grids	2 mini grids										
<b>Weighting</b>	<b>100</b>	<b>70</b>	<b>40</b>	<b>10</b>	<b>0</b>										



## 2. Experience in operating mini grids

Requirement	Scoring		Documentation												
	Maximum score	Remark	Submission Requirement												
<p><b>Number of similar mini grid operations projects</b></p> <p>Number of mini grids of at least 10kW in generation capacity operated since January 2014, that are still in operation at the time of issuance of this Initial Selection Document; that exceed the number specified in Table 1, Criteria 4.2 (2 projects).</p> <p><b>Scoring methodology:</b></p> <table border="1"> <thead> <tr> <th>Number of mini grids operated</th> <th>&gt;= 6 mini grids</th> <th>5 mini grids</th> <th>4 mini grids</th> <th>3 mini grids</th> <th>2 mini grids</th> </tr> </thead> <tbody> <tr> <td><b>Weighting</b></td> <td><b>100</b></td> <td><b>70</b></td> <td><b>40</b></td> <td><b>10</b></td> <td><b>0</b></td> </tr> </tbody> </table>	Number of mini grids operated	>= 6 mini grids	5 mini grids	4 mini grids	3 mini grids	2 mini grids	<b>Weighting</b>	<b>100</b>	<b>70</b>	<b>40</b>	<b>10</b>	<b>0</b>	25	In case of a Joint Venture, all members combined will be evaluated.	Form EXP 4.2
Number of mini grids operated	>= 6 mini grids	5 mini grids	4 mini grids	3 mini grids	2 mini grids										
<b>Weighting</b>	<b>100</b>	<b>70</b>	<b>40</b>	<b>10</b>	<b>0</b>										

### 3. Liquid assets available

Requirement	Scoring		Documentation												
	Maximum score	Remark	Submission Requirement												
<p><b>Liquid assets available</b></p> <p>Liquid assets, net of the Applicant’s other commitments, that exceed the number specified in Table 1, Criteria 3.1 (USD1 million) or its Nigerian Naira equivalent).</p> <p><b>Scoring methodology:</b></p> <table border="1"> <thead> <tr> <th>Liquid assets available</th> <th>&gt;= USD3 million</th> <th>USD2.5 million</th> <th>USD2 million</th> <th>USD1.5 million</th> <th>USD1 million</th> </tr> </thead> <tbody> <tr> <td><b>Weighting</b></td> <td><b>100</b></td> <td><b>70</b></td> <td><b>40</b></td> <td><b>10</b></td> <td><b>0</b></td> </tr> </tbody> </table>	Liquid assets available	>= USD3 million	USD2.5 million	USD2 million	USD1.5 million	USD1 million	<b>Weighting</b>	<b>100</b>	<b>70</b>	<b>40</b>	<b>10</b>	<b>0</b>	25	In case of a Joint Venture, all members combined will be evaluated.	Form FIN 3.1
Liquid assets available	>= USD3 million	USD2.5 million	USD2 million	USD1.5 million	USD1 million										
<b>Weighting</b>	<b>100</b>	<b>70</b>	<b>40</b>	<b>10</b>	<b>0</b>										

#### 4. Experience in securing debt

Requirement	Scoring		Documentation												
	Maximum score	Remark	Submission Requirement												
<p><b>Number of projects for which the Applicant has raised debt</b></p> <p>Number of infrastructure projects for which the Applicant has successfully raised debt for an amount above USD5 million or its Nigerian Naira equivalent since January 2014; that exceed the number specified in Table 1, Criteria 3.3 (2 projects).</p> <p><b>Scoring methodology:</b></p> <table border="1"> <thead> <tr> <th>Number of projects for which the Applicant has raised debt for an amount above USD5 million or its Nigerian Naira equivalent</th> <th>&gt;= 6 projects</th> <th>5 projects</th> <th>4 projects</th> <th>3 projects</th> <th>2 projects</th> </tr> </thead> <tbody> <tr> <td><b>Weighting</b></td> <td><i>[100]</i></td> <td><i>[70]</i></td> <td><i>[40]</i></td> <td><i>[10]</i></td> <td><i>[0]</i></td> </tr> </tbody> </table>	Number of projects for which the Applicant has raised debt for an amount above USD5 million or its Nigerian Naira equivalent	>= 6 projects	5 projects	4 projects	3 projects	2 projects	<b>Weighting</b>	<i>[100]</i>	<i>[70]</i>	<i>[40]</i>	<i>[10]</i>	<i>[0]</i>	25	In case of a Joint Venture, all members combined will be evaluated.	Form FIN 3.2
Number of projects for which the Applicant has raised debt for an amount above USD5 million or its Nigerian Naira equivalent	>= 6 projects	5 projects	4 projects	3 projects	2 projects										
<b>Weighting</b>	<i>[100]</i>	<i>[70]</i>	<i>[40]</i>	<i>[10]</i>	<i>[0]</i>										

## Section IV – Application Forms

### Table of Forms

Application Submission Letter	41
Form ELI – 1.1 Applicant Information Form	44
Form ELI – 1.2 Applicant's JV Information Form	45
Form CON – 2 Historical Contract Non-Performance, and Pending Litigation and Litigation History	46
Form FIN – 3.1	48
Financial Situation and Performance	Error! Bookmark not defined.
Form FIN – 3.2 Financial Capacity – Ability to Secure Debt	50
Form EXP – 4.1 Technical Capacity in Developing Mini Grids	51
Form EXP – 4.2 Technical Capacity in Operating Mini Grids	52

# Application Submission Letter

Date: Click or tap to enter a date

Applicant Name: Insert Full Name

Title: Development of Solar Hybrid Mini Grids for Rural Economic Development -  
Minimum Subsidy Tender (Phase 1 – 4 lots)

To: The Rural Electrification Agency

We, the undersigned, apply to be qualified for the referenced Contract and declare that:

- (a) Our legal name is Legal Name
- (b) **No reservations:** We have examined and have no reservations to the Initial Selection Document, including Addendum(s) No(s). issued in accordance with ITA 8: Number and Addendum Issuing Date  
Number and Addendum Issuing Date
- (c) **No conflict of interest:** We (and all Members in the case of a Joint Venture), along with our Subcontractors, have no conflict of interest in accordance with ITA 4.6.
- (d) **Eligibility:** We (and all Members in the case of a Joint Venture), along with our Subcontractors, meet the eligibility requirements as stated in ITA 4, we have not been suspended by the Employer based on execution of a Bid-Securing Declaration or Proposal-Securing Declaration in accordance with ITA 4.10.
- (e) **Suspension and Debarment:** We (and all Members in the case of a Joint Venture), along with our Subcontractors, suppliers, consultants, manufacturers, or service providers for any part of the contract, are not subject to, and not controlled by any entity or individual that is subject to, a temporary suspension or a debarment imposed by the World Bank Group or a debarment imposed by the World Bank Group in accordance with the Agreement for Mutual Enforcement of Debarment Decisions between the World Bank and other development banks in accordance with ITA 4.7 and 4.8. Further, we are not ineligible under laws or official regulations of the Federal Republic of Nigeria or pursuant to a decision of the United Nations Security Council in accordance with ITA 5.1.
- (f) **State-owned enterprise or institution:** We are not a state-owned enterprise or institution.
- (g) **Clean ESHS track record:** We (and all Members in the case of a Joint Venture), as well as our Subcontractors, have not had any employer suspend or terminate a contract and/or call the performance security for a contract for reasons related to Environmental, Social, Health, or Safety (ESHS) performance, and have not paid any fine related to ESHS violations since January 2016, in accordance with Initial Selection Criterion 2.5.

- (h) **Subcontractors and Specialized Subcontractors:** We, in accordance with ITA 24.2 and 25.2, plan to subcontract the following parts of the contract:

*[Insert any part of the contract which the Applicant intends to subcontract along with complete details of the Specialized Subcontractors, their qualification, and experience]*

- (i) **Commissions, gratuities, fees:** We declare that the following commissions, gratuities, or fees have been paid or are to be paid with respect to the Initial Selection process, the corresponding RFP process or execution of the Contract, in accordance with ITA 11.2:

<u>Name of Recipient</u>	<u>Address</u>	<u>Reason</u>	<u>Amount</u>
Full Name for each occurrence	Street, number, city, country	Indicate reason	Specify amount, \$USD equivalent
Full Name for each occurrence	Street, number, city, country	Indicate reason	Specify amount, \$USD equivalent
Full Name for each occurrence	Street, number, city, country	Indicate reason	Specify amount, \$USD equivalent
Full Name for each occurrence	Street, number, city, country	Indicate reason	Specify amount, \$USD equivalent
Full Name for each occurrence	Street, number, city, country	Indicate reason	Specify amount, \$USD equivalent
Full Name for each occurrence	Street, number, city, country	Indicate reason	Specify amount, \$USD equivalent

[If no payments were made or promised, add the following statement: “No commissions or gratuities have been or are to be paid by us to agents or any third party relating to this Application”]

- (j) **Not bound to accept:** We understand that you may cancel the Initial Selection process at any time and that you are neither bound to accept any Application that you may receive nor to invite the Initially Selected Applicants to submit Proposals for the Contract subject of this Initial Selection process, without incurring any liability to the Applicants, in accordance with ITA 26.1.
- (k) **True and correct:** All information, statements and descriptions contained in the Application are in all respect true, correct, and complete to the best of our knowledge and belief.
- (l) **Inquiries:** The REA and its authorized representatives are hereby authorized to conduct any inquiries or investigations to verify the statements, documents, and information submitted in connection with this Application, and to seek clarification from our bankers and clients regarding any financial and technical aspects. This Application Submission Letter will also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information to provide such information deemed necessary and as requested by you to verify statements and information provided in this Application, such as the resources, experience, and competence of the Applicant.

Signed

*[insert signature(s) of an authorized representative(s) of the Applicant]*

Name Full Name of person signing the application

In the Capacity of Capacity of person signing the application for full name of Applicant

Duly authorized to sign the Application for and on behalf of:

Name of Applicant

Address Street, Number, Town/City, Country

Dated on date day of month, year..

*[For a Joint Venture, either all members shall sign or only the authorized representative, in which case, the power of attorney to sign on behalf of all members shall be attached]*

# Form ELI – 1.1

## Applicant Information Form

Date: Click or tap to enter a date

Applicant Name: Insert Full Name

Title: Development of Solar Hybrid Mini Grids for Rural Economic Development -  
Minimum Subsidy Tender (Phase 1 – 4 lots)

<p>Applicant's name:</p> <p>Full legal name</p>
<p>In case of a Joint Venture, name of each member:</p> <p>Full legal name</p> <p>Full legal name</p>
<p><u>Applicant's actual or intended country of incorporation:</u></p> <p>Country of incorporation</p>
<p>Applicant's actual or intended year of incorporation:</p> <p>Year of incorporation</p>
<p>Applicant's legal address [in country of registration]:</p> <p>Street name, number, town/city, country</p>
<p>Applicant's authorized representative information</p> <p>Name: Full legal name</p> <p>Address: Street name, number, town/city, country</p> <p>Telephone/Fax numbers: Telephone/fax numbers, including country and city codes</p> <p>E-mail address: email@email.com</p>
<p>Attached are copies of original documents of:</p> <p><input type="checkbox"/> Articles of Incorporation, or Documents of Registration, or equivalent documents of constitution of the Applicant, in accordance with ITA 4.5</p> <p><input type="checkbox"/> <b>In the case of an incorporated Joint Venture</b>, Joint Venture Agreement, stating that the members are jointly and severally liable, in accordance with ITA 4.2</p> <p><input type="checkbox"/> <b>In the case of an unincorporated Joint Venture</b>, letter of intent to form a Joint Venture stating that the members are jointly and severally liable, in accordance with ITA 4.2.</p>



## Form ELI – 1.2

### Applicant's JV Information Form

*[The following form is additional to Form ELI – 1.1., and shall be completed to provide information relating to each JV member (in case the Applicant is a JV) as well as any Specialized Subcontractor proposed to be used by the Applicant for any part of the Contract resulting from this Initial Selection process]*

Date: Click or tap to enter a date

Applicant Name: Insert Full Name

Joint Venture Member's/Subcontractor Name: Insert Full Name

Title: Development of Solar Hybrid Mini Grids for Rural Economic Development -  
Minimum Subsidy Tender (Phase 1 – 4 lots)

Applicant's JV Member's/ Subcontractor's name: Full legal name
Role in the Applicant organization: Indicate: Joint Venture Member/Subcontractor
Applicant Member's country of incorporation: Country of incorporation
Applicant Member's year of incorporation: Year of incorporation
Applicant Member's legal address in country of constitution: Street name, number, town/city, country
Applicant Member's authorized representative information Name: Full legal name Address: Street name, number, town/city, country Telephone/Fax numbers: Telephone/fax numbers, including country and city codes E-mail address: email@email.com
Attached are copies of original documents of: <input type="checkbox"/> Articles of Incorporation, or Documents of Registration, or equivalent documents of constitution of the legal entity named above, in accordance with ITA 4.5.

## Form CON – 2

### Historical Contract Non-Performance, and Pending Litigation and Litigation History

*[The following table shall be filled in for the Applicant and for each member of a Joint Venture]*

Date: Click or tap to enter a date  
 Applicant Name: Insert Full Name  
 Joint Venture Member's Name: Insert Full Name  
 Title: Development of Solar Hybrid Mini Grids for Rural Economic Development -  
 Minimum Subsidy Tender (Phase 1 – 4 lots)

#### Non-Performed Contracts in accordance with Section III, Table 1 Qualification Criteria, and Requirements (Criterion 2.1)

- Contract non-performance did not occur since January 2014
- Contract(s) not performed since January 2014 are described below.

Year	Non-performed portion of contract	Contract Identification	Total Contract Amount (currency), USD Equivalent (exchange rate)
Year	Amount and percentage	Contract Identification: Indicate complete contract name/ number, and any other identification  Name of Employer: Full name  Address of Employer: Street/City/Country  Reason(s) for nonperformance: Indicate main reason(s)	Amount
		List all applicable contracts	

#### Pending Litigation, in accordance with Section III, Table 1 Qualification Criteria, and Requirements (Criterion 2.3)

- No pending litigation
- Pending litigation as indicated below.

<b>Year of dispute</b>	<b>Amount in dispute (currency)</b>	<b>Contract Identification</b>	<b>Total Contract Amount (currency), USD Equivalent (exchange rate)</b>
Year	Amount	<p>Contract Identification: Indicate complete contract name/ number, and any other identification</p> <p>Name of Employer: Full name Address of Employer: Street/City/Country</p> <p>Matter in dispute: Indicate main issues in dispute</p> <p>Party that initiated the dispute: Employer or Contractor</p> <p>Status of dispute: Indicate if it is being treated by the Adjudicator, under Arbitration or being dealt with by the Judiciary</p>	Amount
		List all applicable contracts	
<b>Litigation History in accordance with Section III, Table 1 Qualification Criteria, and Requirements (Criterion 2.4)</b>			
<input type="checkbox"/> No Litigation History since January 2014 <input type="checkbox"/> Litigation History since January 2014 as indicated below.			
<b>Year of award</b>	<b>Outcome as percentage of Net Worth</b>	<b>Contract Identification</b>	<b>Total Contract Amount (currency), USD Equivalent (exchange rate)</b>
Year	Percentage	<p>Contract Identification: Indicate complete contract name/ number, and any other identification</p> <p>Name of Employer: Full name Address of Employer: Street/City/Country</p> <p>Matter in dispute: Indicate main issues in dispute</p> <p>Party that initiated the dispute: Employer or Contractor</p> <p>Reason(s) for Litigation and award decision Indicate main reasons</p>	Amount
		List all applicable contracts	

## Form FIN – 3.1 Financial Situation and Performance

[The following table shall be filled in for the Applicant and for each member of a Joint Venture]

Date: Click or tap to enter a date  
 Applicant Name: Insert Full Name  
 Joint Venture Member's Name: Insert Full Name  
 Title: Development of Solar Hybrid Mini Grids for Rural Economic Development -  
 Minimum Subsidy Tender (Phase 1 – 4 lots)

### 1. Financial data

Type of Financial information in (currency)	Historic information for previous <i>three (3) years</i> , (amount in currency, currency, exchange rate*, USD equivalent)		
	Year 1	Year 2	Year 3
Statement of Financial Position (Information from Balance Sheet)			
Total Assets (TA)			
Total Liabilities (TL)			
Total Equity/Net Worth (NW)			
Current Assets (CA)			
Current Liabilities (CL)			
Working Capital (WC)			
Information from Income Statement			
Total Revenue (TR)			
Profits Before Taxes (PBT)			
Cash Flow Information			
Cash Flow from Operating Activities			

\* Refer to ITA 14 for the exchange rate

### 2. Sources of Finance

[The following table shall be filled in for the Applicant and all parties combined in case of a Joint Venture]

Specify sources of finance to meet the cash flow requirements on contracts currently in progress and for future contract commitments.

No.	Source of finance	Amount (USD equivalent)
1		
2		
3		

### 3. Financial documents

The Applicant and its parties shall provide copies of financial statements for three (3) years pursuant to Section III, Table 1 – Qualification Criteria, and Requirements Sub-factor 3.1. The financial statements shall:

- (a) reflect the financial situation of the Applicant or in case of a JV, of the JV member, and not an affiliated entity (such as a parent company or group member)
- (b) be independently audited or certified in accordance with local legislation (the certification stamp should be provided)
- (c) be complete, including all notes to the financial statements
- (d) correspond to accounting periods already completed and audited.

Attached are copies of financial statements<sup>9</sup> for the three (3) years required above in compliance with the requirements.

---

<sup>9</sup> If the most recent set of financial statements is for a period earlier than 12 months from the date of Application, the reason for this should be justified.

## Form FIN – 3.2

### Financial Capacity – Ability to Secure Debt

*[The following table shall be filled in for contracts performed by the Applicant, and each member of a Joint Venture in the case of a Joint Venture]*

Date: Click or tap to enter a date

Applicant Name: Insert Full Name

Title: Development of Solar Hybrid Mini Grids for Rural Economic Development - Minimum Subsidy Tender (Phase 1 – 4 lots)

**Applicant must provide evidence of having experience in raising debt** successfully for at least two (2) projects in infrastructure since January 2014, for a minimum amount of USD5 million or its Nigeria Naira equivalent for each project.

<b>Joint Venture Member</b>	<b>Role in Project</b> (main contractor, JV member, etc.)	<b>Name of Project</b>	<b>Type of Project</b>	<b>Amount of debt raised (in USD)</b>	<b>Reference:</b> Address: Representative we can contact: Telephone number: Email address:	<b>Brief description of Project</b>	<b>Commercial Operations Date (COD)</b>	<b>Project Status</b> (please indicate one of: commissioning, operations & maintenance, completed, or other; if other, please explain)
Name	Role	Name	Project type	Amount	Name/Address/Rep./Number/Email	Description	Year	Status
Name	Role	Name	Project type	Amount	Name/Address/Rep./Number/Email	Description	Year	Status

## Form EXP – 4.1

### Technical Capacity in Developing Mini Grids

*[The following table shall be filled in for contracts performed by the Applicant, and each member of a Joint Venture in the case of a Joint Venture]*

Date: Click or tap to enter a date  
Applicant Name: Insert Full Name

Title: Development of Solar Hybrid Mini Grids for Rural Economic Development - Minimum Subsidy Tender (Phase 1 – 4 lots)

The Applicant must show evidence that it (or one of its JV member) has designed and built at least two (2) mini grids, of at least 10kW in generation capacity each, since January 2014, and that these mini grids are still in operation at the issuance of this Initial Selection Document.

Joint Venture Member	Role in Project (main contractor, JV member, subcontractor.)	Location of mini grid	Generation technology	Number of customers	Year of Commercial Operations Date (COD)	Annual gross generation (in MWh)	Project company that owns facility Legal name: Address: Representative: Telephone number: Email address:	Reference: Address: Representative we can contact: Telephone number: Email address:	Brief description of mini grid	Project Status (please indicate one: commissioning, operations & maintenance, completed, or other; if other, please explain)
Name	Role	Location	Technology type	Number	Year	MWh	Name/Address/Rep./Number/Email	Name/Address/Rep./Number/Email	Description	Status
Name	Role	Location	Technology type	Number	Year	MWh	Name/Address/Rep./Number/Email	Name/Address/Rep./Number/Email	Description	Status

## Form EXP – 4.2

### Technical Capacity in Operating Mini Grids

*[The following table shall be filled in for contracts performed by the Applicant, and each member of a Joint Venture in the case of a Joint Venture]*

Date: Click or tap to enter a date  
 Applicant Name: Insert Full Name

Title: Development of Solar Hybrid Mini Grids for Rural Economic Development - Minimum Subsidy Tender (Phase 1 – 4 lots)

The Applicant must show evidence that it (or one of its JV member) has operated at least two (2) mini grids, of at least 10kW in generation capacity each since January 2014 and that these mini grids are still in operation at the issuance of this Initial Selection Document.

Joint Venture Member	Role in Project (main contractor, JV member, subcontractor.)	Location of mini grid	Generation technology	Number of customers	Year of Commercial Operations Date (COD)	Annual gross generation (in MWh)	Project company that owns facility Legal name: Address: Representative: Telephone number: Email address:	Reference: Address: Representative we can contact: Telephone number: Email address:	Brief description of mini grid	Project Status (please indicate one: commissioning, operations & maintenance, completed, or other; if other, please explain)
Name	Role	Location	Technology type	Number	Year	MWh	Name/Address/Rep./Number/Email	Name/Address/Rep./Number/Email	Description	Status
Name	Role	Location	Technology type	Number	Year	MWh	Name/Address/Rep./Number/Email	Name/Address/Rep./Number/Email	Description	Status





## Section V – Eligible Countries

### Eligibility for the Provision of Goods, Works and Services in Bank-Financed Procurement

In reference to ITA 5.1, for the information of the Applicants, at the present time firms and individuals, supply of goods, or contracting of works or services, from the following countries are excluded from this Initial Selection process:

Under ITA 5.1 (a) *None*.

Under ITA 5.1 (b) *None*.

## Section VI – Fraud and Corruption

### 1. Purpose

1.1 The Bank’s Anti-Corruption Guidelines and this annex apply with respect to procurement under Bank Investment Project Financing operations.

### 2. Requirements

2.1 The Bank requires that Borrowers (including beneficiaries of Bank financing); bidders (applicants/proposers), consultants, contractors and suppliers; any sub-contractors, sub-consultants, service providers or suppliers; any agents (whether declared or not); and any of their personnel, observe the highest standard of ethics during the procurement process, selection and contract execution of Bank-financed contracts, and refrain from Fraud and Corruption.

2.2 To this end, the Bank:

- a. Defines, for the purposes of this provision, the terms set forth below as follows:
  - i. “corrupt practice” is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
  - ii. “fraudulent practice” is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
  - iii. “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
  - iv. “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
  - v. “obstructive practice” is:
    - (a) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
    - (b) acts intended to materially impede the exercise of the Bank’s inspection and audit rights provided for under paragraph 2.2 e. below.
- b. Rejects a proposal for award if the Bank determines that the firm or individual recommended for award, any of its personnel, or its agents, or its sub-consultants, sub-

- contractors, service providers, suppliers and/ or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;
- c. In addition to the legal remedies set out in the relevant Legal Agreement, may take other appropriate actions, including declaring mis procurement, if the Bank determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the procurement process, selection and/or execution of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner at the time they knew of the practices;
  - d. Pursuant to the Bank's Anti-Corruption Guidelines, and in accordance with the Bank's prevailing sanctions policies and procedures, may sanction a firm or individual, either indefinitely or for a stated period of time, including by publicly declaring such a firm or individual ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;<sup>10</sup> (ii) to be a nominated<sup>11</sup> sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-financed project;
  - e. Requires that a clause be included in request for bid/request for proposals documents and in contracts financed by a Bank loan, requiring (i) bidders (applicants/proposers), consultants, contractors, and suppliers, and their sub-contractors, sub-consultants, service providers, suppliers, agents personnel, permit the Bank to inspect<sup>12</sup> all accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have them audited by auditors appointed by the Bank.

---

<sup>10</sup> For the avoidance of doubt, a sanctioned party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

<sup>11</sup> A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification Application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

<sup>12</sup> Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by the Bank or persons appointed by the Bank to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verification of information.

## **Part 2 – Employer’s Requirements**

# Section VII – Scope of Employer’s Requirements

## Contents

A.	Overview of the Opportunity	59
B.	Environmental, Social, Health and Safety (ESHS) Requirement	62
C:	Implementation Period	67

## A. Overview of the Opportunity

The Federal Government of Nigeria (“the Government”) aims to connect 75 percent of the population to electricity by 2020, and 90 percent of the population by 2030. To help achieve these targets, the Government, through the Rural Electrification Agency (REA) has implemented the Nigeria Electrification Project (NEP). The objective of the NEP is to increase connections to electricity in rural areas through mini grids and stand-alone off-grid solutions. The NEP has four (4) components, which will benefit households, micro, small and medium enterprises, federal universities, and teaching hospitals in rural areas. The four (4) components are: 1) Solar Hybrid Mini Grids for Rural Economic Development; 2) Stand-Alone Solar Systems; 3) Energizing Education Program; and 4) Technical Assistance.

The first component, the Solar Hybrid Mini Grids for Rural Economic Development (“the Mini Grid Component”) will support the development of privately financed and operated mini grids to electrify unserved areas that have high economic growth potential. The Mini Grid Component is expected to electrify 300,000 households and 30,000 local enterprises through solar hybrid mini grids, and to kickstart the mini grid market in Nigeria.

To help achieve the targets of the Mini Grid Component, the REA intends to launch a minimum subsidy tender for mini grid development in rural areas. The tender will be implemented in two phases. This Initial Selection is for the first phase, a pilot tender to build, own, and operate solar hybrid mini grids in 57 sites, packaged into four lots. For the purpose of this Contract, mini grids are defined as systems with generation capacity up to 1MW, and a network that distributes power to two or more customers. Eventually, in the second phase, the tender will be scaled up to complete 250 sites across four states.

The REA, with support from the World Bank, will provide a subsidy to cover part of the capital expenditure to Successful Proposers. Proposers will compete on a minimum subsidy basis. This means that Proposers will propose the lowest amount of subsidy required to develop a portfolio of mini grids for a minimum number of connections.

It is expected that Proposers will:

- Be required to bid for all the sites within one lot
- Be allowed to submit bids for more than one lot (up to four lots)—see more information about the lots below. Not all lots will be awarded to a single Proposer. The methodology to award lots among Proposers will be defined at the RFP stage.
- Have access to site-specific information on a web-based platform, such as GPS coordinates, estimated load profiles, and estimated number of customers for each site
- Have access to at least one suggested optimal mini grid design for each site
- Be required to comply with the pre-defined technical and service standard requirements, such as the predefined minimum number of connections.

Table 1 provides an overview of the four lots that Proposers will be invited to submit Proposals for.

**Table 1: Overview of Lots**

Lot number	Lot name (State)	Number of Sites	Estimated number of customers
Lot 1 – REA – NEP – SHM1 – A	Ogun	11	3,083
Lot 2 – REA – NEP – SHM1– B	Cross River	17	3,241
Lot 3 – REA – NEP – SHM1 – C	Sokoto	20	9,835
Lot 4 – REA – NEP – SHM1 – D	Niger	9	5,246

At the Initial Selection stage, Applicants must prove their financing capacity for one lot only. At the RFP stage, Applicants will be required to prove that they have the financial capacity for the combination of lots that they submit a Proposal for. Details on the financial capacity requirements and the evidence they will need to provide will be detailed at RFP stage.

It is expected that the Successful Proposers will:

- Sign a grant agreement with the REA, defining the grant amount the Successful Proposer will receive
- Be required to comply with all relevant laws and regulatory requirements in Nigeria, at their own cost and risk (see brief description of legal and regulatory framework in Appendix B)
- Be required to obtain a permit. Under the Nigerian Electricity Regulatory Commission’s regulations for mini grids, permits ensure that mini grid operators can be compensated in case the main grid arrives at a site (see Appendix A.3).

**Overview of Request for Qualifications Process**

The REA is inviting interested and qualified parties to submit their Application as outlined in this Initial Selection Document. Applicants are encouraged to partner with local companies.

**Timeline of Request for Qualifications**

The following timeline is provided for planning purposes, but is subject to change at the REA’s discretion:

REA issues Initial Selection	April 12 <sup>th</sup> , 2019
Deadline for requests for clarifications	May 20 <sup>th</sup> , 2019
Deadline for submission of Applications	June 3 <sup>rd</sup> , 2019

**Overview of Request for Proposals Process**

The RFP will be launched at a later date, after the evaluation of the Applications received from the Initial Selection process. The REA may cancel the qualification process at any time and is neither bound to accept any Application nor to invite the Initially Selected Applicants to bid for the Contract.

Only those Applicants that respond to the Initial Selection process and meet the qualification criteria outlined in Section III – Qualification Criteria and Requirements will be invited to participate in the



final solicitation process, the RFP. The Proposers will be given access to a web-based platform. The Proposers will be encouraged to attend a Proposers' Conference, where the rules of the competitive process will be explained; and where Initially Selected Applicants will receive training on how to use the web-based platform.

The Proposers that will respond to the RFP will be evaluated on the basis of quality (technical proposal) and price (minimum subsidy required). At the RFP stage, a bid bond may be required to ensure that a Proposer is ready to negotiate in good faith based on their proposal. Proposers are encouraged to partner with local companies.

## **B. Environmental, Social, Health and Safety (ESHS) Requirement**

The REA's Full Environmental and Social Management Framework (ESMF) is available on REA's website at: <http://rea.gov.ng/nepresource/>

### **Environmental and Social Requirements at Initial Selection Stage**

Mini grid developers under component 1, SHS companies under component 2, and contractors involved in construction and operation of university mini grids under component 3 will not be supported if they are involved in the following:

- Production or activities involving forced labor<sup>1</sup>
- Production or activities involving child labor<sup>2</sup>
- Cross-border trade in waste and waste products, unless compliant to the Basel Convention and the underlying regulations.<sup>3</sup>

At initial selection stage, Applicants must provide evidence of clean track record, such as no environmental or labor violations or fines in past 3 years.

### **Overview of E&S Requirements at RFP Stage**

At RFP stage, Proposers will be required to submit an Environmental and Social Management System (ESMS) incorporating the following elements:

- Policy
- Process for identification of risks and impacts
- Risk management plans/ programs
- Organizational capacity and competency
- Emergency preparedness and response
- Stakeholder engagement (including grievance mechanism)
- Monitoring and review.

---

<sup>1</sup> Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

<sup>2</sup> Employees may only be taken if they are at least 15 years old, as defined in the ILO Minimum Age Convention (C138, Art. 2), and ratified by Nigeria in 2002. Children under the age of 18 will not be employed in hazardous work. Children will not be employed in any manner that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development.

<sup>3</sup> The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, usually known as the Basel Convention, is an international treaty that was designed to reduce the movements of hazardous waste between nations. Hazardous waste, as defined under the convention, will not be traded cross-border. Under Basel Convention, —hazardous wastes are defined as (a) Wastes that belong to any category contained in Annex I, unless they do not possess any of the characteristics contained in Annex III; and

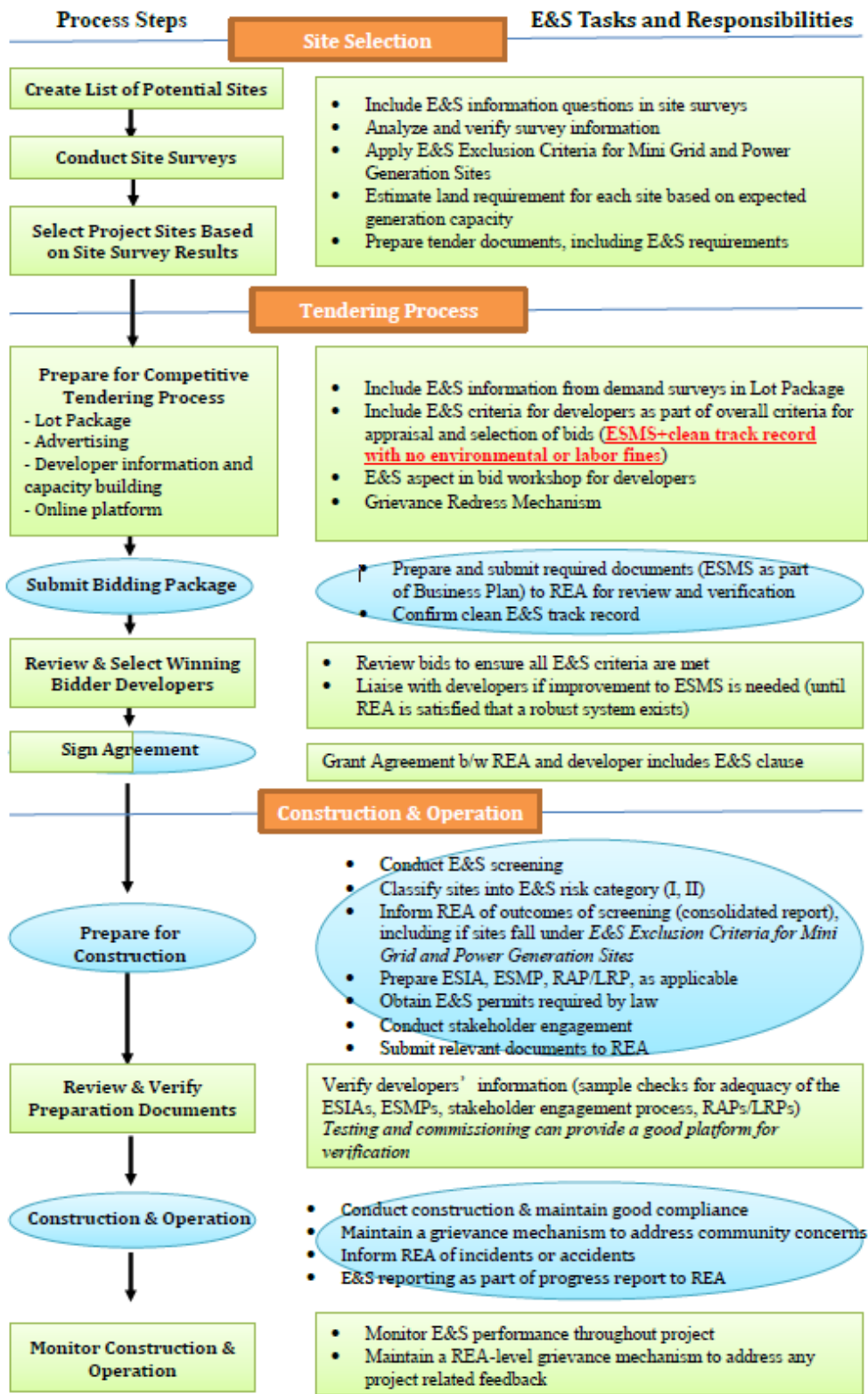
(b) Wastes that are not covered under paragraph (a) but are defined as, or are considered to be, hazardous wastes by the domestic legislation of the Party of export, import or transit. National definition of hazardous wastes for Nigeria under Basel Convention can be found here:

<http://www.basel.int/Countries/NationalDefinitions/NationalDefinitionsofHazardousWastes/tabid/1480/Default.aspx>

The ESMP also includes a detailed list of Environmental and Solution procedures and Requirements that the mini grid developer should comply with for construction and operations.

Figure 1 below illustrates the responsibilities of the REA and of the Mini Grid developer at each step of the tender, from the site selection to construction and operations.

Figure 1: Environmental and Social Workflow for Minimum Subsidy Tender for Mini Grid Development



Note: Green: REA, Blue: Mini Grid Developer

# Appendix A: Overview of the Regulatory Framework for Mini Grids in Nigeria

In May 2017, the Nigerian Electricity Regulatory Commission (NERC) promulgated the regulatory framework for mini grids: the Regulation for Mini Grids 2016 (referred to hereafter as ‘the Regulation’).

## A.1 Types of Authorizations

There are three types of authorizations, based on the size of the distribution system, summarized by Figure.2:

- **Registration** for mini grids below 100kW
- **Permit** for isolated mini grids above 100kW in “unserved areas”, or those below 100kW choosing to apply for a permit<sup>4</sup>
- A **tripartite contract** approved by NERC for interconnected mini grids in “underserved areas”<sup>5</sup>

**Figure.2: Applicable authorization for mini grids**

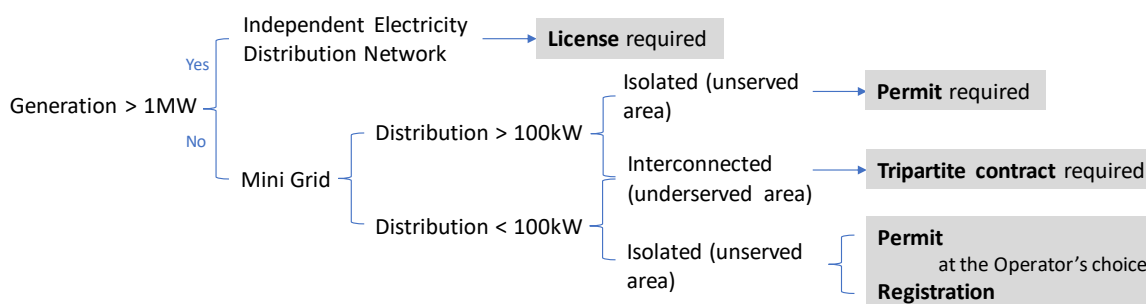


Table.2 compares the rights and duties of registered and permitted mini grids.

<sup>4</sup> An “unserved area” is “an area within a Distribution Licensee’s Network without an existing distribution system otherwise called off-grid.”

<sup>5</sup> An “underserved area” is an “area within a Distribution Licensee’s Network with an existing but poorly supplied or non-functional distribution system.”

**Table.2: Rights and duties of mini grid operators under different authorizations**

	Registration	Permit
Reporting	No	At least once every two years
Standard connection agreement with customers	No	Yes, Annex 13 of the Regulation
Compliance with Technical Codes and Standards	No	Yes
Exclusivity	No	No
Compensation in case of grid arrival	No	Yes

As Table.2 shows, a permit comes with more duties than other authorizations, but these duties come with the benefit of compensation when the main grid arrives. The Regulation does not protect registered mini grids. The operator must remove all its assets within two months of the DisCo extending the grid to the area. Small operators that want protection are free to opt for a permit instead of registration. The following sections focus on the permit, because the mini grids awarded through the RFP Process will be required to obtain a permit.

To obtain a permit, the applicant must provide:

- A written consent from the DisCo or approval from NERC of non-interference with the DisCo’s expansion plan
- The intended location and site description (map)
- The standard agreement with the community contained in Annex 12 of the Regulation
- Detailed financial projections for four years, by filling out details of the application form in Annex 3 of the Regulation, and including: number of customers, revenues, fuel, operation and maintenance, and any other costs, and profit/loss for four years
- Details on the proposed distribution system, by filling out details of the application form in Annex 3 of the Regulation, and including: type and capacity of generation facility and geographical coordinates
- Details on the generation system, by filling out details of the application form in Annex 3 of the Regulation, and including: length of different line types and number and type of transformers
- The standard spreadsheet for tariff calculation, provided in Annex 15 of the Regulation
- A land certificate and building permit
- The execution of the Health and Safety confirmation form, committing the operator to comply with the Health and Safety Guidelines of Annex 6 of the Regulation
- An Environmental Impact Assessment, “where the proposed project is likely to affect the environment because of its extent, nature or the location.”

## A.2 Tariff Regulation

For permit holders, the Regulation requires the tariffs to be set with the mini grid MYTO methodology, based on the spreadsheet provided in Annex 15 of the Regulation. The spreadsheet

computes the tariff based on allowed costs plus the allowed rate of return for the mini grid operator. NERC must approve the spreadsheet.

### **A.3 Arrival of the Main Grid**

The Regulation gives the permitted mini grid the right to choose between:

- Transferring assets to the DisCo against compensation. The compensation corresponds to the remaining value of the assets after depreciation, plus 12 months of revenue, or
- Becoming an interconnected mini grid with a tripartite contract.

In the first case, the operator is compensated for all assets it does not want to remove. Assets financed by grants are not eligible for compensation (these assets become ownership of the community). In case of disagreement on the value of the assets between the operator and the DisCo, NERC acts as arbiter.

In the second case, the retail tariff will be set following the same methodology as for a permit holder (see section A.2). The operator may buy power from the main grid at a rate agreed upon between the DisCo and the operator. The operator may also sell power to the main grid, subject to NERC's consent. Where the interconnected mini grid operator and the DisCo are unable to agree on the usage charges, the methodology described in Annex 8 of the Regulation shall be applied as a guideline.

## **C: IMPLEMENTATION PERIOD: Two (2) years**

### **References:**

- NERC (2017), "Regulation for Mini Grids 2016", available at: <http://www.nercng.org/index.php/library/documents/Regulations/NERC-Mini-Grid-Regulation/>
- NERC (2012), "Regulations for Independent Electricity Distribution Networks".