



RURAL ELECTRIFICATION AGENCY
Project Management Unit
NIGERIA ELECTRIFICATION PROJECT (NEP)

REQUEST FOR EXPRESSION OF INTEREST (REOI) CONSULTANCY SERVICES-FIRM SELECTION

NIGERIA
NIGERIA ELECTRIFICATION PROJECT
ADB Loan No.: 200200003401
AGTF Loan No.: 5050200000551
Assignments Title: Consultancy Services for Two (2) Independent Verification Agents (IVAs) for the Mini Grid and Productive Use Equipment Components (Components 1 & 2) of the African Development Bank (AfDB) funded Nigeria Electrification Project (NEP)
A. IVA North (North East, North West, North Central)
B. IVA South (South-East, South-West, South-South)
Reference No.: REA-NEP/C/QCBS/01/2022

The Federal Government of Nigeria (FGN) has received financing from the African Development Bank (AfDB) towards the cost of the NEP. The Rural Electrification Agency (REA), the implementing Agency of the FGN, intends to apply part of the proceeds of this loan, to payment under the contract for the Consultancy Services for two Independent Verification Agents (IVAs) for the Mini Grid and Productive Uses Components (Components 1 & 2) of the AfDB-funded Nigeria Electrification Project (NEP).

There will be two independent verification agents. One IVA will cover the northern part of the country (North East, North West, North Central), while the other IVA will cover the southern part (South East, South West, South South). The IVA will also establish the validity and correctness of the subsidy claims submitted by grant beneficiaries under Component 2 by authenticating that the energy efficient appliances and equipment are supplied, metered and are in use by the specified end-users. Please note that a firm can apply for only one of the two lots.

The scope of work for this assignment shall primarily include but not limited to the following:

- 1.1. The escalating, risk-based verification presented below is suggested as a starting point for the IVAs. However, the IVAs should specify the recommended method of auditing, based on best practices, which also balances costs with accuracy and reliability.

Audit Level	Name	When to apply
Audit Level 1	Telephone sample	Combination of verification of online status of systems in GSM networks (linked API) followed by phone survey for verifying sales details.
Audit Level 2	Field sample	Apply if during Audit Level 1, more than 10% of the customer telephone numbers cannot be contacted.
Audit Level 3	Full grantee and customer audit	If there is evidence of, or concern about record keeping or a significant lack of integrity in the claims data of a grantee.

- 1.2. The IVAs will develop appropriate phone verification strategies using justifiable sampling methods based on the submitted grantee claims under the Mini Grid and Productive Uses Components (Components 1 and 2).

- 1.3. The IVAs will report on the verification outcomes based on agreed upon templates with the REA/PMU:

- 1.3.1. Field verification

The IVAs will:

- I. Upon completion of the phone verification process, proceed to undertake field verification if more than 10% of the customers called cannot be reached. The specific locations to be visited will be based on:
 - " An appropriate sampling process for field verification.
 - " Specifically identified users highlighted for follow-up during phone verification.
- II. Carry out a field visit to a sample of end-users/customers and do interviews with them to verify on the spot if the end-users/customers have reliable access to energy for the energy efficient productive use appliances or equipment supplied.
 - " The interviews will be carried out in a language well understood by the end-user; and
 - " Collect answers to a set of pre-defined questions to include those from the above phone verification.
- III. Be required to provide GIS co-ordinates of the visited MSMEs and households.
- IV. Provide photographic evidence of end-users/customers and their appliances or equipment.
- V. To the extent that sales to these customers form part of the claim, should present a robust method of verification that minimizes the risk of fraud and collusion. End-user/Customers who are not metered and those who are outside of the GSM network present an added risk due to the inability for remote monitoring or verification.

- 1.3.2. Full Audit

- I. If irregularities are present during the verification process of the above mentioned methods and the grantee fails the systems audit, the IVAs will proceed to conduct a full audit. This would entail checking the grantees management and record collecting systems to determine whether there has been an error in record keeping or whether fraudulent activities may be taking place.

- 1.3.3. Reporting, mediation, proposed adjustments

The IVAs will:

- I. Document the findings and make recommendations related to both the phone and field verification processes;
- II. Present the findings and recommendations of the verification exercise to the REA PMU after concluding the verification exercise;
- III. Submit, in the reports, pictures of end-users/customers and their appliances or equipment taken during the Field Verification stage (if applicable);
- IV. Propose adjustments to the incentive claims based on verification findings. This includes increasing, decreasing or removing altogether specific claim items or categories of claim items. The IVA will thus be responsible to report errors or omissions in the claims and provide recommendations on how to deal with them. The recommendations of the IVAs on the claims are not binding on the PMU but will be important in assisting them make informed decisions;
- V. Propose the percentages for thresholds for deferring/suspending a claim, based on the risk review, and taking into consideration progress made in the activities;
- VI. Provide an assessment of the likelihood of fraud which may require further investigations; and
- VII. Work closely with Odyssey Energy Solutions to integrate monitoring and verification processes into the online platform.

The engagement of the consultants shall be for an initial period of 24 months, which is subsequently renewable. **The detailed Terms of Reference (TOR) for the assignment can be found at the following web site: www.rea.gov.ng**

The Rural Electrification Agency- NEP Project Management Unit now invites eligible consulting firms ("Consultants") to indicate their interest in providing these Services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Consultants may constitute joint-ventures to enhance their chances of qualification. **Key Experts will not be evaluated at the qualification stage.**

Eligibility criteria, establishment of the short-list and the selection procedure shall be in accordance with the African Development Bank's procurement framework for group funded operations, October 2015. www.afdb.org

Interested Consultants may obtain further information at the address below during office hours i.e. 0800 to 1700 hours.

Expressions of interest, indicating which of the lots the firm is applying for, must be submitted to the Project Management Unit (PMU) by e-mail to afdbnep.procure@rea.gov.ng on or before 7th April 2022.

The Expression of Interest (EOI) to be addressed as follows:

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Signed
Management