

Invitation for Expression of Interest

Project:	Modern Cooking Facility for Africa (MCFA)
Project Countries:	DRC, Kenya, Mozambique, Tanzania, Zambia, and Zimbabwe
Sector:	Clean cooking
Funding sources:	MFCFA via NEFCO
Type of contract:	Consulting Services
Type of notice:	Invitation for Expression of Interest
Issue date:	7 September 2022
Closing date:	11 October 2022 at 12:00 Helsinki time (UTC+3)

Assignment Description: In April 2022 the Modern Cooking Facility for Africa (MCFA) launched its first call for proposals (**MCFA1**) inviting interested private companies selling modern cooking solutions, cooking service providers (**CSPs**), to compete for funding¹. The overall objective of MCFA is to accelerate access to modern, higher-tier clean cooking technologies (**CCT**) for consumers in the six Project Countries. MCFA will do this by incentivising CSPs to establish or scale up existing innovative sustainable local businesses in these African countries to create a local market for high-technology clean cooking solutions. Further information on the MCFA is available at <https://moderncooking.africa/>.

The MCFA1 Pre-Qualification stage received a good response, with 44 applications meeting the basic eligibility criteria received across the six country programmes. Projects successfully passing the Pre-Qualification stage have been invited to take part in the Final Application stage which will be completed tentatively by the end of January 2023. Subsequently, a thorough due diligence of highest-ranking project proposals will be carried out prior to Nefco entering into contract negotiations with successful CSPs.

Nefco is now looking to procure consulting services from a qualified consulting company or a consortium of companies (**Consultant**) to undertake the due diligence of shortlisted applicants and their proposed projects for MCFA1 funding (**Assignment**). The overall objective of this Assignment is to conduct a thorough due diligence of shortlisted applicants and their project proposals to ensure conformance with MCFA guidelines, verify that information provided by the applicants in their project proposals is materially correct and to assess the overall commercial, financial, social and environmental feasibility of the project proposals and identify any related risks. Subject to successful due diligence process, Nefco will enter into contract negotiations with the applicants.

In order to meet the objectives of the Assignment, the Consultant shall undertake the following main activities/tasks:

- Task 1: Establishment and organisation of the due diligence process and procedures, including revision and finalisation of the draft MCFA1 due diligence report template², establishment of communication protocols and a list of due diligence documents the CSPs will be requested to submit.
- Task 2: Carrying out technical and financial due diligence on shortlisted applicants, their possible consortium members and/or project partners and the project proposed for MCFA1 funding in accordance with the due diligence report template. The scope of the due diligence to be carried out includes, but is not limited to:

¹ For further information, please see the [MCFA1 Pre-Qualification Guidelines](#).

² The draft due diligence report template will be shared only with shortlisted Consultants in the Request for Proposals.

- a. Ensuring overall compliance of the shortlisted applicant and the proposed project with MCFA1 requirements, including assessment of the business plan and access to resources needed to deliver the number and types of clean cooking services (CCS) offered;
 - b. Due diligence of main project partner(s) and key consortium/partnership agreements;
 - c. Verification of technical and financial capacity of the applicant and its project partners;
 - d. Assessment of potential major regulatory challenges of the project activity and the applicant and its partners;
 - e. Risk assessment including identification of challenges related to the implementation of the Project and material uncertainties/challenges linked to offered CCS delivery.
2. Drafting and presenting to Nefco draft due diligence reports for each due diligence assignment and, upon receipt of Nefco's comments, final due diligence reports presenting all the findings.

Nefco will enter into a framework agreement with the selected Consultant under which due diligence assignments on a specific MCFA1 applicant and its proposed project will be called off. It is envisaged that the number of initial due diligence assignments to be carried out on the highest-ranking applicants and project proposals are estimated to be in the order of 14-20. Subject to the outcome of the initial due diligence assignments, additional due diligence assignments may be called off later.

Each due diligence process should be organised as an online, fully paperless process and where applicable, include a site visit to the project country. During the Assignment, Consultant is expected to regularly liaise with assigned Nefco project managers.

Assignment Start Date and Duration: The Assignment is expected to start in January 2023 and be completed at the latest by Q3/2023. Each individual due diligence assignment should be carried out in a phased manner within the time frame of six weeks from when the due diligence assignment has been called-off by Nefco. Nefco seeks to call-off due diligence assignments in batches of three or four assignments at a time. Based on initial findings, some projects may not proceed to a full due diligence and may be replaced by others.

Maximum Budget Available for the Assignment: Up to EUR 750,000 (exclusive of VAT).

Funding Source: Modern Cooking Facility for Africa, financed by Sweden and the European Union³

Eligibility: There are no eligibility restrictions on the nationality of the Consultant. It should be noted that the key experts of the Consultant contracted for this Assignment will be asked to confirm that they do not have a conflict of interest which may impact their ability to carry out the due diligence assignment, for example that they have not been directly involved in the writing of the project proposal nor form part of the project.⁴

Consultant Profile: The Consultant will be a company or a consortium of companies with in-depth experience from carrying out due diligence of internationally financed, in-country based projects and donor-financed transactions with strong emphasis on skills needed to carry out legal, financial and environmental due diligence of companies operating in the SDG7/energy access/clean cooking space in Sub-Saharan Africa. In particular, the Consultant is expected to have experience from clean cooking technologies and fuels and related environmental, climate, social and gender aspects in developing country contexts. Experience from clean cooking/energy access results-based financing (RBF) instruments and carbon finance schemes will be a clear advantage.

³ Subject to final contract

⁴ (Indirect) involvement prior to 20 April 2022 (announcement date of MCFA1) is unlikely to constitute a Col.

In terms of previous experience and financial standing, the Consultant or lead consultant in case of consortia should demonstrate the following minimum criteria:

- A minimum of 2 contracts of similar annual value, nature and complexity implemented in the last five years; and
- A minimum average annual turnover of EUR 1 million for the last three years.

Based on the fields of expertise and the tasks mentioned above, it is envisioned that the team of the Consultant should consist at least of the key experts listed below:

- Team Leader with at least 10 years of comprehensive experience in managing similar assignments in Sub-Saharan Africa and prior experience from projects/programmes funded by international financiers in the SDG7/energy access/clean cooking space;
- Technical Specialist(s) within the clean cooking sector with at least 5 years of experience in similar assignments; and
- Financial and Business Analyst(s) with experience in assessing financial and commercial feasibility of energy access investments and business development projects in Sub-Saharan African countries.

In addition, the Consultant should include in the team the following thematic experts:

- Environmental and Social Specialist with at least 10 years of expertise in conventional environmental issues and specific experience from providing environmental assessments within the clean cooking/energy access sector;
- Gender Specialist with at least 5 years of expertise in carrying out gender assessments with specific knowledge of policy-level gender and SEAH issues;
- Carbon finance specialist with at least 5 years experience of working with carbon finance (clean development mechanism, voluntary markets etc.); and
- Due diligence coordinator and administrative support to ensure effective organisation of each due diligence process and a timely provision of reports.

It is further expected that the team of proposed experts has excellent analytical, report writing and communication skills in English. Fluency in local languages (on team level), including French and Portuguese is considered an advantage.

Submission Requirements: Interested Consultants are hereby invited to submit their Expressions of Interest for the purposes of being shortlisted. To assess the qualifications and competence of the Consultants seeking to be shortlisted, the information submitted should include the following:

- Company profile, organisation and staffing for the Assignment;
- Clearly indicated information on the minimum requirements;
- Details of experience in similar assignments, including their locations (especially assignments in DRC, Kenya, Mozambique, Tanzania, Zambia, and/or Zimbabwe or references from other Sub-Saharan African countries); and
- CVs of key experts available to work on the assignment.

The above information should not exceed 10 pages, excluding CVs.

Next steps: Based on the documentation received, Nefco will prepare a shortlist of the interested consultants. Nefco will also be responsible for the possible procurement and contracting of the consulting services in question.

Notes:

1. The short list of qualified and experienced firms will be made from responses to this notification. The short-listed Consultants will be asked to submit technical and financial proposals, from which the highest-ranked Consultant will be selected.

2. The shortlist selection criteria are:

- Consultant's experience in carrying out due diligence of internationally financed energy access projects in Sub-Saharan Africa and knowledge of the clean cooking sector – 20%
- Consultant's experience in assessing financial feasibility of business development projects related to energy access/clean cooking in Sub-Saharan Africa and knowledge of institutional and legal framework aspects, environmental and social requirements – 20%
- Qualifications and competence of the consultant's team as described in the Consultant Profile Section – 60%.

The preliminary timeline is as follows: Nefco expects to distribute a Request for Proposal, including Terms of Reference with specific evaluation criteria among the shortlisted consultants in late October 2022. The expected submission deadline for consultants' proposals is early December 2022 and the assignment is expected to start during January 2023.

Expressions of Interest shall be submitted in English in one pdf file by email to Nefco at procurement@nefco.fi with copy to emma.yrjola@nefco.int with subject: "MCFA1 FA Stage Evaluators - Expression of Interest" to reach NEFCO no later than **11 October 2022 at 12:00 hrs Eastern European time (EET)**.

Questions and Answers

Any questions on this Invitation for Expression of Interest shall be provided in writing to Nefco by e-mail: at procurement@nefco.int with copy to emma.yrjola@nefco.int no later than **20 September 2022** after which all questions will be compiled by Nefco without any editing in the form they are sent to Nefco. Answers to the questions will be published at <https://www.nefco.int/procurements/>.

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Nefco reserves the right not to procure any services.