

**Call for Proposals:
Information Session**



**Energy Security and Resource Efficiency in Somaliland Programme (ESRES)
Information Session**

Date: 19 November 2015

QUESTIONS FROM PARTICIPANTS

No.	Card No.	Question	ESRES Secretariat's Responses
1	23	How come the percentages exceed 100%, if we add up 70%, 30%, 20%, we are getting 120%, how shall we appropriate this?	<i>Refer to Section: 6.3.1</i> The percentage is calculated on ESRES Funding for each component of a project: Generation – Distribution – Training. The total project value is not part of the equation.
2	23	Regarding the Consortium, what is the scale of the fund?	<i>Refer to Sections: 4.2.1 - 4.2.3</i> Any ESRES contribution requested for support to investment must be between GBP 100,000 and GBP 800,000 as stipulated in section 4.2.2
3	19	Can I participate in a consortium not as a leading partner after presenting my concept note in another company?	<i>Refer to Sections: 6.1.3 - 6.1.4</i> All partners in a Consortium are considered as an Applicant and therefore cannot participate as an individual Applicant or Consortium for another Concept Note (CN).
4	10	Can companies which are not present today participate in the Call for Proposal (CfP) by presenting their own concept notes?	Participation in the information session is not required but highly recommended.
5	8	The starting threshold of GBP 100,000 for funding is more than what a village would need. Would lower value be eligible?	<i>Refer to Section: 4.2.3</i> Concept Notes requesting an ESRES contribution below the level of GBP 100,000 and Concept Notes with an ESRES contribution above GBP 800,000 will not be considered for funding.
6	5	What will happen if a large company will go to invest in the village and eliminate all the generators?	<i>Refer to Section: 6.3.1</i> At least 70% of the requested ESRES funding must be invested in Renewable Energy (RE) generation capacity
7	14	If a company is wishing to invest in different locations, can they provide a concept note indicating all those areas with the same level of funding as per	<i>Refer to Sections: 6.1.4 & Concept Note Form (CNF) 4.1</i> Only one Concept Notes for one location will be considered. This is in compliance with the

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		guide-lines?	Concept Note Form, which refers to the "Location of the proposed project" and not "locations".
8	9	What do mean by daughter company?	A subsidiary company or daughter company is a company that is owned or controlled by another company, which is called the parent company, or holding company. The subsidiary can be a company, corporation, or limited liability company.
9	23	In terms of ownership, what is the government's position if they are in partnership with a private company, is this company allowed to submit their concept note?	A Limited Company as Applicant, where the Government of Somaliland (GoSL) is a shareholder, is acceptable. The company needs to report the type of agreement with the GoSL in the CN. <i>Refer to Section 6.1.2</i> Government-owned institutions are not eligible. However, companies where government holds a minority share are not excluded.
10	11	If a business is owned by government, can it submit a Concept Note?	<i>Refer to Section: 6.1.2</i> Government-owned institutions are not eligible. However, companies where government holds a minority share are not excluded.
11	9	In order to make sure non-involvement of politicians or government is it possible to declare or disclose any relationship in the contract?	<i>Refer to Sections: 11.2.3 and CNF 3.5 – 3.6</i> Any government official involved in an the organisation of the Applicant in any form – including as non-executive Board members – and any close family connection to officials, count as a Conflict of Interest.
12	2	Are there some areas where this project will not be implemented due to security issues?	<i>Refer to Sections: 6.2.1 and CNF 7.</i> Projects may take place in any part of Somaliland. If there are any security concerns, then the situation will be evaluated. Applicants that foresee any security issues could report this under section 7 of the Concept Note Form.
13	28	How will the geographic distribution be achieved throughout the country if we are only limited to one area to implement the project?	<i>Refer to Section: 6.2.1</i> ESRES is looking at investing in RE in underserved communities in Somaliland. Projects may take place in any part of Somaliland

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14	11	These projects to be implemented in most of the villages will be very small, how many projects / areas will you allow us to propose in the concept note in order to achieve a better return on investment?	<i>Refer to Section: 6.1.4</i> Only one Concept Note per applicant will be accepted
15	19	Can we say if we invest in already existing system that is a new project?	<i>Refer to Sections: 6.2.3 - 6.2.4</i> ESRES will also consider investments in <u>existing Mini-grids</u> to improve and expand their generation capacity with a RE component and distribution systems.
16	26	In case there will be need to create new systems, will there be some funding for new generators or it's only renewable energy?	<i>Refer to Section: 6.3.1</i> To be eligible for ESRES investment, it is obligatory to invest in RE. Other costs should fit within the three categories identified in Section 6.3.1.
17	9	Regarding point 4.3, could you please explain what you mean by existing Mini-grid?	<i>Refer to Sections: 6.2.3 – 6.2.4 & CNF 4.3</i> An existing Mini-grid is a system that has existing generation and distribution capacity providing electricity to existing customers.
18	12	Can two parties come together to bid for one area to create a chance of winning the bid but also to avoid competition?	<i>Refer to Section: 6.1.3</i> Where it is considered relevant for project implementation, applications by consortia may be submitted, bringing together a range of actors to draw on a relevant diversity of knowledge, experience and expertise. If selected, the consortium will be required to nominate a lead Applicant who will be the legally contracted grant recipient and have the full responsibility for the successful implementation of the project.
19	15	How will people for the village participate in this process since they don't know English, can't we say they are left out due to their lack of knowledge of English?	<i>Refer to sections: 6.1.1 – 6.1.3 & 7.1.1</i> Where it is considered relevant for project implementation, consortia applications may be submitted, bringing together a range of actors to draw on a relevant diversity of knowledge, experience and expertise. If selected, the consortium will be required to nominate a lead Applicant who will be the legally contracted grant

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			recipient and have the full responsibility for the successful implementation of the project.
20	20	Can a large corporation apply for more than one area?	<i>Refer to Sections: 6.1.4 – CNF 4.1</i> Only one concept note per applicant can be submitted.
21	10	We are working in rural areas which do not have businesses, we provide water to the villagers who do not have any income, how are we going to manage and ensure sustainability of the project where these villagers will not pay any money for the Renewable energy?	<i>Refer to Section: 3.1.1 & 5.2.2</i> ESRES is looking for Social Return on Investment. Whereas ESRES is cognisant of the long-term financial viability of the investment for the Applicant, ESRES as an investor will evaluate each project on Social Return on Investment. Therefore, the customer's charges should be within the villager's capabilities of payment, while ensuring a Return on Investment for the operator.
22	11	Regarding criteria on the percentages, since people need to know more about Renewable Energy, we need more funding on training as such we need more percentage than 20%.	<i>Refer to Section: 6.3.1</i> Considering the funding size of the project (min GBP 100,000), ESRES considers the max 20% contribution to training appropriate. Concept Notes that do not respect these proportions funding may still be considered favourably if the ESRES Joint Steering Committee (JSC) considers the proposed Social Return on Investment significant enough to justify approval. <i>Refer to Annex 3, Sections: 2.8 – 2.9 – 2.10</i> Non-compliance of the CN with sections 2.8 – 2.9 – 2.10 will no longer lead to exclusion, but the CN will be evaluated as per Annex 3 - Section 3: Project Appreciation.
22A	11	Are you supporting those from agriculture and fisheries sectors? Is there any consideration in these two important sectors?	<i>Refer to Sections: 4.1.1 & 5.2.1</i> ESRES will be considered the development and implementation of Concept Notes that demonstrate how the proposed project will deliver a Social Return on Investment.
23	6	What sort of contribution are you accepting from the partners, could it be buildings, cash, or any asset?	<i>Refer to Section 4.3.1</i> Concept Notes in which Applicants propose to make their own financial contribution to the project in addition to the requested ESRES

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			investment are likely to be considered positively. The financial contribution could be in any form.
24	28	Regarding project implementation, what is the payment schedule, is it that funds will be paid in advance according each milestone? Will you expect the applicant to complete the milestone, thereafter be paid?	The payment schedule will be developed during the full Proposal stage based on the project proposed and the Applicant's and ESRES investment.
25	28	Regarding consortiums, what should be the start time of their companies since they registered differently?	<i>Refer to Section: 6.1.1</i> Each member of a consortium should be able to demonstrate at least two years of experience as an electricity provider in Somaliland (experienced in generation, distribution, operational maintenance, or supply of generation and grid equipment).
26	14	Is it possible for one company to put more than one concept note?	<i>Refer to Section: 6.1.4</i> No, only one CN per Applicant will be considered.
27	8	Question regarding point 4.17 – Majority of us believe that it is good to invest in villages however return on investment is minimal though we are aware and appreciative of the fact that there will be social investment, we are business people and we want return on our investment.	We understand the business needs in the CN and the evaluation on the cost to the end users will be done appropriately. Therefore, the Applicant should consider Return on Investment to ensure sustainability of the project and ESRES Programme interest in Social Return on Investment to the end users.
28	5	With an investment of about GBP 500,000 I would want to be in four areas, will I be accepted? Is this eligible or it is strictly only one location?	<i>Refer to Section: 6.1.4 & CNF 4.1</i> Only one Concept Notes for one location will be considered. This is in compliance with the Concept Note Form, which refers to the "Location of the proposed project" and not "locations".
29	5	Can you invest in big cities, Berbera and other big cities?	<i>Refer to Section: 6.2.1:</i> The Guidelines are open to all location in Somaliland.
30	1	If the Hybrid system has more than one source of generation in different	Yes, as long as all generations sites are interconnected this is considered as one Hybrid

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		locations, is it possible to propose a decentralized system in the same village?	Mini-grid.
31	6	As you mention, the investment budget is limited to USD \$3.75 million, so how would you support a more projects?	<i>Refer to Section 4.2.2</i> The maximum amount for individual projects is GBP 800,000. As such, several projects can be funded.
32	6	Is this co-financing model to be obliged/mandatory to the applicant in the same allocation project investment?	<i>Refer to Section 4.3.1:</i> Concept Notes in which Applicants propose to make their own financial contribution to the project in addition to the requested ESRES investment are likely to be considered positively.
33	6	Also what sort of contribution that to be needed from applicant such as generators, etc? Is it new investment like ESRES or could be used their property as investment?	<i>Refer to Section 4.3.1:</i> ESRES will consider any new investments from the Applicant as long as it fits the criteria guidelines. Existing equipment is not considered new.
34	6	Please clarify what do you meant by operational direct costs? (in 6.3.2)	<i>Refer to Section: 6.3.2</i> Direct costs are defined as expenses which are related to the day-to-day operations of the company (salaries, maintenance, etc.).
35	6	Are the applicants partial contribution will be new investment like ESRES or could be used an old investment	<i>Refer to Section 4.3.1:</i> ESRES Funding will consider new investment from the Applicant as long as it fits the criteria guidelines. Existing equipment is not considered new.