



**AFRICAN DEVELOPMENT BANK GROUP**

Abidjan International Trade Centre CCIA Building  
 Avenue Jean-Paul II 01 BP 1387 Abidjan, Côte d'Ivoire

**REQUEST FOR EXPRESSIONS OF INTEREST (REOI)**

Energy Financial Solutions, Policy and Regulation (PESR)

**Recruitment of a consulting firm to strengthen regulatory frameworks in the African electricity sector: case studies of Djibouti, DRC, Madagascar, and Lesotho**

**Assignment:** The African Development Bank (AfDB) invites eligible consulting firms to express their interest to strengthen the regulatory frameworks of the electricity sector in Djibouti, Democratic Republic of Congo (DRC), Madagascar, and Lesotho. This Assignment is part of the Multinational Africa Energy Sector Technical Assistance Program I (Multinational AESTAP I) and is financed by the Bank through the Sustainable Energy Fund for Africa (SEFA).

**Objective:** The overall objective of this technical assistance is to strengthen regulation of national electricity regulators in Djibouti, DRC, Madagascar, and Lesotho by aligning local practices with the best international standards and enhancing national economic, legal and technical regulation functions and capacities. The consulting firm will support the regulatory body in each targeted country by achieving the following specific objectives: (i) Developing comprehensive regulatory tools and instruments and (ii) Providing knowledge transfer and capacity-building for public-sector stakeholders regarding these regulatory tools and instruments.

❖ **Scope of Work:** The services expected from the consulting firm include the following main tasks/deliverables:

Country	Description
Djibouti	<p><b>Economic regulation:</b> proposed activities will entail: (i) undertaking a Cost-of-Service Study (CoSS) (ii) developing a tariff setting guidelines outlining among others, the application of CoSS findings for tariff determination and processes for tariff applications and reviews. (iii) validation workshop and training for regulator’s staffs, utility and relevant stakeholders on general tariff setting and application of the findings of the CoSS.</p> <ul style="list-style-type: none"> <li>• <b>Technical regulation:</b> (i) develop a grid/network connection policy outlining requirements and procedures for connecting new generation sources or consumers to the electricity grid (both transmission and distribution) including the required quality of service delivery by the respective utilities; (ii) deliver training to staff of regulator and utility on the application of the grid connection policy. Validation workshops will also be organized to validate the deliverables with stakeholders.</li> </ul> <p>These activities will be undertaken under supervision of the Djibouti national electricity regulator (Autorité de Régulation Multisectorielle de Djibouti- ARMD).</p>

Country	Description
<b>DRC</b>	<ul style="list-style-type: none"> <li>• <u>Economic regulation</u>: (i) undertake a Cost-of-Service Study (CoSS) and (ii) set up a tariff review framework (methodology and excel-based models) used for the determination of single and multi-year tariffs (MYTs) and (ii) provide capacity building on elements of the CoSS and on setting tariffs in various domains and MYTs.</li> <li>• <u>Technical regulation</u>: (i) develop a grid/network connection policy outlining requirements and procedures for connecting new generation sources or consumers to the electricity grid (both transmission and distribution) including the required quality of service delivery by the respective utilities; (ii) deliver training to staff of the regulator and other utility on the application of the grid connection policy. Validation workshops will also be organized to validate the deliverables with stakeholders.</li> </ul> <p>These activities will be undertaken under supervision of the DRC national electricity regulator (Autorité de Régulation du Secteur de l'Electricité - ARE).</p>
<b>Madagascar</b>	<ul style="list-style-type: none"> <li>• <u>Economic regulation</u>: (i) conducting the cost-of-service study (CoSS) (ii) developing a tariff setting guidelines outlining among others, the application of CoSS findings and processes for tariff applications and reviews, (ii) provide summarized guidelines on the CoSS and provide capacity building to staff of the regulator and utility on CoSS and tariff determination, Validation workshops will also be organized to validate the deliverables with stakeholders; (iv) review and update the existing tariff methodology to reflect current trends for determining regulated tariffs.</li> <li>• <u>Technical regulation</u>: (i) Develop the Quality-of-Service Code for use in the electricity sector; (ii) Capacity building on the application of quality-of-service regulations (technical and commercial aspect); (iii) develop a mechanism and roadmap for peer-learning and exchange with regulators from other countries on the development and application of the QoS Code.</li> </ul> <p>These activities will be led by the Madagascar national electricity regulator (Autorité de Régulation de l'Electricité- ARELEC)</p>
<b>Lesotho</b>	<ul style="list-style-type: none"> <li>• <u>Economic regulation</u>: (i) Carry out a review and update the existing Cost of service study (CoSS); (ii) conduct capacity building workshop (s) on the evaluation of service costs leading to the determination of tariffs; (iii) Develop guidelines on the application of the CoSS; and (iv) Develop the Tariff Setting Frameworks, which comprises (a) review the existing regulatory frameworks and tariff setting tools (guidelines, procedures, methodology and excel-based models) used for the determination of single year and multi-year tariffs; (b) develop the new regulatory frameworks and tools for determination of both single year and multi-year tariffs; and (c) provide capacity building on the application of the revised and newly developed regulatory frameworks and tariff setting tools and use of CoSS model for determination of single year tariffs and MYTs.</li> <li>• <u>Performance Audit of the Lesotho Electricity Company (LEC)</u>: As part of monitoring the performance of LEC, the consultancy firm will assist the regulator in assessing LEC's performance against a set KPIs targets.</li> </ul> <p>These activities will be led by the Lesotho national electricity regulator (Lesotho Electricity and Water Authority - LEWA).</p>

- ❖ **Required Expertise:** Interested consulting firms must demonstrate the following minimum requirements:
  - In-depth knowledge of the energy sector at the local, regional and international levels, with expertise in supporting electricity service regulations in Africa.
  - Expertise in the development of regulatory tools and instruments, as well as a thorough understanding of the African regulatory environment. In particular, the Consultant should present relevant references for work similar to the assignment.

- Experience with various actors such as regulators, governments, Multinational Development Banks and Development Finance Institutions, experience with the AfDB would be a plus.
  - Relevant group of personnel with good academic credentials and extensive experience in areas related to the above areas of interest.
  - The ability to produce reports in both English and French.
- ❖ **Expression of Interest:** AfDB invites eligible consulting firms to express their interest in providing the above-described activities. Interested consulting firms should provide information indicating their qualifications to perform the services such as firm registration documents, firm profile/brochures, documents referencing their track record or portfolio with similar and relevant experience, availability of appropriate skills among staff relevant to the Assignment, etc.
- ❖ **Duration of the assignment:** The expected duration of this Assignment is twelve (12) months, from the signing of the contract by the selected consultancy firm. The commencement date is expected to be March 17<sup>th</sup>, 2025
- ❖ **Place of the assignment:** The mission will be executed remotely and on-site, depending on the needs of each phase of the project.
- ❖ **Language:** The main working languages for these missions are French or English depending on the concerned country. All study reports should be written in both French or English as follows: Djibouti (French and English); DRC (French and English); Madagascar (French and English); Lesotho (English). The periodic reports to the Bank on key deliverables will be in English.
- ❖ **Department issuing the request:** Energy Financial Solutions, Policy and Regulations (PESR).
- ❖ **Procurement Process:**
- The eligibility criteria and selection process shall be done in conformity with the **AfDB’s rules and procedures for the use of corporate consultants**.
  - This Expression of Interest (EOI) submitted by a consulting firm does not imply any obligation on the part of the Bank to include the firm in the shortlist. Adherence to the Bank’s Code of Ethics and Core Values is an essential requirement for this Assignment. The Bank reserves the right to cancel or postpone this procurement process should that be deemed necessary.
- ❖ **Deadline and contact :**
- Interested consulting firms may obtain further information or clarifications at the email addresses below during office hours: 09:00 – 17:00 GMT. The deadline for clarifications is **January 20<sup>th</sup>, 2025, at 17:00 GMT**.
  - Expressions of interest must be received by email only at the address below no later than **January 31<sup>st</sup>, 2025, at 17:00 GMT**. Subject of the email should be titled: “EOI– Consulting firm to strengthen regulatory frameworks in the African electricity sector: case studies of Djibouti, DRC, Madagascar, and Lesotho”.
  - For the attention of Mr Carlos Mollinedo, [c.mollinedo@afdb.org](mailto:c.mollinedo@afdb.org) ; with copy to: Mrs Guillaine Neza, [g.neza@afdb.org](mailto:g.neza@afdb.org), Mr. Solomon Sarpong [s.sarpong@afdb.org](mailto:s.sarpong@afdb.org); and Mrs Etidel Labidi, [e.labidi@afdb.org](mailto:e.labidi@afdb.org).
  - Expressions of Interest should not exceed a maximum of fifteen (15) pages.
- ❖ **Establishment of the short list (Evaluation Process)**
- A shortlist of six (6) consulting firms will be established at the end the request of expressions of interest. The expressions of interests will be assessed based on the following criteria.

	Criteria	Score
A	General qualifications and adequacy for the assignment to be undertaken	35

	Criteria	Score
B	Relevant experience related to the assignment	45
C	Familiarity with the region	20
	<b>Total</b>	<b>100</b>