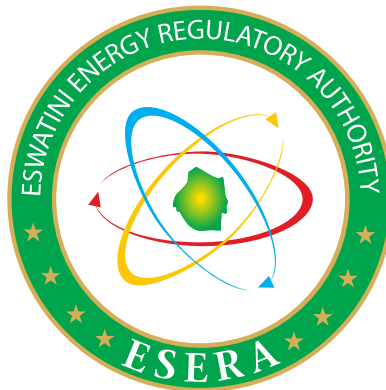


RFQ Tender No: 002 of 2019
Eswatini Energy Regulatory Authority

Request for Qualification

**Procurement of New Generation Capacity in Eswatini
(First Tranche Procurement Programme)**



Supported by:



Date of Issue: 07 June 2019

Table of Contents

1	Important Notice	1
2	Definitions and interpretation	3
3	Introduction	10
4	Procurement process and timetable	12
5	Requirements of the Projects	13
6	Minimum Requirements	17
7	Evaluation of Applications	19
8	Request for Qualification Requirements	22
9	Terms and conditions of RFQ	25
Appendix A	Information Sheet	30
Appendix B	Summary of indicative Grid capacity	31
Appendix C	Protected areas, commercially farmed areas and land tenure information	36
Appendix D	Public sector retirement and pension funds	39
Appendix E	Application Forms	40

Request for Qualification

1 Important Notice

While all reasonable care has been taken in preparing this Request for Qualification (RFQ), the information contained herein does not purport to be comprehensive or to have been verified by the Eswatini Energy Regulatory Authority (ESERA) or by the Government or by the African Legal Support Facility (ALSF), or by any of their respective officers, employees, servants, agents, advisors or by any other person. Accordingly, none of ESERA, the Government, the ALSF or any of their respective officers, employees, servants, agents or advisors accepts any liability or responsibility for the adequacy, accuracy or completeness of any of the information or opinions stated herein.

Save where expressly stipulated otherwise, no representation or warranty (either express or implied) is or will be given by ESERA or by the Government or by the ALSF or any of their officers, employees, servants, agents, advisors or any other person in respect of the information or opinions contained herein, or in relation to any information or opinion contained in any Briefing Note (as defined below) issued in relation hereto.

ESERA reserves the right to amend, modify or withdraw this RFQ or to terminate or modify any of the procedures or requirements during the First Tranche Procurement Programme (as defined below), at any time, without prior notice and without liability to compensate or reimburse any person in relation thereto.

The terms and conditions set out in this RFQ are stipulated for the express benefit of ESERA and, save as expressly stated to the contrary, may be waived at ESERA's sole discretion at any time. ESERA reserves the right to adopt any response made by any person responding to this RFQ at any time and to include such response in any procurement documentation, which may be made available, at any stage of the procurement process and without compensation, to all other persons responding to this RFQ.

Any data contained in this RFQ has been prepared for information purposes only. It does not constitute advice and should not be relied on as such. In addition, it does not constitute an offer to enter into any contract with ESERA or any Government body or the ALSF or any of their advisors and none of the data in this document shall be deemed to form part of any contract between ESERA or any Government body or the ALSF and any party. Neither any data nor any opinion contained herein constitutes an offer on behalf of ESERA or any Government body or the ALSF to buy or sell any investment, product or service. ESERA reserves the right to make changes to its data and opinions at any time without notice.

No party shall have any claim against ESERA or any Government body or the ALSF, or their respective officers, employees, servants, agents or advisors arising out of any matter relating to the First Tranche Procurement Programme under any circumstances whatsoever, including where such claim is based on any act or omission by ESERA or by any Government body, or where such claim is based on the content of or any omission from this RFQ.





2 Definitions and interpretation

2.1 Definitions

The following words and expressions, when used with initial capital letters in this RFQ and its appendices, shall have the meanings given below.

“**ALSF**” means the African Legal Support Facility, a public international organization hosted by the African Development Bank in Abidjan, Cote d’Ivoire, dedicated to providing legal advice and technical assistance to African countries for complex commercial transactions;

“**Appendix**” means an appendix to this RFQ;

“**Applicant**” means a party applying or group of parties jointly applying to become a Qualified Applicant in response to this RFQ;

“**Applicant Member**” means a member of the Applicant;

“**Application**” means an application to qualify made in response to and in accordance with the terms and conditions of this RFQ;

“**Application Fee**” means the non-refundable fee stipulated in the Information Sheet that Applicants are required to pay, and which they must provide Proof of Payment of, in order to be eligible to submit an Application;

“**Bid**” means a bid to be submitted by a Bidder in response to and in accordance with the RFP to be issued by ESERA pursuant to the First Tranche Procurement Programme;

“**Bid Submission Deadline**” means the time and date by which Bids must have been received by ESERA;

“**Bidder**” means a Qualified Applicant who has been invited to submit a Bid in response to the RFP and who has paid the RFP Documentation Fee;

“**Bidders Conference**” means the compulsory conference to be held by ESERA and the Bidders to discuss the RFP;

“**Briefing Note**” means those written documents, each entitled a “Briefing Note”, to be issued by ESERA in accordance with Section 8.3 to disseminate further instructions, programme changes, information updates, clarifications and amendments in relation to this RFQ, each such Briefing Note to be consecutively numbered and referenced accordingly;

“**Business Day**” means any day of the week other than Saturdays, Sundays or public holidays in Eswatini;

“**Change of Control**” means in respect of any person, a change in the persons who, directly or indirectly, ultimately control such person. For the purposes of this



definition, the term "**control**", as applied to any person, means direct or indirect ownership of more than fifty percent (50%) of the outstanding capital stock or other equity interests having ordinary voting power or possession of the power to direct or cause the direction of the management of such person;

"**Coercive**", in relation to practices, means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract;

"**Collusive**", in relation to practices, means a scheme or arrangement between two or more Applicants or Bidders, with or without the knowledge of ESERA, designed to establish bid prices at artificial, non-competitive levels, and "**Collusion**" shall be construed accordingly;

"**Commercial Energy Rate**" has the meaning given to it in Section 5.2;

"**Commercial Operation Date**" or "**COD**" means, in respect of a Facility, the date after which all testing and commissioning have been duly completed and the Facility supplies electrical energy to the Grid;

"**Consumer Price Index**" or "**CPI**" means the consumer price index as published by the Eswatini Central Statistical Office;

"**Corrupt**", in relation to practices, means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution;

"**Crown Land**" or "**CL**" means those parcels of land in Eswatini that were not transferred to private ownership or demarcated as Swazi Nation Land and that are owned by and vested in His Majesty the King of Eswatini;

"**Deadline for Submission of Applications**" means the time and date by which Applications must have been received by ESERA as set out in the Information Sheet or such later time and date as ESERA may specify and notify the Applicants through a Briefing Note;

"**Declaration Letter**" means the letter signed by the Lead Member on behalf of the Applicant in the form as set out in Appendix E (Application Form 2);

"**EEC**" means the Eswatini Electricity Company, a government owned corporation established under Section 3 of the Eswatini Electricity Company Act, 2007 (Act 1 of 2007);

"**Electricity Act**" means the Electricity Act of 2007 of Eswatini;

"**Emalangen**" (or "**E**" as used as a currency prefix) means the official currency of Eswatini;



“**Energy MasterPlan**” has the meaning given to it in Section 3 of this RFQ;

“**Environmental Impact Assessment**” or “**EIA**” means an environmental impact assessment, to be undertaken by Applicants and/or Bidders in accordance with the Environment Management Act of 2002 and the Environmental Audit, Assessment and Review Regulations, 2000 in relation to their proposed Projects;

“**EPC**” means engineering, procurement and construction;

“**ESERA**” means Eswatini Energy Regulatory Authority, a statutory energy regulatory body established through the Energy Regulatory Act, 2007 (Act No.2 of 2007);

“**Eswatini**” means the Kingdom of Eswatini, formerly known as the Kingdom of Swaziland;

“**Facility**” means a solar photovoltaic electricity generation plant, having a Maximum Export Capacity at the Point of Connection within the range of 5-15 MW to be developed, together with all the required interfaces and other facilities and equipment, by a Project Company under the First Tranche Procurement Programme;

“**Facility Substation**” means, in relation to a Facility, the electricity substation to be constructed and owned by the Project Company for the purposes of connecting the Facility to the Grid, and which shall exclude the Transmission Connection Equipment;

“**First Tranche Procurement Programme**” means the competitive tender process conducted by ESERA, in co-operation with the Minister of the MNRE, for the development of new solar photovoltaic power generation projects in Eswatini with a total capacity of circa 40 MW and of which this RFQ forms part;

“**Fraudulent**”, in relation to practices, means a deliberate or wilful misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract;

“**Government**” means the government of Eswatini;

“**Grid**” means the transmission and distribution assets owned and operated by the EEC, in its capacity as transmission system operator, in Eswatini;

“**Grid Connection Agreement**” means, in relation to a Project, the transmission use of system and operating agreement, to be entered into in relation to the Grid connection and operation of the Facility as described in Section 5.6;

“**Implementation Agreement**” means, in relation to a Project, the implementation agreement to be entered into between the Project Company and the Government as described in Section 5.6;

“**Information Sheet**” means the table in Appendix A of this RFQ containing key information relating to the RFQ process;



“**Last Signature Date**” means the date by which all of the Project Agreements are to be executed;

“**Lead Developer**” means, in respect of an Applicant, the Applicant Member that will manage, co-ordinate and take the leading role in the development of the Project;

“**Lead Member**” means, in respect of an Applicant, the Applicant Member legally authorised by all of the other Applicant Members to sign the Application and to bind the members of that Applicant;

“**Maximum Export Capacity**” or “**MEC**” means, in relation to a Facility, the maximum alternating current capacity (in MW) that can be injected by the Facility into the Grid at the Point of Connection as authorised by the EEC, and as to be specified in the Grid Connection Agreement;

“**MNRE**” means the Ministry of Natural Resources and Energy of Eswatini;

“**Minimum Requirements**” means the requirements of this RFQ process that an Applicant must meet in order for its Application to be deemed compliant by ESERA as set out in Section 6;

“**Ministry of Finance**” or “**MoF**” means the Ministry responsible for finance in Eswatini;

“**O&M**” means operation and maintenance;

“**Point of Connection**” means, in relation to a Facility, the point at which the Facility assets connect to the Grid as will be specified in the Grid Connection Agreement;

“**Post-Qualified Applicant**” means a Qualified Applicant who has experienced either (i) a change of composition of the Applicant or (ii) who has experienced a Change of Control of any Applicant Member, which change has been approved by ESERA in terms of Section 9.3.

“**Power Purchase Agreement**” means, in relation to a Project, the power purchase agreement to be entered into between the Project Company and the EEC as described in Section 5.6;

“**Preferred Bidder**” means a Bidder whose Project is selected by ESERA following the RFP Bid evaluation process to be a preferred Project, and who is invited to have its Project Company enter into Project Agreements and to undertake the construction, operation and maintenance of a Facility;

“**Project**” means the design, finance, construction, operation and maintenance of a Facility and its related Facility Substation and Transmission Connection Equipment by a Preferred Bidder under the First Tranche Procurement Programme;



“**Project Agreements**” means, in relation to a Project, the Power Purchase Agreement, Grid Connection Agreement and Implementation Agreement to be entered into by the Project Company as described in Section 5.6;

“**Project Company**” means, in relation to a Project, a limited liability company to be incorporated by the Preferred Bidder in accordance with the company laws of Eswatini, for the purpose of entering into and implementing the Project Agreements;

“**Proof of Payment**” means the receipt issued by ESERA to an Applicant following payment by the Applicant of the Application Fee;

“**Public Body**” means all branches of the Government, all Eswatini parastatals and all Government controlled or funded agencies, enterprises or funds in Eswatini. In addition, all pension and provident funds in Eswatini that are themselves funded by one or more Public Bodies and/or by the employees of one or more Public Bodies, will themselves be considered to be a Public Body;

“**Qualified Applicant**” means an Applicant who has been shortlisted in accordance with the provisions of Section 7 of this RFQ;

“**Request for Proposals**” or “**RFP**” means, in relation to the First Tranche Procurement Programme, the request for proposals to be issued by ESERA subsequent to this RFQ process;

“**Request for Qualification**” or “**RFQ**” means this request for qualification, including its Appendices (and including all Briefing Notes) issued by ESERA for the purpose of shortlisting Qualified Applicants to participate in the RFP process;

“**RFP Documentation Fee**” has the meaning given in Section 8.8;

“**Second Tranche Procurement Programme**” means the competitive tender process to be conducted by ESERA, in co-operation with the Minister of the MNRE, for the development of new power generation in Eswatini which, at the time of this RFQ, is anticipated to be for the procurement of biomass projects with a total capacity of circa 40 MW;

“**SGEP**” means the short-term generation expansion plan for Eswatini as described in Section 3 of this RFQ;

“**Signature Date**” means the date of execution of the Project Agreements or, if they are not all signed together, of the last of the Project Agreements to be executed;

“**Swazi Nation Land**” or “**SNL**” means the land in Eswatini which is vested in the Ingwenyama in Trust for the Eswati Nation and is under the rule of chiefs for the settlement of the Eswatini people; and

“**Transmission Connection Equipment**” means, in relation to a Project, the transmission equipment, which excludes the Facility Substation, to be constructed for



the purposes of evacuating electrical power from the Facility to the Grid as will be specified in the Grid Connection Agreement.

2.2 Units of measurements

The units of measurement used in this RFQ shall have the meanings given to them below:

E/kWh – means Emalangeni per kilowatt hour

ha – means hectare

kWh – means kilowatt hour

kV - means kilovolt; and

MW - means megawatt.

2.3 Interpretation

Save to the extent that the context or the express provisions of this RFQ otherwise require:

- (a) words importing one gender include the other gender, and words importing the singular include the plural and vice versa;
- (b) the index and headings of clauses of this RFQ are for ease of reference only and shall be ignored in construing this RFQ;
- (c) the terms “hereof”, “herein”, “hereby”, “hereto” and similar words refer to this entire RFQ and not to any particular clause, section, appendix, part or any other subdivision of this RFQ;
- (d) references to a “Section” or an “Appendix” are to the relevant section or appendix, respectively, of this RFQ;
- (e) references to “this RFQ” or any other agreement, licence, standard or document shall be construed as a reference to this RFQ or such other agreement, licence, standard or document as amended, modified or supplemented and in effect from time to time and shall include a reference to any document which amends, modifies or supplements it, or is entered into, made or given pursuant to or in accordance with its terms;
- (f) references to legislation include any statute, by-law, regulation, rule, subordinate legislation or delegated legislation or order, and a reference to any legislation is to such legislation as amended, modified or consolidated from time to time, and to any legislation replacing it or made under it; and



- (g) all monetary amounts are expressed in Emalangeni (E), the lawful currency of Eswatini, unless the context expressly provides otherwise.



3 Introduction

The Kingdom of Eswatini is a landlocked country located in Southern Africa with a population of just over 1.3 million. Eswatini currently imports the bulk of its electricity supply from neighbouring utilities, such as Eskom in South Africa, to meet its electricity demand. Due to increased uncertainty in the security of such supplies and of tariffs in the Southern African region, the Government has decided to reduce its reliance on imported electricity by encouraging the development of more local power generation.

The Ministry of Natural Resources and Energy (“**MNRE**”) is tasked with increasing the country’s energy resilience by reducing the country’s reliance on imported electricity and, in particular, by the development of local renewable energy projects which will meet the country’s environmental clean energy objectives and will help underpin economic growth. Furthermore, the MNRE is committed to encouraging private sector participation in the energy sector. Over the past few years, the country has seen significant interest from independent power producers keen to exploit the opportunities for the development of new generation capacity in the country.

On 25 July 2018, the Honourable Minister of the MNRE announced a new energy policy which introduced the private sector procurement of new generation capacity to be developed by independent power producers. This policy was launched with the full support of Eswatini Cabinet with the intention of fostering a partnership with the private sector and of ensuring the orderly development of the new electricity generation capacity necessary to help achieve the MNRE’s strategic objectives.

In addition, and in support of the new policy, on 25 October 2018, the MNRE launched its Energy Masterplan, including the Short-term Generation Expansion Plan (“**SGEP**”) for the energy sector. The Energy MasterPlan and SGEP have been developed by the MNRE, in consultation with key stakeholders, to provide a roadmap for the development of the new generation capacity in the country. The Energy MasterPlan and the SGEP have also been approved by Cabinet and were issued to inform the market of the MNRE’s plans for the future development of the energy sector in Eswatini. Copies of the Energy MasterPlan and the SGEP can be obtained from ESERA’s website using the following link:

<http://www.sera.org.sz/capacity-procurement-unit.php>

While the Energy MasterPlan provides a long-term roadmap for the country’s energy needs with a planning horizon of 20 years, the SGEP focusses on projects that can be delivered in the short-term. The new generation capacity identified for development under the SGEP comprises:

- Solar photovoltaic (“**PV**”) (circa 40 MW) – to be developed via the First Tranche Procurement Programme
- Biomass (circa 40 MW) – to be developed via the Second Tranche Procurement Programme



The new generation capacity above will be procured by the Eswatini Energy Regulatory Authority (“**ESERA**”), in co-operation with the Minister of the MNRE, through competitive tendering processes in accordance with the requirements of the Eswatini Electricity Act of 2007.

ESERA has launched this Request for Qualifications (“**RFQ**”) process in relation to the First Tranche Procurement Programme to pre-qualify Applicants who demonstrate appropriate experience in the development of power projects. The Qualified Applicants will be invited to participate in a Request for Proposal (“**RFP**”) process for the development of new generation capacity identified in the SGEP as fully described in Section 5.

This procurement process is supported by the African Legal Support Facility (“**ALSF**”), a public international organization dedicated to providing legal advice and technical assistance to African countries for complex commercial transactions.



4 Procurement process and timetable

4.1 Procurement process overview

Table 4.1 shows the indicative timelines for the procurement process. The deadline date for the submission of Applications is 23 August 2019. The Applications must be submitted as required in Section 8.7.

An announcement of Applicants who have been shortlisted pursuant to this RFQ is expected to be made by ESERA on 27 September 2019. The Qualified Applicants will be invited by ESERA to participate in the RFP process. The targeted date for the launch of the RFP process is 18 October 2019.

Table 4.1: Indicative timelines for RFQ and RFP processes

Item	Milestone	Date
1	Launch of RFQ process	07 Jun 2019
2	Deadline for Submission of Applications	23 Aug 2019
3	Announcement of Qualified Applicants	27 Sep 2019
4	Launch of the RFP process	18 Oct 2019
5	Bidders' Conference	15 Nov 2019
6	Bid Submission Deadline	17 Apr 2020
7	Announcement of Preferred Bidders	19 Jun 2020
8	Last Signature Date	20 Nov 2020
9	Commercial Operation Date	17 Sep 2021

4.2 Timetable changes

ESERA may amend the dates set out in Section 4.1 above at any time at its discretion and will notify Applicants and/or Bidders promptly of any such amendments through Briefing Notes.



5 Requirements of the Projects

5.1 Technology and capacity

This RFQ process relates, and the subsequent RFP process will relate, solely to the First Tranche Procurement Programme of circa 40 MW solar PV generation capacity. The capacity for each Project shall range between 5-15 MW and each Project shall utilise proven ground mounted solar PV technology.

At this RFQ stage, each Application can include up to four (4) Projects in different locations provided that Application Forms 5 and 6 must be completed separately for each proposed Project. Similarly, at RFP stage, Bidders will be allowed to bid for up to four (4) Projects in different locations but will only be awarded up to a maximum of two (2) Projects.

5.2 Tariff

The tariff for the First Tranche Procurement Programme will be an energy-only tariff (E/kWh). At the RFP stage, Bidders will be required to state the tariff at which they propose to sell the electricity generated from each Project to the EEC (the “**Commercial Energy Rate**”). The Commercial Energy Rate shall be applicable at COD and shall be escalated annually at the Consumer Price Index (“**CPI**”).

5.3 Project sites

Applicants are required to identify suitable sites for their Projects. To assist the Applicants in the site selection process, ESERA has prepared a land pack which comprises the information listed below:

- Amount of new generation capacity that can be connected at each substation in the Grid (Appendix B); and
- Maps that provide information on land tenure as well as protected areas and commercially farmed areas (Appendix C).

The spatial data in electronic format relating to the information referred to above can be downloaded from the ESERA website using the following link:

<http://www.sera.org.sz/capacity-procurement-unit.php>.

With respect to the proposed Project sites, the Applicants/Bidders shall be responsible for the following activities:

- Conducting the necessary site investigations (e.g. geotechnical, resource assessments, topographical, etc.) to ensure the suitability of the proposed site;
- Securing the rights to establish a Facility on the proposed site, by entering into appropriate contractual arrangements with the relevant parties;

Obtaining all required site permits for the proposed site, including the Environmental Impact Assessment (“**EIA**”) and the other environmental permits as required by the



laws of Eswatini, as well as complying with the resettlement framework. Information on the processes required for acquiring environmental authorisations can be obtained from the Eswatini Environment Authority (“EEA”) website on:
<http://www.sea.org.sz/pages.asp?pid=14>.

5.4 Categories of land tenure in Eswatini

Applicants should note that there are different processes to follow when securing rights to land in Eswatini, depending on whether the parcel of land is located on Swazi Nation Land (“SNL”), Crown Land (“CL”) or privately-owned land. Parcels of privately-owned land can be secured on a willing-buyer, willing-seller basis, whilst SNL and CL land parcels require engagements with the chiefs, local communities and ultimately His Majesty the King. The process for securing SNL and CL can be lengthy and complex and, consequently ESERA, together with the MNRE, will endeavour to help facilitate engagement with the relevant authorities to offer assistance to Applicants who opt for sites on SNL or CL. Notwithstanding ESERA’s commitment to help facilitate such processes, the responsibility of securing sites in all circumstances remains the responsibility of the Applicant/Bidder as stated above.

It is not a requirement for Applicants to have already identified sites at this RFQ stage, but ESERA strongly encourages Applicants to identify the sites as soon as possible and to submit these as part of their Applications (using Application Form 5). Applications will be evaluated and scored on the basis of the status of identifying and securing rights to the sites in accordance with Section 7.2.

While ESERA will endeavour to assist Applicants in engaging the relevant stakeholders and authorities for site acquisition, Applicants should note that neither ESERA nor the Government assumes any responsibility, nor will they provide any guarantees in relation to the securing of sites in any circumstances. Applicants will be required to acknowledge this position in the Declaration Letter.

Applicants should be aware that, if a Preferred Bidder identifies a site on SNL or CL for a Project and is subsequently unable to secure that site within the required timeframes to be set out in the RFP, then the status of Preferred Bidder in relation to that Project will be withdrawn. If the reason for the Preferred Bidder’s failure to secure any such site is solely due to the relevant land authority(ies) not granting them the required rights to use the SNL or CL, then the bid bond for that specific Project will be returned to the Preferred Bidder, but Applicants should be aware that neither ESERA nor the Government will accept any liability for any such failure and the Bidder will not be entitled to any compensation in this regard.

5.5 Local participation

The areas for local participation that have been identified for the Projects are as follows:

- equity;
- debt;



- engineering, procurement and construction (“EPC”); and
- operation and maintenance (“O&M”).

The minimum levels of local participation that must be met in respect of each of the above categories are specified in Section 6.4. Applicants are however encouraged to maximise, to the extent practical, the participation of Eswatini nationals and of Eswatini registered companies in the Projects.

Applicants should note that, as stated in Section 9.1(c), Public Bodies are not eligible to participate in the First Tranche Procurement Process. However, notwithstanding this, ESERA will allow involvement of those public sector retirement and pension funds as are specified in Appendix D. The public sector retirement and pension funds specified in Appendix D have confirmed that they will make funding available on the same terms to all Applicants. For the avoidance of doubt, these restrictions will not apply to private pension and provident funds.

For the avoidance of doubt, there will be no requirement for Applicants/Bidders to utilise funds from public sector retirement or pension funds as long as the applicable local content requirements are met.

5.6 Contractual arrangements

In relation to each Project, the Project Company will be required to enter into the Project Agreements. A brief description and the purpose of the key Project Agreements is provided below.

5.6.1 Implementation Agreement

The Project Company will enter into the Implementation Agreement (“IA”) with the Government. The IA sets out the terms of the contractual relationship between the Project Company and the Government in relation to the development of the Project. The IA also commits the Project Company contractually to its commitments made in its Bid in relation to the proposed levels of Eswatini participation. The term of the IA will match the Power Purchase Agreement (“PPA”).

5.6.2 Power Purchase Agreement

The Project Company will be required to enter into a PPA with the EEC. The PPA will have a term of no less than 20 years starting from scheduled Commercial Operation Date and will set out the terms and conditions for the primary commercial, technical and operating relationship between the Project Company and the EEC.

The PPA will also set out the Project Company’s obligations in terms of complying with dispatch instructions, and of providing energy and ancillary services to the EEC. The PPA will place obligations to the Project Company to provide appropriate operation and maintenance services, carrying out performance tests, providing information and obtaining and maintaining insurance cover for the Facility.



5.6.3 Grid Connection Agreement

The Grid Connection Agreement (“**GCA**”) is to be entered into between the Project Company and EEC. The GCA will set out the terms in which the Transmission Connection Equipment will be built, owned and operated and the provisions relating to the connection of the Facility to the Grid, including the payment of the any applicable charges. It will also specify the operating rules applicable to the Project Company’s use of the Grid. As with the IA, the term of the GCA will match the PPA.



6 Minimum Requirements

Applications will be evaluated against the Minimum Requirements described below. Applicants that do not meet these requirements may be disqualified from this RFQ process at ESERA's absolute discretion.

6.1 Completeness

Applicants are required to ensure that their Applications are complete and that all required information is provided. In order for an Application to be considered as complete, the following conditions must be met:

- a) All Application Forms must be completed and submitted as required in this RFQ and using the specified format, unless such Application Form is marked 'OPTIONAL'; and
- b) the Applicant must have paid the Application Fee to ESERA and must submit Proof of Payment as required in Section 8.2.

If an incomplete Application is received, the Applicant in breach of the requirements may, at the ESERA's absolute discretion, be notified and allowed an opportunity to remedy the omission or may be disqualified from this RFQ process as contemplated in Section 7.1.

6.2 Experience

The Lead Member of an Applicant must have experience where it has acted as a lead developer or co-developer on at least two (2) ground-mounted utility scale solar PV plants of an MEC greater than or equal to 5 MW that have achieved commercial operation in the past seven (7) years.

6.3 Financial standing requirements

The Applicant shall provide evidence that the Lead Developer has:

- (a) available shareholder funds in an amount equal to at least five million Emalangeni (E 5 000 000) per MW (based on the MEC of the largest Project proposed by the Applicant), in order to fund its equity contribution; and
- (b) available working capital of at least twenty million Emalangeni (E 20 000 000) available in order to fund its Project development activities.

The definition of shareholder funds shall be total capital employed, including net working capital, less long-term liabilities.

In addition, the Applicant must provide audited financial statements for the past three (3) years, together with tax clearance certificates for each Applicant Member from their country of registration (or, where applicable, from its parent company's country of registration).



Where an Applicant Member is a subsidiary of another entity, the financial standing of the parent company will be considered provided that a relevant letter of support from the parent company is provided.

The exchange rate for the conversion of all accounts not prepared in Emalangeni shall be the exchange rates published by the UK Financial Times, on the date of issue of this RFQ.

6.4 Eswatini participation requirements

Each Applicant must commit at all times to meet the following minimum levels of Eswatini participation in the Project as follows:

- (a) 30% of equity in the Project Company to be allocated to Eswatini equity investors;
- (b) 30% of debt in the Project to be set aside for Eswatini lending/financial institutions;
- (c) 15% of the EPC contract value to be allocated to Eswatini registered companies and/or citizens; and
- (d) 15% of the O&M contract value to be allocated to Eswatini registered companies and/or citizens.

At this RFQ stage, Applicants are not required to have already identified local Eswatini participants but those that have will be awarded evaluation points as described in Section 7.2. At RFP stage, Bidders will be required to meet or exceed the local participation levels submitted as part of their Applications at this RFQ stage.

To assist the developers in identifying local partners, ESERA conducted a registration process for local companies / individuals who are interested in participating in the development of new power projects. The contact details of the interested local parties and their potential areas of interest are available for download from the ESERA website on: <http://sera.org.sz/administrator/files/1559126574.pdf>.

It should be noted that this information on interested local parties is provided for Applicants' information and assistance only. None of ESERA, the Government or the ALSF, nor any of their respective officers, employees, servants, agents or advisors makes any representations in respect of any of the registered parties and Applicants are under no obligation to use any of these registered parties. Applicants are equally entitled to join with local partners, whether registered or not, provided that the local content requirements of this RFQ are met.



7 Evaluation of Applications

ESERA intends to conduct the evaluations of the Applications in two (2) stages as set out below.

7.1 Stage 1 (Compliance with Minimum Requirements)

In the Stage 1 evaluation, each Application will be evaluated to determine if it complies with the Minimum Requirements specified in Section 6. Applications that do not comply with these requirements may be disqualified at this Stage 1 at ESERA's sole and absolute discretion. Applications that meet or exceed the minimum thresholds will proceed to Stage 2 of the evaluation process.

7.2 Stage 2 (Point-based scoring)

The Stage 2 evaluation will utilise a point-based scoring approach to qualify Applications. Points out of 100 will be allocated to the Applications based on their relevant experience, track record, financial strength, project readiness and proposed levels of Eswatini participation in the Projects as specified in Table 7-1 below.

Following completion of the Stage 2 evaluation, ESERA will select a shortlist of Qualified Applicants based on the Applications that have obtained the highest scores.



Table 7-1: Point-based scoring criteria

Item No.	Category	Description of criteria
1	Relevant experience (35 points)	<ul style="list-style-type: none"> • Experience as a lead developer or co-developer of ground-mounted utility scale solar PV plants with an MEC greater than or equal to 5 MW that have achieved commercial operation in the past seven (7) years. Strong preference will be given to experience on projects developed in Africa • Additional demonstrated experience of Applicant relevant to the Projects
2	Track record (15 points)	<ul style="list-style-type: none"> • Track record of the successful delivery of utility scale solar PV projects • Additional demonstrated track record relevant to the Projects
3	Financial standing (20 points)	<ul style="list-style-type: none"> • Financial strength of Lead Developer (or parent company) • Credit worthiness
4	Project readiness (15 points)	<ul style="list-style-type: none"> • Project definition (capacity, site identification and secured site rights) • Status of the EIA process • Identification of other Applicant Members, such as local partners • Other development work conducted on the Project



Item No.	Category	Description of criteria
5	Eswatini participation (15 points)	<ul style="list-style-type: none">• Proposed levels of equity in the Project Company to be held by Eswatini equity investors that are above the applicable minimum threshold• Proposed levels of debt funding in the Projects by Eswatini lending/financial institutions that are above the applicable minimum threshold• Proposed levels of EPC contract value to be allocated to Eswatini registered companies and/or citizens that are above the applicable minimum threshold• Proposed levels of O&M contract value to be allocated to Eswatini registered companies and/or citizens that are above the applicable minimum threshold



8 Request for Qualification Requirements

8.1 Intention to submit an Application

ESERA requests that prospective Applicants who intend to submit an Application in response to this RFQ notify ESERA as soon as possible of their intention to do so by e-mail to the Capacity Procurement Manager at the e-mail address provided in the Information Sheet. Such notification is for information purposes only. Applicants who do not notify ESERA of their intention to submit an Application will not be disqualified from the RFQ process.

8.2 Application Fee

Applicants are required to pay a non-refundable Application Fee to ESERA prior to the Deadline for Submission of Applications in order to be eligible to submit an Application pursuant to this RFQ. The Application Fee amount and ESERA banking details are specified in the Information Sheet. Applicants are required to include the Proof of Payment of the Application Fee (as required in Application Form 10) as part of the Application. Applicants who do not include the Proof of Payment will be disqualified from this RFQ process.

8.3 Clarification of RFQ

All clarifications requests from prospective Applicants regarding this RFQ shall be e-mailed to the Capacity Procurement Manager at the e-mail address provided in the Information Sheet.

ESERA will respond to any request for clarification in the form of Briefing Notes, provided that such request is received no later than fifteen (15) Business Days prior to the Deadline for Submission of Applications. Briefing Notes will be published on the ESERA website and Applicants are advised to check the ESERA website regularly for any notices or Briefing Notes during this RFQ process.

8.4 Correspondence from Applicants

All correspondence from the Applicants to ESERA shall be conducted through the Lead Member and shall be sent by e-mail to the Capacity Procurement Manager at the email address provided in the Information Sheet. All such correspondence must clearly indicate the name of the sender, their position and the name of their organisation.

8.5 Language of Applications

The Application, as well as all correspondence and documents relating to this RFQ exchanged by the Applicants and ESERA, shall be written in the English language. All supporting documents and printed literature that form part of the Application may be in another language, provided they are accompanied by an accurate translation of the



relevant passages into English, in which case, for purposes of interpretation of the Application, the English version shall govern.

8.6 Format of Applications

Applicants should read the entire RFQ thoroughly before preparing an Application. Applicants shall prepare their responses in the format specified in this RFQ.

8.7 Submission of Applications

8.7.1 Method of delivery

Applications must be delivered by hand to the ESERA address provided in the Information Sheet, marked for the attention of the Capacity Procurement Manager.

Each Applicant shall prepare one (1) original set of documents comprising its Application which should be clearly marked "ORIGINAL". The original Application shall be printed in indelible ink and the cover letter and Declaration Letter shall both be signed by a person duly authorized to sign on behalf of the Applicant.

In addition to the original document, the Applicant shall submit two (2) copies of the signed original Application, and clearly marked as "COPY 1" and "COPY 2". In the event of any discrepancy between the original and the copies, the original shall prevail.

The Applicant shall enclose the original and the copies of the Application in a sealed envelope which shall bear the name and address of the Applicant together with the RFQ tender number and labelled "First Tranche Procurement Programme". This envelope shall then be enclosed in an outer package which should not reveal the identity of the Applicant but shall be addressed to ESERA and shall include the RFQ tender number and be labelled "First Tranche Procurement Programme". The RFQ tender number and ESERA's address are provided in the Information Sheet.

In addition to the hard copies, Applicants are required to provide a soft copy of their Applications either on a USB stick or on CD ROM which shall be submitted together with the sealed Applications.

ESERA will accept no responsibility for not processing any Application that was not identified as required.

8.7.2 Deadline for Submission of Applications

The Deadline for Submission of the Application is as stated in the Information Sheet. On or before this date, Applicants must submit their Applications to ESERA as described in Section 8.7.1 above. ESERA will provide receipts for all Applications received.



ESERA may, at its discretion, extend the Deadline for Submission of Applications by issuing a Briefing Note, in which case all the provisions of this RFQ relating to the previous deadline shall thereafter be relate to the deadline as extended.

8.7.3 Late submissions

Any Application received by ESERA after the Deadline for Submission of Applications will not be considered by ESERA and will be returned unopened to the Applicant.

8.8 RFP Documentation Fee

ESERA will issue invitations to Qualified Applicants for them to participate in the RFP process. Upon receiving the invitations, the Qualified Applicants will be required to pay a non-refundable fee of fifty thousand Emalangeneni (E 50 000) in order to receive the RFP documentation (the "**RFP Documentation Fee**").

8.9 Bid bonds

Qualified Applicants will be required to submit a bid bond to ESERA together with their Bid submission at RFP stage. The bid bond shall be a bank guarantee issued by a registered bank in Eswatini and shall be in an amount of:

- (a) for a Project with an MEC of less than or equal to 10MW, one million Emalangeneni (E 1 000 000); or
- (b) for a Project with an MEC of greater than 10MW, one million, five hundred thousand Emalangeneni (E 1 500 000).

8.10 Development Fee

Successful Bidders will be required to pay a non-refundable development fee upon signing of the Project Agreements at Signature Date. The development fee will be determined as the amount equal to three hundred thousand Emalangeneni (E 300 000) per MW (based on the MEC of the Project).



9 Terms and conditions of RFQ

Applicants submitting an Application will be deemed to have done so on the basis of this RFQ and on the basis that they acknowledge and accept the terms and conditions of this Section 9.

9.1 Non-eligible persons

The following parties are not eligible to be an Applicant Member or to participate in any capacity in this RFQ process:

- (a) Parties without the required expertise, relevant experience and resources (including financial capacity) to undertake the Projects;
- (b) Employees of the MNRE, MoF, ESERA, EEC, or of any Government body or of the ALSF;
- (c) Public Bodies (save for those public sector retirement and pension funds that are permitted to participate in the First Tranche Procurement Programme in accordance with Section 5.5 and Appendix D);
- (d) Parties who are advising the MNRE, MoF, ESERA, EEC, or any Government body or the ALSF on any of the Projects;
- (e) Parties who have been found guilty in a court of law of fraud or corruption related crimes within the past five (5) years; and
- (f) Individuals and firms who are named on the '*List of Debarred Entities*' by the African Development Bank Group or the '*World Bank Listing of Ineligible Firms and Individuals*'.

A Qualified Applicant may be disqualified from the RFP process if evidence emerges between the date of qualification through to the announcement of the Preferred Bidder which suggests that the Qualified Applicant no longer meets the necessary requirements of this RFQ. ESERA reserves the right, in any such situation, to require further supporting evidence to enable it to re-assess the Qualified Applicant's status on any aspect of the qualification criteria.

9.2 Acknowledgement of Law

By the time of submitting its Application, each Applicant is required to become fully acquainted with the laws of Eswatini related to the subject matter of the First Tranche Procurement Programme, and to declare that it will comply with such laws. The declaration required to be made is set out in Application Form 2.

9.3 Change in membership of Applicant



The Applicants shall note the following with regards to any change in the membership of an Applicant:

- (a) No change is permitted to an Application or to the membership of an Applicant, after submission of the Application without the prior written consent of ESERA.
- (b) In the event that an Applicant undergoes a change in its membership or in the event of a Change of Control of an Applicant Member, the Lead Member shall promptly notify ESERA and ESERA reserves the right to require the relevant entity and/or the relevant Applicant Member(s) to supply such further information so as to enable ESERA to fully consider the impact of such a change.
- (c) If an event contemplated in paragraphs (a) or (b) above occurs, the Applicant may be required to re-qualify in accordance with the terms of this RFQ, which re-qualification shall be at ESERA's sole discretion. Upon being notified by ESERA that it has re-qualified, such Applicant shall constitute a Post-Qualified Applicant.
- (d) ESERA is not obliged to consider any extension of time in relation to any stage of this RFQ or RFP processes on the account of any change in any Applicant membership (as contemplated above).
- (e) The RFQ evaluation process applicable to the Applicants shall similarly apply to any person seeking to qualify as a Post-Qualified Applicant.
- (f) ESERA shall notify any Applicant seeking to become a Post-Qualified Applicant whether or not it has been successful in its Application, as soon as is reasonably possible after receipt of all information required from such party. The decision of ESERA in this regard shall be in its sole discretion, shall be final and binding, and not subject to appeal.
- (g) Any decision with regard to Post-Qualified Applicants shall be announced to all the other Qualified Applicants by ESERA.
- (h) Should the composition of an Applicant change without ESERA's prior written consent, or should or a Change of Control of an Applicant Member occur, ESERA shall be entitled in its sole discretion to disqualify the Applicant from participating in any further stages of this RFQ or RFP processes, or to allow the Applicant to continue in this RFQ or RFP processes, subject to such conditions as ESERA determines appropriate.

9.4 Cost of submitting Applications

Each Applicant shall bear all of its costs (of whatsoever nature) associated with the preparation and submission of its Application. ESERA will in no way be responsible or liable for those costs, regardless of the conduct or outcome of the qualification process.



9.5 Confidentiality

In submitting an Application, each Applicant Member agrees to keep its Application confidential from third parties other than ESERA. ESERA undertakes to share the Application only with the parties who are required to evaluate and assess Applications for the purposes of the First Tranche Procurement Programme.

All information and data submitted by an Applicant shall become the sole property of ESERA, with the exception of copyrighted material, trade secrets or other proprietary information clearly identified as such by the Applicant. Applicants, by virtue of their Applications, agree to indemnify ESERA and hold it harmless from any loss, damage, liabilities, claims, actions, proceedings, demands, costs, charges or expenses of whatsoever nature suffered by ESERA arising out of or in connection with its refusal to disclose materials marked confidential, trade secret or other proprietary information to any person seeking access thereto.

The provisions of this Section 9.5 shall not apply to any information which is made available as required by any law or any regulatory authority, or which is or becomes public knowledge, other than by way of breach of this Section 9.5 or which was in the possession of such party prior to its disclosure or which is received from a third party who lawfully acquired and is under no obligation restricting its disclosure.

Each Qualified Applicant, its subcontractors and its agents and advisors may be required to sign the confidentiality undertakings as shall be included within the RFP documentation. All confidential information disclosed to the Qualified Applicant or to the Post-Qualified Applicant, subcontractors and their agents and advisors shall remain the property of ESERA and shall be returned to ESERA on demand.

9.6 Corrupt gifts and payments

ESERA requires that Applicants observe the highest standards of ethics during the procurement and execution of the Projects. In this respect ESERA will:

- (a) reject any proposal if it determines that the Applicant in question has, directly or through an agent, engaged in Corrupt, Fraudulent, Collusive or Coercive practices in competing for qualification; and
- (b) sanction a firm or individual, including declaring them ineligible to be awarded a contract by ESERA, either indefinitely or for a stated period of time, if it at any time determines that they have, directly or through an agent, engaged, in Corrupt, Fraudulent, Collusive or Coercive practices in competing for, or in executing, an ESERA contract.

9.7 No contractual obligations

This RFQ does not constitute an offer by ESERA to enter into a contractual relationship with any Applicant but is merely a solicitation of Applications to select parties who shall be entitled to submit Bids for the Projects in response to the RFP.



9.8 No Collusion

Applicants are prohibited from engaging in Collusion in respect of the First Tranche Procurement Programme with anyone in general and not just other Applicants. In submitting an Application, each Applicant certifies that its Application:

- (a) has been prepared without consultation, communication or agreement for restricting competition with any other Applicant, member of another Applicant, or any other competitor or potential competitor;
- (b) has not been disclosed by it, nor will it be disclosed by it to any other Applicant, member of another Applicant, or any competitor or potential competitor; and
- (c) no attempt has been made or will be made by it to induce any other person not to submit an Application for the purpose of restricting competition.

9.9 Non-compliance

- (a) Any material failure on the part of an Applicant to comply with the terms of this RFQ, read together with the Briefing Notes, may result in its Application being treated as non-compliant.
- (b) ESERA reserves the right to reject any non-compliant Application without further evaluation.
- (c) Any Application received without all information or data requested in terms of this RFQ, or with insufficient information for substantive evaluation thereof, will be marked as incomplete and may at ESERA's sole and absolute discretion be rejected.

9.10 Signing requirements

Each Applicant shall have a representative Lead Member that will be authorised to sign the Application and make statements on behalf of and receive instructions on behalf of the members of the Applicant.

The Lead Member is required to sign the Declaration Letter (as provided in Application Form 2) confirming that, inter alia, all documentation forming part of the Application is factually correct and true, that the Application shall remain valid for a period of at least one hundred and eighty (180) days after the Deadline for Submission of Applications and that each Applicant Member agrees to be bound by the terms of this RFQ.

9.11 ESERA's discretion

Where it is stipulated in this RFQ that ESERA's prior written consent shall be required, the determination by ESERA as to whether to grant or refuse such consent



shall be at ESERA's sole and absolute discretion, and the decision with regard thereto shall be final and binding.

9.12 Governing Law

This RFQ shall be governed by and construed in accordance with the laws of Eswatini.



Appendix A Information Sheet

Item	Description
RFQ Tender No.	RFQ Tender No. 002 of 2019
Application Fee amount (non-refundable)	Ten thousand Emalangeni (E 10 000)
ESERA banking details	Account Holder: Eswatini Energy Regulatory Authority Bank Name: Nedbank Eswatini Account No: 20000596311 Branch Code: 360164 Branch Name: Mbabane Swift Code: NESWSZMX
Address for submitting Applications	The Capacity Procurement Manager Eswatini Energy Regulatory Authority 1 st Floor RHUS Office Park Karl Grant Street Mbabane Eswatini
Deadline for submission of Applications	12:00 noon (Central African Time), 23 August 2019
Communication to ESERA relating to this RFQ including requests for clarifications should be e-mailed to:	The Capacity Procurement Manager Mr Mphumuzi Maziya Email address: mphumuzim@sera.org.sz



Appendix B Summary of indicative Grid capacity

This Appendix is intended to provide information to stakeholders of the potential capacity available on the EEC transmission network to facilitate connection of new generation projects. It is based on information that is currently available and is subject to change.

The information contained in this Appendix does not constitute advice. It is a guideline to assist stakeholders. The compilers hereof make no representations regarding the suitability of the information to be used for any other purpose. All information is provided “AS IS” without warranty of any kind and is subject to change without notice.

The entire risk arising out of the use of this information remains with the Applicants. In no event shall the compilers be liable for any direct, consequential, incidental, special, punitive, or any other damages whatsoever. Furthermore, the compilers make no representation or warranty as to the accuracy, reliability, validity, or completeness of the information in this Appendix. It has been prepared based on the best available information and represents the most up-to-date information that was available at the time it was released.

Applicants/Bidders will still be required to submit a grid connection application to the EEC for each Project and the response thereto will be the final conclusion of the new generation capacity that can be connected at a specific site.

Table B-1 shows the indicative maximum capacities for different voltage levels at transmission substations on the EEC Grid. In relation to each substation, where N/A (“Not Applicable”) is denoted at a particular voltage level, it means that that voltage level is not available at that substation.

In summary, and as shown in Table B-2, there are 41, 11 kV busbars within the EEC network that can absorb more than 5 MW of generation – which translates to 80% of the LV connection points. All the HV connection points (66 kV and 132 kV) can absorb 5 MW or more. For generation capacity of more than 15 MW only 15 of the 11 kV busbars are suitable; this translates to a percentage of 29%. However, if the connections are to be made at the HV busbars the number increases to 37 which is 70% of the total number of HV potential connection points.

Table B-1: Indicative maximum capacities for each voltage level at each EEC substation

Substation	Active Power (MW)		
	Voltage Level		
	11 kV	66 kV	132 kV
Balekane 66/11 kV	13.75	15.5	N/A
Big Bend 1 66/11 kV	14.5	16.75	N/A
Big Bend 2 66/11 kV	18		
Dvokolwako (Mbuluzi) 66/11 kV	4.5	15	N/A



Substation	Active Power (MW)		
	Voltage Level		
	11 kV	66 kV	132 kV
Edwaleni 132 kV busbar	N/A	N/A	455
Endzingeni 66/11 kV	4.35	18.75	N/A
Ezulwini 66/11 kV	8	46.5	N/A
Hlathikulu 66/11 kV	5.1	22.25	N/A
Helehele 1 132/66	N/A	112.5	195
Helehele 2 132/66			
Helehele 3 132/66			
KaLanga 132/66/11 kV	7	20.75	25.5
Kent Rock 1 66/11 kV	20	40	N/A
Kent Rock 2 66/11 kV	26.25		N/A
Lobamba 66/11 kV	39	40.5	N/A
Magwabayi 66/11 kV	16	49	N/A
Magwabayi 66/11 kV	16		N/A
Malkerns 66/11 kV	9.75	29.5	N/A
Maloma 66/11 kV	5	6	N/A
Mankayane 66/11 kV	4.925	10.75	N/A
Manzini 66/11 kV	17.25	45.5	N/A
Manzini North (Moses Hlope) 1 132/11 kV	17.5	N/A	130
Manzini North (Moses Hlope) 2 132/11 kV	21.5	N/A	
Matsapha 66/11 kV	18	45	N/A
Mayiwane (HHN) 66/11 kV	4.2	5.4	N/A
Lawuba 66/11 kV	7.4	9.8	N/A
Mhlambanyatsi 6.6/66 kV	N/A	21	N/A



Substation	Active Power (MW)		
	Voltage Level		
	11 kV	66 kV	132 kV
Mhlume (Section 17) 66/11 kV	5.25	6.1	N/A
Mnkinkomo 132/11 kV	31.25	N/A	160
Mnkinkomo 132/11 kV	35.25	N/A	
Mpaka 66/11 kV	3	13.25	N/A
Mpisi 66/11 kV	9.25	32.5	N/A
New Ngwenya 66/11 kV	9.25	68.5	N/A
Ngomane 66/11 kV	7	9	N/A
Nhlangano 1 66/11 kV	8.5	40	N/A
Nhlangano 2 132/66/11 kV	9.625	45.25	129.79
Nkhaba 66/11 kV	4.675	14.25	N/A
Nkoyoyo 66/11 kV	10.125	33	N/A
Nsoko 66/11 kV	8	12.25	N/A
Old Ngwenya 66/11 kV	5.35	45	N/A
Pigg's Peak 66/11 kV	16.5	17.5	N/A
Pine Valley 66/11 kV	7	17.5	N/A
River Bank 66/11 kV	8.65	11.25	N/A
Sidvokodvo 66/11 kV	5.55	29.5	N/A
Sihhoye 66/11 kV	8.3	8	N/A
Sikhuphe 66/11 kV	7.75	10.25	N/A
Simunye 66/11 kV	6.4	8	N/A
Siphocosini 66/11 kV	4.75	24.25	N/A
Siteki 66/11 kV	7.85	10.7	N/A



Substation	Active Power (MW)		
	Voltage Level		
	11 kV	66 kV	132 kV
Sithobela 66/11 kV	4.75	15.9	N/A
St Philips 66/11 kV	6.995	8.1	N/A
Stonehenge 66/11 kV	49	115	152.5
Swazi Paper Mill 66/11 kV	9	41.25	N/A
Tabankulu 66/11 kV	7	7.25	N/A
Thomson 66/11 kV	16.465	62.5	N/A
Usuthu 66/11 kV	2.75	19.5	N/A

Table B-2: Summary of range of maximum capacities

Plant capacity (MW)	Number of substations		Number of substations as a %	
	LV busbar	HV busbar	LV busbar	HV busbar
$P \leq 5$	10	0	20%	0%
$5 < P \leq 10$	23	8	45%	15%
$10 < P \leq 15$	3	8	6%	15%
$P > 15$	15	37	29%	70%

Figure B-1 below provides a spatial view of the capacities at 66 kV or 132 kV as provided in Table B-1. This map must be viewed in conjunction with Table B-1 in order to determine the actual capacity available at each voltage level in a specific substation. The spatial data in electronic format for this map can be downloaded from the ESERA website using the following link: <http://www.sera.org.sz/capacity-procurement-unit.php>.



Appendix C Protected areas, commercially farmed areas and land tenure information

Figure C-1 shows protected and commercially farmed areas in the Kingdom of Eswatini.

The spatial data in electronic format for this map can be downloaded from the ESERA website using the following link: <http://www.sera.org.sz/capacity-procurement-unit.php>

Figure C-1: Eswatini protected areas and commercially farmed areas



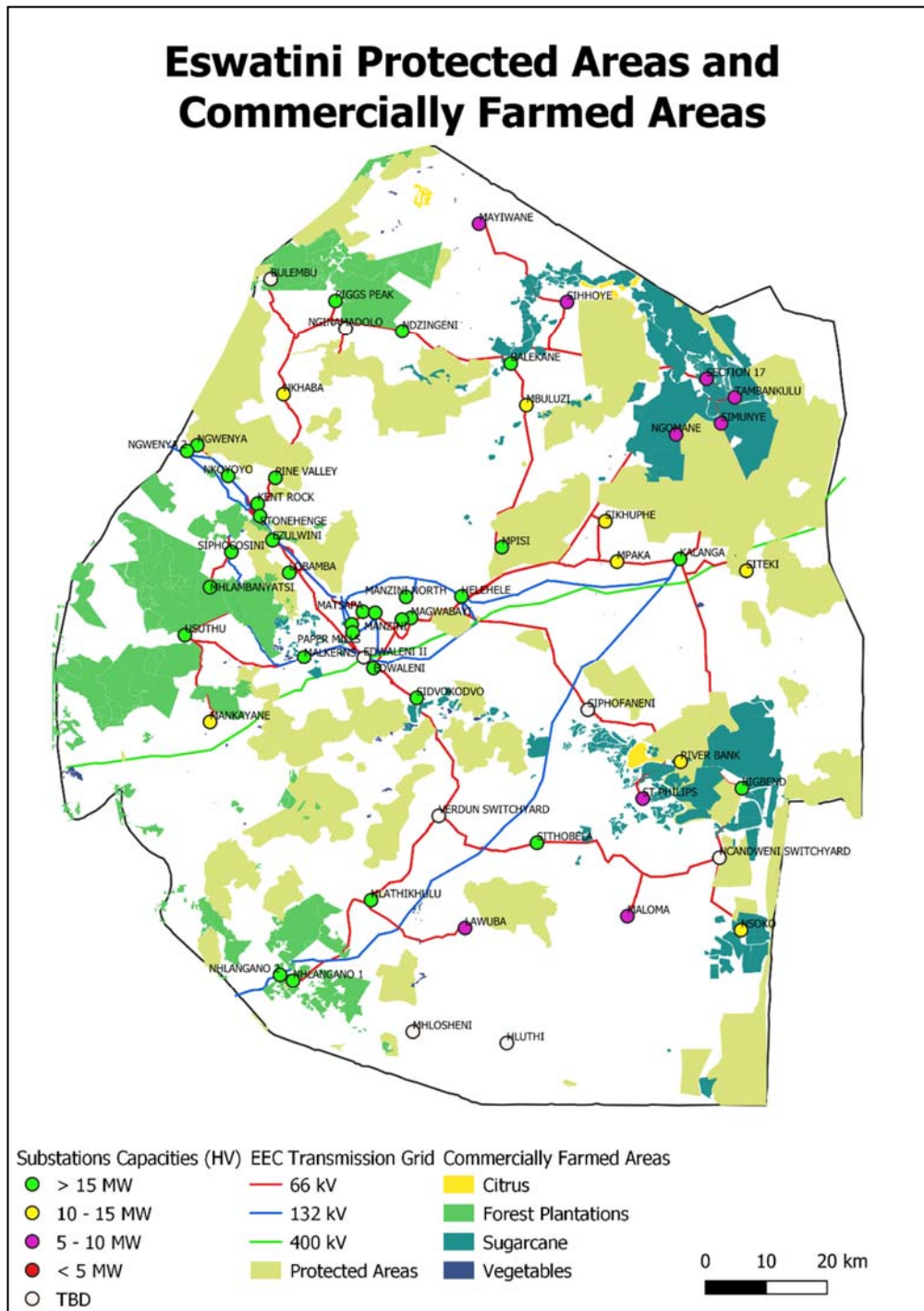
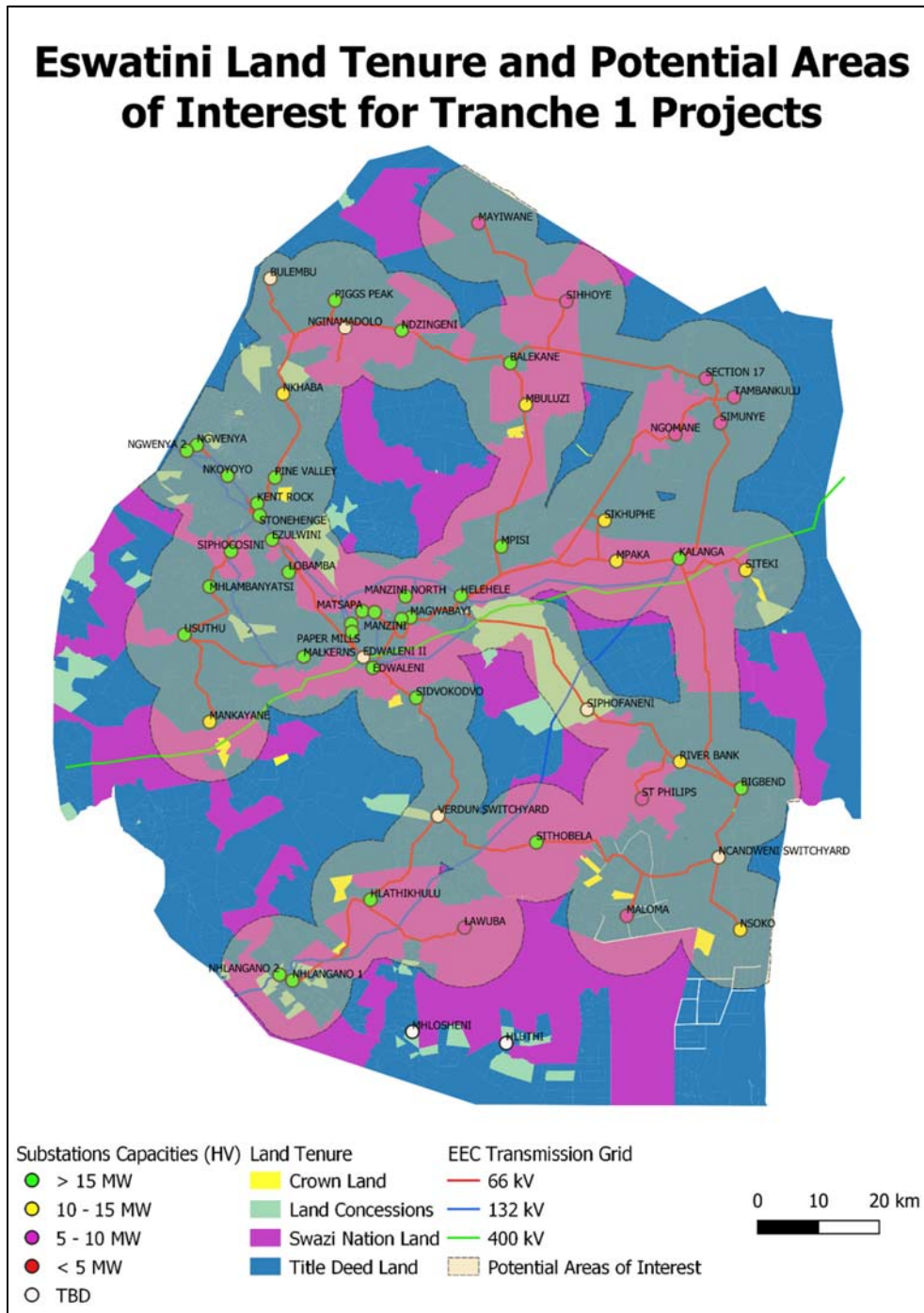


Figure C-2 shows the land tenure in Eswatini. A buffer zone of 10 km around substations that can be connected to has been drawn, together with a 5 km zone along each 66 kV line in order to indicate potential areas that the independent power producers may consider for the Projects. The spatial data in electronic format for this map can be downloaded from the ESERA website using the following link: <http://www.sera.org.sz/capacity-procurement-unit.php>



Figure C-2: Eswatini land tenure information and areas of potential interest



Appendix D Public sector retirement and pension funds

This Appendix D sets out the list of public sector retirement and pension funds that will be allowed to participate in the First Tranche Procurement Programme as described in Section 9.1(c). ESERA reserves the right to update this list from time to time.

- 1 Public Service Pension Fund
- 2 Eswatini National Provident Fund



Appendix E Application Forms

Applicants shall complete and submit their Applications using the Application Forms in this Appendix E in accordance with the requirements of this RFQ. These Application Forms represent a key aspect of the evaluation process and failure to complete and submit any of them may result in the Application being rejected and the Applicant disqualified from this RFQ process.



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 1: COVERING LETTER		

Notes to Applicants: Applicants shall provide a cover letter prepared in the letter head of the Lead Member to accompany their Applications.



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 2: DECLARATION LETTER		

Notes to Applicants: Applicants shall submit a Declaration Letter in the form set out below prepared on the letterhead of the Lead Member.

Capacity Procurement Manager
Eswatini Energy Regulatory Authority
Karl Grant Street, Mbabane, Eswatini
Email address: mphumuzim@sera.org.sz
Tel: +268 2404 2103/2404 8425

[Date]

Dear Sir

RE: REQUEST FOR QUALIFICATION FOR THE FIRST TRANCHE PROCUREMENT PROGRAMME

Capitalised terms utilised in this letter shall have the same meaning as ascribed thereto in the RFQ, unless the context indicates otherwise.

In making this Application, we, as the Lead Member on behalf of ourselves and our Applicant group of *[insert identity of Applicant Members]*:

1. agree to abide the terms of the RFQ and, insofar as obligations are imposed on the Applicant, agree to be bound thereto;
2. confirm that all documentation forming part of this Application is factually accurate and correct;
3. confirm that this Application shall remain valid for a period of at least one hundred and eighty (180) days after the Deadline for Submission of Applications;
4. declare that we accept the authority of the ESERA to organise, facilitate and evaluate the Applications for the First Tranche Procurement Programme;
5. declare that we are or, if we become qualified under the RFQ, then we shall become, fully acquainted with the laws of Eswatini in relation to the subject matter of the First Tranche Procurement Programme and, in making this Application, as well as any subsequent Bid should we be selected as a Qualified Applicant, we shall comply fully with the terms thereof;
6. commit to meeting the minimum levels of local participation in the Project as stipulated in Application Form 9;
7. acknowledge that we bear full responsibility for securing the site(s) identified for our Project(s) in accordance with the terms of the RFQ; and
8. hereby certify that this Application:



- (a) has been prepared without consultation, communication or agreement for restricting competition with any other Applicant, member of another Applicant, or any other competitor or potential competitor;
- (b) has not been disclosed by us, nor will it be disclosed by us to any other Applicant, member of another Applicant, or any competitor or potential competitor; and
- (c) no attempt has been made or will be made by us to induce any other person not to submit an Application for the purpose of restricting competition.

Yours faithfully

Name:
Designation:
Who warrants his authority hereto.



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 3: APPLICANT MEMBERSHIP		

Notes to Applicants:

- *ESERA acknowledges that at this RFQ stage, Applicants may not have identified all Applicant Members that will be included in their consortium at RFP stage. Hence at this RFQ stage, ESERA does not require Applicant Members seeking to qualify as a consortium or joint venture to have established any legal entity or to be formally bound to each other in any way.*
- *For the purposes of this RFQ, as a minimum the details of the following Applicant Members must be included in this Application Form:*
 - (1) The Lead Member; and*
 - (2) The Lead Developer (if different from Lead Member).*
- *Applicants may include in their Applications details of Applicant Members other than the Lead Member and Lead Developer if already identified at RFQ stage. Letters of association must be provided for such Applicant Members.*
- *It should be noted that Applicants who have identified other Applicant Members other than the Lead Member and Lead Developer will obtain evaluation points as described in Section 7.2.*
- *Any change in the Applicant Members subsequent to becoming a Qualified Applicant shall be subject to the provisions of Section 9.3.*

Item No	Item description	Details
1.	Name of Applicant Member	
2.	Nationality/laws pursuant to which member is organised	
3.	Principal office address and place of incorporation or establishment	
4.	Registered number of incorporation or equivalent	
5.	Telephone/Telex/Fax	
6.	Regional office address	
7.	Telephone/Telex/Fax	



8.	Name and position of contact person	
9.	Main activity/role in Project	
10.	Lead Member of Applicant	



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 4: APPLICANT'S RELEVANT EXPERIENCE		

Notes to Applicants:

- 1 *Applicants are to provide complete evidence of experience as a lead developer or co-developer on ground-mounted utility scale solar PV plants of capacity greater or equal to 5 MW that have achieved commercial operation in the past seven (7) years and which are currently in commercial operation. Strong preference will be given for experience on projects in Africa as specified in Section 7.2.*
- 2 *For each project, the Applicants shall provide the following information:*
 - (a) *plant name and location;*
 - (b) *installed MW capacity;*
 - (c) *brief description of the project and the technology;*
 - (d) *the manufacturers and/or suppliers of main equipment;*
 - (e) *equity shareholding percentage and percentage of debt provided to the project by the Applicant Member;*
 - (f) *the role of the Applicant Member in the project;*
 - (g) *a brief description of the grid infrastructure constructed for the listed projects;*
 - (h) *name, address email and telephone contact details of the project company and its managing director;*
 - (i) *evidence of achievement of commercial operations date; and*
 - (j) *audited accounts for the project company compliant with international accounting standards showing details of share ownership and names of principal officers at commercial operation date and for the most recent financial year.*



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 5: PROJECT INFORMATION		

Notes to Applicants:

- *Applicants are to provide information about their proposed Projects by completing the table provided below.*
- *It should be noted that Projects should be limited to solar PV technology as described in Section 5.1 of this RFQ.*
- *If more than one Project has been identified by the Applicant, then this Application Form shall be completed for each identified Project. As specified in Section 5.1, each Application shall include no more than four (4) Projects.*

Item No	Information	Details
1.	Brief description of proposed Project	
2.	Indicative capacity of Project (in MW). Provide information on how capacity was derived. This shall comply with the capacity range specified in Section 5.1 of this RFQ.	
3.	Proposed location of Project (provide GPS co-ordinates, maps, footprints, etc.).	
4.	Proposed grid connection arrangements (provide a single line diagram showing the connection to the EEC Grid)	
5.	Indicative construction timeframe for the Project	
6.	Any particularly unique, innovative, and/or beneficial aspects of the proposed Project	



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 6: PROJECT READINESS		

Notes to Applicants:

- Applicants are to provide information on the readiness of their proposed Projects identified in Application Form 5 by completing the table provided below.
- If more than one Project has been identified by the Applicant, then this Application Form shall be completed for each identified Project. As specified in Section 5.1, each Application shall have no more than four (4) Projects.

Item No	Criteria	Details
1.	Has there been any engagement with the rightful owners of the parcels of land (if identified) where the Project is proposed to be located? If yes, please provide details and documentary evidence (e.g. land agreements, records of negotiations, etc.)	
2.	Have there been any feasibility studies conducted for the Project? If yes, please provide details and documentary evidence (e.g. any reports, assessments etc.)	
3.	Have there been any Environment Impact Assessment (“EIA”) studies done on the proposed Project site? These may include categorisation application, environmental scoping studies etc. If yes, please provide details and any documentary evidence (e.g. categorisation letter, scoping report, environmental authorisation, etc.)	
4.	Details of any other development work conducted in relation to the Project, including documentary evidence for such development work.	



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 7: FINANCIAL STANDING OF APPLICANT		

Notes to Applicants:

- Each Applicant Member is to provide the following financial information, together with any other financial information if required to substantiate the financial standing of the Applicant Member.
- Where an Applicant Member is a subsidiary of another entity, the financial standing of the parent company will be considered provided that a relevant letter of support is provided.

1 Financial strength

Applicants are to provide the audited financial statements of the Applicant Member for the past three (3) years. If audited statements are not available for most recent financial year, provide latest interim financial results.

The shareholder funds as per the most recent audited financial results must be clearly indicated.

The shareholder funds are defined as total capital employed, including net working capital, less long-term liabilities. The exchange rate for the translation of all accounts not prepared in Emalangenzi (E) shall be the exchange rates published by the UK Financial Times, on the date of issue of this RFQ:

2 Creditworthiness

Applicants are to provide documentary evidence of credit worthiness (at least one (1) of these requirements demonstrating the creditworthiness to develop the Project will be required to be submitted):

- (a) confirmation letters from credible financial institutions acceptable to ESERA evidencing the ability of the equity provider(s) to raise sufficient funds to finance their equity contributions;
- (b) a calculation demonstrating the extent to which the member(s) cash flow from operations will be sufficient to fund its equity contributions; and
- (c) either (i) a letter of support from the relevant parent entity; or (ii) confirmation of available cash on hand, together with confirmation that appropriate cash collateral support will be available in connection with the Project and the potential amount relating to the Project will be considered.



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 8: TAX CLEARANCE CERTIFICATES		

Note to Applicants:

- *Each Applicant Member shall provide its tax clearance certificate from its jurisdiction of registration as part of this Application Form.*



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 9: LEVELS FOR LOCAL PARTICIPATION		

Notes to Applicants:

- Applicants are required to provide their proposed levels of local participation in all Projects by completing the table provided below.
- If the Applicant has identified more than one Project and the Applicant anticipates different levels for local participation for each Project, then the percentages to be provided in the table below should be the lowest proposed level on each category across the suite of Projects.

Item No	Category	Proposed percentage (%) level
1.	Percentage (%) level of equity in Project Company to be allocated to Eswatini equity investors	
2.	Percentage (%) level of debt in the Project to be set aside for Eswatini lending/financial institutions	
3.	Percentage (%) level of the EPC contract value to be allocated to Eswatini registered companies and/or citizens	
4.	Percentage (%) level of the O&M contract value to be allocated to Eswatini registered companies and/or citizens.	



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 10: PROOF OF PAYMENT		

Notes to Applicants:

- *Applicants are required to include the Proof of Payment of the Application Fee as part of this Application Form.*



APPLICANT IDENTITY:		DATE:
APPLICATION FORM 11: ADDITIONAL INFORMATION (OPTIONAL)		

Notes to Applicants:

- *Applicants are invited to submit this Application Form with any information, additional to that which it has provided in other Application Forms, which it considers relevant to be considered. It should be noted that the submission of this Application Form is optional.*

