

KENYA
MUTUNGURU SMALL HYDRO POWER PROJECT

Expression of Interest for Consultancy Services for Small Hydropower
Project Finance due diligence and Risk Management

1. Mutunguru Hydropower Project is a 7.8MW run-off-the-river community owned grid connected hydro project on the Mutonga River in Meru County. The project developer, Mutunguru Hydroelectric Company Limited (MHCL), has received a Grant from the Sustainable Energy Fund for Africa (SEFA) to support the Project's Technical Assistance to procure professional services in Finance Due Diligence and Risk Management Advisory consultancy.
2. The principal objective of this grant is to support Project Preparation Consultancy services to ensure the project achieves a bankable business case that is able to catalyze the commitment of financial partners for the development and sustainable implementation of a 7.8MW run-off-the-river Small Hydro Power Project in Kenya as a strategy to engender scalability and replicability.
3. This consultancy seeks to procure professional firms either as joint ventures or individually to offer **Project Finance Due Diligence and Risk Management** to the project:

This consultancy services will include: -

- i) Provide support for responding to technical and financial due diligence requirements from the Debt and Equity providers.
 - ii) Advise on suitable risk management in the project through use of strategic risk allocation methodologies and tools (e.g warranties, insurances, contracting).
 - iii) Support the Project developers/Sponsors to package the project for financial close, including preparing the investment memorandum and transaction advisory.
 - iv) Review technical and EPC contracts to ensure they meet the investors' and offtaker requirements.
 - v) Review the financing options and advise on the best financing mix for the project.
 - vi) Provide guidance on post-construction project implementation regulatory and tax compliance requirements and establish suitable systems for are achieved.
 - vii) Review the Financing contracts as well as relevant contracts required to achieve financial close.
 - viii) Support the Developers/Sponsors to assess various risks and develop mitigation strategies for the project and create necessary implementation plan.
4. This component will seek to achieve financial close for the project. The Key deliverable will be preparing project for financial close with all risks addressed, Technical requirements achieved with best practices being observed and legal and regulatory specifications met to ensure the project is bankable. The implementation period of this service is twelve (12) months.
 5. The MHCL now invites eligible consultants to indicate their interest in providing these services. Interested consultants must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Consultants may constitute joint-ventures to enhance their chances of qualification.

6. Eligibility criteria, establishment of the short-list and the selection procedure shall be in accordance with the African Development Bank's "Procurement Policy Framework for Bank Group Funded Operations October 2015", which is available on the Bank's website at <http://www.afdb.org>.
7. Interested consultants may obtain further information at the address below during office hours between 0830 – 1600 Hrs GMT + 3.

Expressions of interest must be delivered to the address below by **23rd March 2018**, 17:00 hrs East African Time. All EOIs should be marked "**Expression of interest for Finance Due Diligence and Risk Management Advisory**".

Attn: The Director Operations
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