

# Call for Proposals

## Low Carbon Energy Projects in Displacement Settings

The Moving Energy Initiative | January 2017



# The Moving Energy Initiative

The Moving Energy Initiative (MEI) is a collaboration between Energy 4 Impact, Chatham House, Practical Action Consulting, the Norwegian Refugee Council (NRC) and the Office of the United Nations High Commissioner for Refugees (UNHCR). The programme is funded by the UK Department for International Development (DFID).

**This material has been funded by UK Aid from the UK government, however the views expressed do not necessarily reflect the UK government's official policies.**

The initiative seeks to identify how innovation in policy and practice within the humanitarian sector can improve access to sustainable energy among displaced populations and camp operators. Funded by the UK's Department of International Development (DFID), the initiative will develop, research and test appropriate sustainable energy solutions, coupled with innovative delivery models, for heating, cooking, lighting, water & sanitation, communication or other purposes. The results from the research are expected to inform and influence the sustainable energy policies, priorities and operations of donors, host governments, national and international organisations in the humanitarian sector. The program is also expected to increase and improve private sector engagement in the provision of appropriate, market-tested and evaluated energy products and services.

Phase 1 of the project started in Feb 2015 and entailed detailed research at two levels: a global review of the energy situation for displaced populations, and surveys of the energy economy in three specific locations - Kenya, Burkina Faso and Jordan. As a result of this research several toolkits and reports were published to highlight the current situation and raise the profile of this issue in the sector.

Building on the research conducted in Phase 1, the second phase, starting in June 2016, will implement a series of initiatives aimed at addressing identified bottlenecks and demonstrating new approaches on the ground. These initiatives are split into 8 work streams that combine a mix of global and local interventions led by the consortium partners which include improving energy management systems, implementing low carbon projects, developing local energy markets and exploring sustainable financing facilities. Through this work the Moving Energy Initiative aims to build the evidence base and case for change for humanitarian systems to improve the provision and management of energy services to displaced people.

## **The need for investment in energy solutions in humanitarian settings**

There are now approximately 60 million forcibly displaced people on our planet. Few forcibly displaced people have access to modern forms of energy, yet this group is not represented in international initiatives to improve energy access. The costs of energy access and provision for displaced populations are unnecessarily high, whether measured in terms of finance, the environment, health or security.

Research conducted in Phase 1 of the Moving Energy Initiative found that a difficult financing environment means humanitarian agencies are often restricted to one year planning cycles in contrast with the multi-year business cases needed for energy programmes and investments. In addition, energy funding constraints mean that energy initiatives are de-prioritised or reliant on short term, ad hoc grant packages. No formal cluster of agencies is responsible for energy provision in emergencies, in contrast to other basic needs such as food, water, shelter and health. As a result, donors are not presented with energy as a strategic priority. This restricts funding opportunities, and impairs energy programme prioritization and coordination. A lack of follow-on funding is a key reason why pilot project may fail to be scaled up.

In addition to a lack of appropriate funding for energy interventions organisations operating in displacement contexts often lack the technical expertise and know how to develop quality and robust energy programmes and implement energy projects. The process of procurement and the ‘ownership’ of solutions is also problematic in conventional humanitarian settings – very often energy equipment such as diesel generators sets or even solar street lighting are simply procured without the requisite level of support to ensure efficient use of durability for the solution – this initiative wishes to change this dynamic.

And finally, it is acknowledged that the private sector which very often has the expertise to implement projects may not be fully sympathetic to or understand the context and dynamics in displacement settings, they may not have access to key decision makers and may view the market as too risky.

Hence an opportunity exists to increase investment in energy interventions in displacement settings by providing dedicated funding for this purpose. In addition, humanitarian agencies would benefit from technical assistance and support to design energy programmes and solutions as well as to engage further with the private sector in their effective delivery.

## **Low Carbon Projects RFP**

### **Fund Overview**

MEI proposes to support investment in a small number of capital projects that will reduce fossil fuel consumption and improve energy access in displacement settings in Kenya, Burkina Faso and Jordan. Target projects supported by MEI will;

- 1) Significantly reduce fossil fuels consumption in displacement settings or provide energy access to displaced populations, the surrounding communities or humanitarian operations;

## Call for Proposals

- 2) Demonstrate new approaches and models that challenge the business as usual approach to energy service and provision in displacement settings and have the potential to be scaled up or replicated at scale;
- 3) Offer a sustainable solution with local ownership, clear route for ongoing funding (business plan) and robust long term maintenance and/or training and market development plans to ensure the continued use of the solution;
- 4) Serve as a demonstrator to other actor in the sector to encourage them to also improve their energy provision and adopt new methods and approaches.

Our research and experiences from the field shows that collaborative partnerships between humanitarian agencies and the private sector is one of the fundamental precepts that facilitate effective delivery. The two must work together (potentially also alongside local and international development partners. With this in mind partnerships and collaborations are actively encouraged. We understand however that partnerships may be difficult to create and even more difficult to maintain and as such we will provide support to those proposals that are selected to be taken forward – this will take the form of dedicated one on one engagement and introductions between interested stakeholders and we will endeavour to facilitate the creation of an effective partnership.

Projects should clearly demonstrate value for money (based on impact relative to funding) their need for this funding to the extent that the project would not be feasible without the support (financial and otherwise provided by MEI). For the most part it is expected that the project will not be proving new energy technology, which is largely unnecessary, but proving its application in the humanitarian context, potentially scaling up something that has already proven successful and demonstrating the projects' sustainability (including financial) profiles.

It is expected that all funded projects deliver tangible onsite outcomes and that funding release may be associated with milestones tied to this. MEI is cognisant of the challenges involved in this for both experienced project developers as well as those for whom capital projects are not core business. Proposals that lack expertise in certain areas are welcomed and MEI will make available technical assistance and partnership advice for such proposals that are shortlisted.

### Grant Terms

This grant facility will fund between 1 and 3 projects at sites in Kenya, Burkina Faso and Jordan respectively. Individual projects can apply for funding amounts from £50,000 to £200,000. There are no fixed requirements regarding matched or alternative funding, however robust plans for long term financial sustainability are required. Preference will be given to proposals that may struggle to attract financing through traditional channels. The funding will be available for 12 months following the first disbursement and will be subject to a minimum 2 tranches tied to completion of agreed upon milestones.

## Investment Criteria

### Applicant Eligibility

Some expected applicant criteria are as listed below:

- **Organisation type:** This funding is open to humanitarian agencies, NGO's, CBOs and private sector companies whose proposed solutions meet the objectives and eligibility criteria under this fund. Where possible applicants should demonstrate an existing partnership with an organisation operating in the target location. However where this does

## Call for Proposals

not exist shortlisted applicants will be supported to form strategic partnerships with existing implementing partners to facilitate the smooth implementation of projects.

- **Organisation maturity:** Organisations must have been in operation for at least one year and demonstrate that they have a track record in delivering similar types of projects. Proposals are invited from organisations with less than the one year and these will be judged on their merit.
- **Focus geography:** This RFP is open to projects in the following target locations
  - Kenya – Kakuma & Kalobeyei refugee camp and the surrounding community
  - Burkina Faso – Goudoubo refugee camp and the surrounding community
  - Jordan – Irbid region

Organisations must be legally registered in their country of operation and have the necessary permits and licenses to implement their proposed solution.

- **Impact:** The applicant must be focused on delivering scalable and sustainable solutions in line with the objectives of MEI to demonstrate new approaches to energy provision and management and collect the evidence to support wider adoption.

Preference will be given to those applicants with plans for leveraging a broader value chain and it is expected that projects will demonstrate collaborative partnerships between humanitarian agencies and the private sector.

## Project Criteria

As stated, the Low Carbon Pilot fund has been established to support capital projects realising a reduction in fossil fuel consumption and increase / improvement in energy access within the target location, and as such applicant projects are expected to deliver a tangible outcome.

Some expected project criteria are as follows:

- **Project type:** The project should improve the energy provision in displacement settings and reduce carbon emissions and/ or improve and increase energy access.
- **Project approach:** The project should demonstrate a new approach that challenges the business as usual attitude to energy provision. For example business as usual in camps is detailed as the provision of diesel based generators and the absence of long term ‘ownership’ plans to ensure sustainable use or scale up of reliable access. With respect to out-of-camp settings there is little established practice in using energy investments and interventions to either benefit refugee welfare directly and/or to help the host country to adapt to and manage the pressures of additional energy use. Projects to be considered could include the application of a technology or business model new to the humanitarian context or installation of an energy asset that provides additional benefits to the community through opportunities for income generation, education or improvement of health services. Proposals which target water but that can also have a proven impact on energy use/carbon emissions are also welcomed.
- **Additionally of funding:** Funding should not be available for this type of project through existing organisational budgets or other readily accessible sources.
- **Technology:** The project should implement a low carbon technology. Whether a new innovation or application of existing technology, the project should be suitable for application in the target context.
- **Demonstration:** The project should have applicability beyond this particular instance, be it repeatability within the chosen location or in other displacement contexts. It should act as a demonstrator to other in the sector and the implementing organisations should be willing to share data and lessons learnt to a wider audience.
- **Impact:** The applicant must be focused on driving highly scalable impact in alignment with the objectives of MEI. The project and implementing organisation should have the capacity

## Call for Proposals

for recording outcomes of the project and be able to begin reporting on this within the 12 month grant duration.

- **Do No Harm** – the principle of ‘do no harm’ is one of the guiding principles for humanitarian action and is applied to all projects and programmes that can be considered as having direct impact on the welfare of people being assisted. Do No Harm means precisely that. Where activities are considered to have a detrimental impact they are expected to be revised and the impact reduced to acceptable levels. ‘Do No Harm’ will apply to this project.

Eligible projects could include;

1. An energy installation that can support productive use - this could be a mini grid to supply power to local businesses or a solar irrigation technology to support agricultural activity.
2. An energy installation that promotes education or community activities - this could include providing power to a local community centre or school that provides opportunities for increased education or social cohesion.
3. An energy installation that has potential to improve community health – this could include an energy installation at a health facility that can improve the delivery of services or reduce costs on diesel or an energy installation to deliver a new health service.
4. An energy project that demonstrates a new delivery model – this could include a humanitarian agency outsourcing management of energy assets.
5. An energy project that can provide skills training to refugees or members of the local community and involve them in the implementation and long term maintenance and operation.

## Application Process

The application process will consist of the following stages;

- Submission of an expression of interest outlining the solution proposed by the applicant and information regarding the applicant’s experience.
- Following this the evaluation committee will shortlist applicants to receive technical assistance and progress to stage 2 to submit a full proposal. All proposals will be given equal access to technical assistance from the MEI partners.
- Shortlisted applicants will be invited to submit full proposals and attend a project workshop where they will be invited to present their proposal to members of the MEI team.

Comprehensive instructions and guidelines are provided in the Application Documents which will be made available on the Moving Energy Initiative website (<https://mei.chathamhouse.org/resources/>).

## Evaluation Process

Stage 1 applications will be evaluated by the MEI program management team and UNHCR staff at the target locations. Applications will be evaluated in accordance with both the Eligibility Criteria and on merit against the measures outlined below.

Evaluation criteria for initial expressions of interest

<b>Category</b>	<b>Description</b>	<b>Weighting</b>
Organisational track record	Assesses the ability of the organisation to deliver the proposed solution and their commitment to maximising the projects impacts in both the short and long term.	30%
Proposed project	Assesses the applicants understanding of the energy context and challenges and the applicability of the solution they are proposing.	
Risk	Provide detail on perceived risks that could constrain the effective delivery of the solution – provide details of mitigation plans and risk rankings	20%
	Assesses the process, methods and timelines that the applicant proposes to implement their solution.	
Delivery process	Provide a robust, practical and implementable monitoring and evaluation plan to link in with MEI objectives.	20%
	Provide a statement that determines the principle of ‘do no harm’ is being applied.	
Innovation and alignment with MEI	Assesses how the proposed solution aligns with the objectives of MEI and how it will demonstrate a new and scalable approach to energy provision.	20%
Project cost	Assesses the soundness and alignment of initial budget estimates.	10%

The following criteria will be applied to shortlisted applicants who are invited to submit full proposals to the fund.

Evaluation criteria for full proposals

Category	Criteria	Description	Weighting
Contribution to improving energy access and reducing carbon emissions	a) Proposed solution b) Potential of idea to reduce CO2 emissions c) Potential of idea to increase energy access	Assesses how the proposed solution would contribute to increasing energy access and/or reducing carbon emissions in the target location. It will consider the potential scale of this reduction or access, (including both the number of beneficiaries and the level of access provided) target beneficiaries and suitability of the proposed solution.	20%
Demonstration of new approaches, additionally of funding and alignment with MEI objectives	a) Demonstration of new approach b) Demonstration of funding need c) Integration of gender best practice	Assesses how the proposal aligns with the objectives of the MEI program and how well the solution demonstrates a different approach. Assesses the applicant's commitment to various project impacts and integration of gender best practice. Verifies that the applicant has a clear need for this funding and cannot fund the project through 'traditional' budgets streams.	20%
Sustainability and potential for wider influence	a) Local ownership and buy in b) Potential for scale up / replication c) Opportunities to influence additional stakeholders	Assesses the sustainability of the proposed solution in terms of long term project ownership, usage and maintenance and on going viability and funding. Assesses the potential of the project to be further scaled or replicated and to influence additional stakeholders in the sector.	20%
Ability of the applicant to deliver the project	a) Organisation track record b) Organisation team c) Key partnerships d) Permission & authority	Assesses the capability of the applicant to deliver the proposed project including their track record in project delivery, the team on the ground and the key partnerships they are proposing with private sector partners and otherwise. Assess that the applicant has the necessary permission and authority to implement the project within the timelines.	20%

## Call for Proposals

Budget, timelines and feasibility of the project	a) Soundness of initial budget b) Proposed timelines c) Overall financial and technical feasibility and the value for money it can bring	Assess the soundness of final project budget estimates and timelines and if they are realistic and aligned with the MEI program. Assesses the overall financial and technical feasibility of delivering the project. Assessment of the value for money the project can bring particularly in relation to a reduction in the dependency (cost) of aid being delivered.	20%
Value for Money		Credit will be given to those projects which bring co-funding, particularly if this is private investment	

---

## **Contracting Requirements**

Agreements will be made between the Grantee and Energy 4 Impact who lead the Moving Energy Initiative Consortium. Funds will be disbursed in tranches based on the achievement of milestones outlined in the application and amended in the grants process. Recipients will be required to submit quarterly reports on activities and progress including quarterly financial/budget statements. Energy 4 Impact will provide a general reporting template required of all recipients and customize reporting for each recipient according to specific proposal goals and milestones developed between Energy 4 Impact and the applicant during the contracting process.

The Moving Energy Initiative is committed to ensuring that results achieved by grantees will inform the sector, as well as promote the adoption of cleaner, more efficient energy provision in displacement settings. Grantees supported under this RFP will be expected to actively engage with stakeholders in the sector regarding the project and input into the collection of data and dissemination and communication of findings.

# **Low Carbon Projects - Application Form**

## Call for Proposals

We would like you to submit a proposal with the following questions answered. Please note the limit on words.

Please also present your proposal and the details we require in **English**

Please submit your proposals to [lowcarbonprojects@energy4impact.org](mailto:lowcarbonprojects@energy4impact.org) no later than 25<sup>th</sup> February. We cannot review any proposals submitted after that date.

For any queries please send an email to [Joe.Attwood@energy4impact.org](mailto:Joe.Attwood@energy4impact.org)

## 1. Organisation details

**Please note that we will require to see evidence of your organisations financial and legal status if you are shortlisted.**

*Legal name of organisation*

*Organisation legal registration number*

*Country of incorporation and location of head office*

*Is your organisation profit or non-profit?*

*Which country will your proposal be implemented in?*

*Does your organisation have any operation in the country for which your proposal relates?*

*How big is your organisation (people)?*

*What is the annual income of your organisation or company?*

*Name the lead for contact information – first name/last name, office address, email and telephone number.*

*How long has your organisation been in operation?*

## Organisation Track Record

*Please provide a brief background to your organisation and main areas of work. Provide details of any similar projects you have delivered in the past and why you believe you are well positioned to deliver your proposal.*

*Not more than 350 words.*

## 2. Proposal details

Please provide details of your proposal in not more than 1000 words.

*The project must be about increasing access to sustainable energy (i.e, from a low carbon source) for people affected by displacement, reducing carbon emissions in displacement setting or increasing the amount of sustainable energy used by humanitarian responders in their operations.*

*Please include information on the following aspects;*

- *Your core proposition*
- *Your understanding of the problem you are proposing to solve,*
- *How data will be recovered to ensure compliance with the monitoring and evaluation framework,*
- *How you and your partner/s will work together,*
- *Identified project risks and how you will mitigate them.*

### Delivery plan

*Tell us how you plan to deliver the project, the steps needed to achieve success and who will be doing what. It is important for us to know about potential constraints or reliance on third parties for instance customs/imports, or local/regional governmental authorities*

*In particular we are keen to understand about your engagement plan for potential beneficiaries – i.e those who will receive the benefit of your work and how the project will foster long term and local ownership of energy assets.*

*Not more than 350 words*

### Expected impact

*What is the expected impact of your project? Consider indicators such as numbers of people reached, amount of fossil fuel saved, increases to quality of life, increased sustainability of camp operators – these are all examples of potential impact.*

### Partnering arrangements

*Not more than 100 words*

*Please tell us the names of any organisations or companies you plan to partner with, their role in the delivery of the project, legal position and financial credibility and the nature of any existing relationship with them.*

**Is your project sustainable in that it will be here and working in 10 year's time? – please provide details**

*Not more than 200 words*

## Call for Proposals

*What we mean by sustainable are the plans you have for ensuring that the project can be scaled and that it will continue to be used and maintained by or for the people that benefit from it.*

### Why do you think your proposal challenges the 'business as usual' model?

*Not more than 200 words*

*Business as usual includes issues such as the prevalent use of fossil fuel based energy sources, inadequate provision of access and issues relating to long term maintenance and ownership.*

### Please add a statement on how your project will ensure that 'do no harm' is applied

*Not more than 250 words*

*Please tell us of your plans to ensure that the vulnerable people in the communities in which you plan to operate will be protected and that negative perceptions of issues such as gender are not reinforced by your plans. If you are working with a humanitarian partner please indicate whether they have protection and gender policies.*

### **3. Financial details**

How much are you requesting from the MEI fund?

Are you providing any co-funding, please detail the source and the amount?

Please provide a financial plan

*Include a breakdown of capital (equipment costs) vs revenue (staff costs)*

*Overhead (and any expected profit)*

*Operation and maintenance costs*

*Logistics (transportation and set up) costs*

*Any additional costs relating to the project*

#### **4. Technical Assistance Needs**

*Please detail any areas where you may need support from the Moving Energy Initiative in delivering your proposal.*

*Technical assistance needs could take many forms, for example; assistance in providing solutions to access populations, assistance in data collection, assistance in the operating environment in country (the regulatory framework), assistance in understanding the needs of vulnerable populations and how to engage them, assistance in technical issues of delivery of electricity in the settings we propose.*