

# **CALL FOR PROPOSALS**

8TH PROGRAMME CYCLE







# EIGHTH REEEP PROGRAMME CYCLE: CALL FOR PROPOSALS

We are pleased to announce REEP's eighth project cycle to support approximately 30 projects to accelerate the deployment of renewable energy and/or energy efficiency technologies. This document provides an overview of the key features of the eighth programme cycle.

#### 1 BACKGROUND

REEEP is a voluntary multi-stakeholder partnership established at the Johannesburg World Summit on Sustainable Development in 2002 with the objective of working to expand the global market for renewable energy and energy efficiency, contributing to the implementation of agenda 21 and the Johannesburg Plan of Implementation (JPoI). REEEP now has 350 partners, including 45 governments, and achieves this objective through activities which include a programme of capacity building projects in developing countries.

Under its programme, REEEP extends financial support to high-quality renewable energy and energy efficiency projects that target business, financing, policy and regulatory issues in developing countries. The REEEP Programme has so far offered support to 129 projects in 56 countries, funded by the Governments of United Kingdom, Norway, Ireland, Australia, Italy and New Zealand. More information about the current projects supported by REEEP is available at <a href="http://www.reeep.org/2518/ongoing-projects.htm">http://www.reeep.org/2518/ongoing-projects.htm</a>

Detailed guidance about the process, formats as well as guidance on filling out an on-line application is available in the REEEP Programme Manual and the Programme Management Information System (PMIS), which can be accessed through <a href="mailto:pmis.reeep.org">pmis.reeep.org</a>.

#### 2 KEY FEATURES

Proposals contributing to the uptake of renewable energy and energy efficiency technologies will be considered from governments, regulators, businesses, financial institutions, NGOs and other REEEP partners. The key features of the eighth programme cycle are:

- All proposals will continue to be submitted online through REEP's Programme
   Management Information System (PMIS)
   - <a href="http://pmis.reeep.org">http://pmis.reeep.org</a>. The subsequent selection, implementation, reporting as well as the evaluation and impact assessments of the projects will be carried out within the PMIS.
- The level of REEEP financing will be increased to a maximum of up to €150,000 per project. Funded projects will be implemented over a 12-month period from July 2011¹.
- REEEP expects to fund approximately 30
   projects using funds of over €4.5 million
   contributed by the Governments of the
   United Kingdom and Norway.
- Priority will be given to the following types of proposals:
  - Proposals from governments, energy regulators and financial institutions active in the target countries that will directly or indirectly support renewable energy and energy efficiency.
  - REEEP plans to support a small number of projects that target smart grids, fossil fuel subsidy reform or low-carbon transportation in the priority countries.
  - Against the backdrop of the UN General Assembly declaration of 2012 as the 'International Year for Sustainable Energy for All', REEEP plans to support a number of proposals that propose innovative approaches to addressing the challenges of energy access.



<sup>&</sup>lt;sup>1</sup>Longer term projects of 24 months duration are also possible in exceptional cases.



- Priority will continue to be given to proposals from local organisations based in the specified priority countries or by external organisations with significant local participation.
- It should be noted that the following types of proposals are unlikely to be successful in attracting REEEP funding:
  - REEEP is unlikely to support projects that are not in priority countries; exceptions may be made if the proposal is from a government or a regulator or a development financial institution (DFI).
  - REEEP will continue with its policy not to support projects where the majority of the resources are requested for

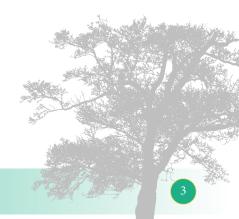
- workshops, seminars, study-tours or conferences and awareness creation/information dissemination. These events and efforts may form part of a project proposal only if they are an integral part of a larger process and only consume a limited share<sup>2</sup> of the project resources. REEEP does support a small number of events that are of a strategic nature as a part of its programme. Proposals for events and awareness programmes can be submitted by invitation only.
- REEEP will also continue with its policy
  not to support costs of hardware or
  infrastructure; however, co-financing
  from other donors or own resources can
  be used to support these costs.

#### **3 IMPORTANT DATES**

The timetable for the eighth programme cycle is given in the table below. The final list of selected projects will be announced in late June 2011 and implementation is expected to begin from July 2011.

**Table 1: Timetable** 

	Milestone	Date
1	Submission of concept proposals for two-stage selection process	15 <sup>th</sup> April 2011
2	Publication of short-lists for two-stage selection process	29 <sup>th</sup> April 2011
3	Submission of full proposals <sup>3</sup> , replication and scale-up proposals and government and DFI proposals	27 <sup>th</sup> May 2011
4	Publication of final results	30 <sup>th</sup> June 2011
5	Project implementation begins	1 <sup>st</sup> July 2011



<sup>&</sup>lt;sup>2</sup>Less than 20%.

From short-listed concepts.



#### 4 PRIORITIES

- All proposals should address the REEEP Programme priorities at Annex A (relating to policy, regulation, business and financing issues)
- Project proposals will be prioritised that have a geographical focus in one or more of the priority countries given at Annex B.

#### 5 PROJECTS TO BE SUPPORTED

## **5.1 Projects from Governments and Development Financial Institutions**

REEEP invites direct proposals from governments, energy regulators, and development financial institutions<sup>4</sup>, and development agencies<sup>5</sup> focusing on the REEEP priority countries<sup>6</sup>. It is envisaged that REEEP will support over **seven** projects from governments and development financial institutions<sup>7</sup>.

#### 5.2 Replication and scale up of previous projects

REEEP also invites proposals for support to replication and scale up of a significant number of successfully completed projects from previous programme cycles. Projects may be scaled up in the original countries of implementation<sup>8</sup> or replicated in other REEEP priority countries by the original implementing agencies. These proposals will be supported by the respective governments whose priorities match the project proposals and the country of implementation. It is envisaged that REEEP will support about five projects that seek to replicate or scale up previous successful projects. The funding stream is aimed at supporting the next stage of development of the projects supported through REEEP's sixth and seventh programme cycle. It is expected that replication and scale-up projects will:

- Seek to replicate the successes in REEEP priority countries or scale up the efforts in the current priority country(s) of focus;
- Provide better value for REEEP investment than the first stage of support in terms of deeper impacts or larger scale.

REEEP will also be piloting an effort to integrate Outcome Mapping (OM) to the Results Measurement Framework of its set of replication and scale-up projects during its eighth Programme

Cycle. The replication and scale-up projects will be expected to provide additional information during the contracting and reporting stages to facilitate the piloting.

#### **5.3 Commissioned project**

REEEP will be commissioning one project under its programme for development of a wind energy industrial development strategy for South Africa. The study will support the objectives of the South African government to develop a local wind energy industry. The project terms of reference are available at Annex C. Organisations that possess relevant expertise may apply for pre-qualification and short-listing.

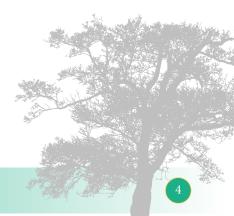
#### 5.4 Funding for emerging economies

REEEP will support **approximately 14** projects under its programme component for emerging economies and the countries where these projects can be implemented will be Brazil, China, India, Indonesia and South Africa.

#### 5.5 Funding for Sub-Saharan African projects

REEEP will support **approximately three**<sup>9</sup> projects under its programme component on sub-Saharan Africa.

This figure includes government and development financial institution projects and replication and scale-up projects in the specified sub-Saharan African Countries.



<sup>&</sup>lt;sup>4</sup> Multi-lateral, bi-lateral or national development banks promoting renewable energy and energy efficiency or financial networks and instruments under the UN framework, etc.

 $<sup>^{\</sup>mbox{\scriptsize 5}}$  UN, multi-lateral or bi-lateral government development agencies.

<sup>&</sup>lt;sup>6</sup> Proposals from governments of other countries may also be considered on issues that are highly innovative and have significant global relevance.

 $<sup>^{7}</sup>$  Subject to meeting the quality requirements.

 $<sup>^{\</sup>rm 8}$  Subject to availability of funding for the original countries.



#### **SELECTION PROCESS**

The concept proposals and the full proposals should be submitted through REEEP's PMIS <a href="http://pmis.reeep.org">http://pmis.reeep.org</a> in accordance with the type of the project and the geographic focus specified as follows:

- New regular projects in emerging economies and sub-Saharan Africa will be selected through a two-stage selection process where a concept proposal needs to be submitted and short-listed before full proposals can be submitted for consideration.
- Proposals for replication and scale-up will follow a single-stage process and can be submitted in full through the PMIS by 27<sup>th</sup> May 2011.
- Proposals from governments, regulators and development financial institutions can also be submitted in full by 27<sup>th</sup> May 2011, through the PMIS and will follow a singlestage selection process. The proposals need to be accompanied by a request letter<sup>10</sup> from the concerned government or development financial institution to be considered.

 For the commissioned projects a prequalification request should be submitted through the PMIS by 15<sup>th</sup> April 2011and proposals will then be invited from prequalified firms.

All the project proposal submissions should be made through the PMIS. All incomplete proposals will be automatically rejected. All application forms used for the previous programme cycles stand withdrawn and no proposals can be submitted using application forms<sup>11</sup>. The selection process and the additional details about the programme processes are available in the REEEP Programme manual – REEEP Project Line Version 5.3. An overview of the eighth programme cycle is given in table 2.

**Table 2: Overview of the Eighth Programme Cycle** 

Туре	Projects and size	Selection process
Replication and scale-up projects	Approx. 5 projects averaging €150,000 each	Single-stage selection process with full proposals being accepted
Projects with governments/ DFIs	Approx. 7 projects averaging €150,000 each	Single-stage selection process with full proposals along with request letters being accepted
Commissioned project on Wind Energy Industry in South Africa	1 project with a ceiling of €150,000	Pre-qualification and tender
Projects in rapidly emerging economies of Brazil, China, India, Indonesia and South Africa	Approx. 14 projects averaging €150,000	Two-stage selection process involving a concept submission and subsequent full proposal of short-listed concepts
Projects in sub-Saharan Africa	Approx. 3 projects averaging €150,000 each	Two-stage selection process involving a concept submission and subsequent full proposal of short-listed concepts

More information about the registration and application processes for the REEEP's eighth Programme Cycle and the complete set of documentation is available at <a href="http://pmis.reeep.org">http://pmis.reeep.org</a>

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 $<sup>^{</sup>m 10}$  A model available in the REEEP Programme manual – project line.

<sup>&</sup>lt;sup>11</sup> In exceptional cases, where internet access is a major constraint, special application forms can be used by project participants. These are available on request from the international secretariat.



#### **ANNEX A**

#### **REEEP PROGRAMME PRIORITIES 2010-11**

#### **BUSINESS**

Promotion of appropriate commercially successful business models, institutional mechanisms and development of new sustainable markets and supply chains for renewable energy (RE) and energy efficiency (EE); encouraging integrated municipality solutions.

Engaging and capacity building in the utility business sector, transmission system operators, distributors and final users through innovative business approaches and linkages to technologies such as smart grids and energy storage.

#### **FINANCE**

Engaging and capacity building within the finance and banking sector on RE and EE and carbon, including development of financial instruments and funds/finance facilities.

Support the development of appropriate risk management tools for RE and EE including insurance products, guarantee facilities and financial leasing.

#### **POLICY**

Work with national and regional governments to develop and improve RE and EE policy framework (i.e. legislation, policy instruments and support mechanisms).

Support the policies for the uptake of RE and EE infrastructure for electricity, transport, heating and cooling.

Facilitate technology transfer and collaboration (south-north, north-south and south-south).

#### **REGULATION**

Strengthen the regulatory framework to scale up RE and EE for electricity (on-grid and off-grid), transport, heating and cooling.

Support the development and effective implementation of standards for RE and EE, including technical performance and installation standards (i.e. building codes, fuel efficiency and grid codes).



### **ANNEX B**

### REEEP TARGET COUNTRIES

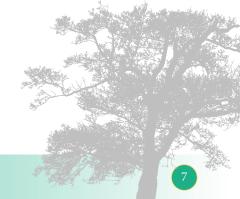
The priority countries for the eighth Programme Cycle that REEEP has identified in consultation with its donors are $^{12}$ :
Brazil;
China;

Indonesia; and

South Africa.

India;

In addition, a small number of projects in Sub-Saharan African countries will be supported.



<sup>&</sup>lt;sup>12</sup>In alphabetical order.



#### **ANNEX C**

#### PROJECTS BEING COMMISSIONED

REEEP is commissioning one project in South Africa during the eighth Programme Cycle. The Terms of Reference for the project are given below:

Wind Energy Industry Development Strategy for South Africa

#### **OBJECTIVE**

The objective of this study is to develop a Wind Energy Industry Strategy for South Africa which builds on the findings of a previous study in October 2010 undertaken by South Africa Wind Energy Programme (SAWEP) and funded by SAWEP and Government of Denmark entitled an 'Investigation into the Development of a Wind Energy Industrial Strategy for South Africa'.

#### MAIN ACTIVITIES AND OUTPUTS

- 1) Stakeholder engagement for project initiation and establishment of a project steering committee including but not limited to participation by key Government departments involved including but not limited to the Department of Economic Development, National Treasury, Department of Energy (DoE), Department of Trade and Industry (DTI), Department of Science and Technology (DST) and Department of Environmental Affaires (DEA);
- 2) Based on the global wind industry<sup>13</sup> status and the local and regional market opportunities, analyse and make specific recommendations as regards the optimal local wind turbine and components, and electrical works content mix, and options for wind development under REFIT Phase 1. The analysis and recommendations should consider technical capabilities, economics, Intellectual Property issues and investment requirements;
- 3) To develop a framework with an Action Plan that will address the need for quality control of local wind turbines and components including options for standardisation, testing and certification;

- 4) Based on an analysis of existing and emerging local and international wind energy technologies and competencies, consider the feasibility to develop a framework and Action Plan for locally innovative wind turbine and component industrial research and development (R&D) (e.g. permanent magnet, gearless, wind turbine generators, efficiency and structural R&D in view of logistical and developing countries challenges and needs); and
- 5) To develop a strategy to integrate and enhance the relevant policy, legal and regulatory frameworks and specific needs of the key Government departments including but not limited to the Department of Economic Development, National Treasury, DoE, DTI, DST and DEA.

#### **QUALIFICATIONS**

Organisations that would carry out the project for REEEP should have significant and up to date experience in national public strategy development and in the Southern African and global wind industries. Organisations should have a good understanding of relevant technologies, manufacturing processes for wind electricity generation equipment and ancillary equipment, costs and economics. The organisation should have been in existence for a minimum period of 5 years.

#### **TIMEFRAME**

It is expected that this project will be carried out during the period July 2011 to June 2012 with the report to be completed by March 2012.

REEEP thanks the project implementers from the 7th Programme Cycle who provided the photos used in this publication.

<sup>&</sup>lt;sup>13</sup>Both small and large-scale Wind Turbine Generators