**COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA**

**(COMESA) SECRETARIAT**



**TERMS OF REFERENCE (TORs) TO DEVELOP COMESA MODEL SOLAR STANDARDS, MODEL COMMON TARIFF FRAMEWORK FOR SOLAR AND PROVISION OF TECHNICAL ASSISTANCE (TA) SUPPORT TO MEMBER STATES**

1. **BACKGROUND**

The Common Market for Eastern and Southern Africa, COMESA is a regional economic body comprising 21 Member Countries[[1]](#footnote-1). With a population of over 540 million and global trade in goods worth more than US$ 235 billion, COMESA forms a major marketplace for both internal and external trading. COMESA recognizes the strategic importance of the energy sector in its regional integration agenda. Energy is an enabler that supports all the sectors of the economy, inter alia agriculture, industry, mining, health, education and trade. Over the last decade, the energy sector in the COMESA region has shown significant growth with the total installed power generation capacity in 2016 estimated at 65,791MW against the 2019 estimate of 91,969 MW.

Despite the commendable developments that have occurred in the recent past, the COMESA region still ranks as one of the regions with the lowest electricity access levels (with exception of a few countries with 99% access). The per capita consumption is still well below those of developed countries, implying the need for massive investments in the energy sector to drive the industrialization ambition of its Member States. Considering the amount of investments required, the public sector alone cannot meet the need due to other competing needs of the economy. It is therefore imperative the region should keep on encouraging private sector participation in the energy sector to plug the existing gap. Moreover, the low access to electricity will not be resolved through the traditional method of extending the grid alone but by also utilizing new technological developments such as the developments that have occurred in the solar energy subsector, hence the need to develop and adopt standards that ensure that good quality products are distributed on the market.

Within the region, the application of varying regimes for duty on solar products are said to be hindering the growth of the solar subsector. Therefore, development of a framework for tariffs, drawing from experience of countries with successful practices could greatly help Member States put in place tariff regimes conducive to the growth of the solar subsector.

To support the development of the energy sector in the region, and particularly the participation of the private sector investors in renewable energy off-grid, COMESA has partnered with the World Bank to implement a project called **Regional Infrastructure Finance Facility (RIFF)** whose objective is to promote access to long-term finance and improve the enabling environment for investment in infrastructure.

The project has a credit component to be implemented by the Trade and Development Bank (TDB) and a grant component to be implemented by COMESA. The grant component will support improvement of the enabling environment for private infrastructure finance with a focus on building a regional off-grid energy market. It will allow the COMESA Secretariat to support: (i) the harmonization of policies and regulations for cross-border infrastructure trade and investment; (ii) regional integration activities on the off-grid energy sector and (iii) market development activities in the off-grid energy sector in Fragile, Conflict and Violence (FCV) countries.

In order to help promote the development of solar energy and increased access to modern energy sources in the region, COMESA wishes to hire a consultancy firm to undertake the following assignments:

1. Identify existing International Solar Standards that can be recommended for adoption at COMESA level
2. Develop a Model Common Customs Tariff Framework for Solar products
3. Provide Technical Assistance (TA) support to Member States on national adoption of the solar standards (where necessary) and tariff framework.
4. **OBJECTIVES OF THE CONSULTANCY ASSIGNMENT**

**The objective of the assignment is** to develop Model Solar Standards, Model Common Customs Tariff Framework for Solar products, and provide Technical Support to Member States for national adoption of the model documents.

.

1. **SCOPE OF WORKS**

**3.1 Task 1 (Development of Solar Standards)**

Currently, most of the solar products in the region are imported with varying standards depending on the origin of the products or applicable domestic standards. The development of solar standards is aimed at strengthening the ability of the region to regulate import of solar equipment and related products according to applicable international quality and performance standards, and to provide guidelines for the installation of solar equipment to ensure adherence to established locally appropriate best practices. The consultant will therefore be expected to undertake the following tasks:

1. Review solar standards applied in Member Countries;
2. Review standards developed at AU, EAC, ECOWAS, SADC and International organisations such as IEC among others;
3. Propose a list of products to be covered by the standards;
4. Based on review of existing international standards, develop a Model regional system for standards and labels (S&L) for solar products (such as solar PV modules, inverters, wires, charge controllers, batteries, TVs, Fans, refrigeration, solar pumps and bulbs);
5. Propose appropriate minimum warranty on solar products;
6. Develop guidelines for installation of off-grid projects;
7. Develop standards for connecting off-grid installations to the grid;
8. Conduct consultative and validation workshops for discussion and adoption of the standards.
9. Produce a Model Solar Standards that shall govern solar deployment in the COMESA Member States.
10. Identify Member States requiring assistance to develop or revise their standards.
11. Assist Member States in adopting developed standards at national level.

**3.2 Task 2 (Development of Model Common Tariff Framework for Solar)**

The Open Capital Report of 2020 noted that stringent tariffs and duties regimes in the COMESA/TDB Member States are one of the barriers for promoting off grid solar. The report noted that the tariffs and duties for off-grid solar (OGS) products, ranging from 15%-35%, increase company costs and consumer prices, and tax policies are generally not uniformly enforced. In order to help Member States, adopt tariffs and duties which are more friendly to solar products, the Model Common Tariff Framework for Solar will be developed.

The scope of work for this assignment will be as follows:

1. Review existing solar tariff frameworks in Member Countries and in the region
2. Formulate a Model Common Tariff Framework for Solar using best international practices that have succeeded in promoting the development of solar.
3. Conduct consultative and validation workshops to discuss the draft framework.
4. Produce a Model Common Tariff Framework.
5. Identify Member States requiring assistance to develop or revise their solar tariff frameworks.
6. Assist Member States in domesticating the framework.

**3.3 Task 3 (TA Support for Domesticating Standards and Frameworks)**

Once the standards and frameworks under this assignment are developed and adopted by Member States, the next stage will be for the Member States to domesticate these standards and frameworks. The role of the consultant will therefore be to assist Member States understand the provisions of the guidelines through capacity building workshops and if need be assist Member States in drafting or reviewing their own Solar Standards and Tariff Framework. The TA support will be customised to the needs of each country and will cover all the relevant departments and ministries including those responsible for standards, policy, regulations and customs.

In this regard, the scope of work will be as follows:

1. Establish the individual TA needs of Member Countries.
2. Plan TA support for national adoption of the Solar Standards and Tariff Framework at Member State level
3. Provide TA support to a minimum of 5 countries.
4. **DELIVERABLES (REQUIRED OUTPUTS)**

The assignment has three main deliverables namely:

* 1. Model Solar Standards
	2. Model Common Tariff Framework for Solar and
	3. TA support on adoption of Model Solar Standards and Model Common Tariff Framework for Solar.

**4.1 Inception Report**

The Consultant shall prepare an Inception Report outlining the methodology and detailed work plan for fulfilling the Terms of Reference for the Study. This shall include a comprehensive list of key documents for review, list of stakeholders to consult and a proposed schedule for stakeholder consultations. The Inception Report shall be discussed and approved by COMESA. An electronic version of the Inception Report shall be submitted to COMESA four (4) weeks after commencement of the assignment. The Inception report shall include how the consultant will undertake this work, its proposed activities, and how to fulfil the scope of work.

**4.2 Consultation Workshop – Draft Preliminary Report**

The consultant will present a draft preliminary report at a consultation workshop attended by the COMESA Secretariat and delegates from Member States and other invited stakeholders to present preliminary findings. This workshop will allow Member States not visited by the consultant to provide their inputs. The consultant is also expected to organize validation workshops at which the developed final frameworks are expected to be presented to Member States for adoption.

**4.3 Draft Final Report**

The Draft Final Reports shall be submitted in eight (8) weeks after consultation workshop summarizing the main findings and recommendations. The Draft Final Reports shall fully address all tasks as set out in the Terms of Reference including an Executive Summary.

**4.4 Validation Workshop**

The consultant will present the draft final report to a validation workshop attended by the COMESA Secretariat and delegates from Member States and other invited stakeholders.

**4.5 Final Reports**

The Consultant shall submit the final reports two (2) weeks after the validation workshop. The Reports will be the Model Solar Standards, Model Common Tariff Framework for Solar and the Report on TA Support required by Member States. The reports will reflect the contents agreed upon with the Member States. The Report on TA Support will include an overview of the specific support required at policy and regulatory levels encompassing policy, regulatory standards, and customs bodies. An electronic version shall be submitted to the Manager of the Project Implementation Unit (PIU) with copy to Director Infrastructure in COMESA.

**4.6 Technical** **Assistance Report**

The consultant shall submit reports before and after each Technical Assistance assignment including but not limited to the following:

1. The consultant will submit a proposal of the time required for the TA support, capturing both the time for preparation and actual delivery. The time frame shall be agreed upon with the client;
2. The type of TA support – capacity building, review or development of documents, etc;
3. Any follow up actions or support required by the Member States after the TA support is delivered;
4. The details and number of staff benefitting from the TA Support.
5. **MANAGEMENT**

**5.1 Contracting**

The Contract for the Assignment shall be signed between COMESA Secretariat and the Consultant.

**5.2 Language**

All documents shall be in English language.

**5.3 Supervision**

The work of the Consultant shall be supervised by the Project Manager of the PIU and COMESA Director Infrastructure Development and Logistics Division through regular meetings and communication to monitor progress of the study and provide general and specific guidance.

**5.4 Reporting**

All reports shall be in English submitted in both electronic and printed format on A4 paper. The Final Report including all background documents will be submitted in electronic format to the COMESA Secretariat.

**5.5 Location and Data Collection**

It is envisaged that the Consultant will primarily work from his/her country. However, missions will be undertaken to agreed Member States and COMESA Secretariat for information and data collection. For countries which the consultant will not visit, data collection will be collected through desktop study, email and virtual meetings. The consultation workshop will also be used as a platform for collecting both substantive input into the contents of the reports as well as specific information required for the formulation of the reports. COMESA will share the contacts of the relevant ministries and help facilitate with setting up the meetings.

1. **TIMEFRAME**

The assignment is for 18 months. The Consultant will be expected to put in a combined effort not exceeding 500 -person (working) days broken down as follows:

1. 150 days for the Development of Solar Standards and,
2. 150 days for the Model Common Tariff Framework for Solar,
3. 200 days for TA support.

The following activities and outputs are expected.

|  |  |  |
| --- | --- | --- |
| **S/N** | **Activity** | **Time** |
|  | **Tasks 1 and 2** |  |
| 1 | Kick-off meeting | 0 |
| 2 | Presentation of draft Inception Reports in virtual meeting  | 0 + 4 weeks |
| 3 | Submission of revised Inception Reports incorporating stakeholders’ comments | 0 + 6 weeks |
| 4 | Present Draft Report at Regional Consultative Workshop  | 0 + 12 weeks |
| 5 | Submit Draft Final Report at Validation Workshop | 0 + 16 weeks |
| 6 | Submission of (i) Model Solar Standards (ii) Model Common Tariff Framework for Solar (iii) Report of Member States requiring TA support | 0 + 18 weeks |
|  | **Task 3** |  |
| 13 | Provision of TA Support | 0 + 20 weeksUndertaken over a 14 months period after finalisation of tasks 1 and 2 |

1. **PROFILE OF THE CONSULTANT**

The Consultant’s team is expected to be composed of a minimum of 3 experts with extensive demonstrable experience/knowledge of the energy sector. However, the Consultant shall determine the number and nature of experts they will require to achieve the objectives of the contract, in accordance with their proposed approach and methodology. The minimum experts will include the following:

**7.1 Solar Energy Standards Expert**

|  |  |
| --- | --- |
| **Education:** Bsc Degree in Engineering or Renewable Energy.Master’s degree in engineering , or energy related discipline. **Other skills:** Proven communication skills (oral and written). Knowledge of energy regulation and the electricity markets. | Minimum requirement: At least 10 years of practical work experience in the energy sector.Minimum five years specific experience in working with solar standards.Experience in developing Energy Auditing, Standards and LabellingExperience in undertaking consultancy assignments in related fieldExperience of working in the region will is desirable and will be added advantage.Knowledge of Regional Energy Organisation and their linkages experience on regional energy policies, regulations and market operations. |

**7.2 Legal, Institutional Frameworks, Regulations Expert**

|  |  |
| --- | --- |
| * **Education**: Bsc in Law or related discipline
* Master’s degree in Law or related discipline
* **Other skills:** Proven communication skills (oral and written)

Knowledge of energy regulation and the electricity markets. | * **Minimum requirement:** At least 10 years of experience in the energy sector (in areas including policy and regulation) in the energy sector. including the energy sector in the COMESA region.
* Specific experience in Off-grid renewable energy regulations.
* Knowledge of Regional Energy Organisation and their linkages experience on regional energy policies, regulations, and market operations.
* Experience in assisting developing countries in national energy sector policy and regulatory analysis and development (including access, supplies, off grid and capacity building on policy and regulatory framework)
 |

 **7.3 Customs and Tariffs Expert**

|  |  |
| --- | --- |
| * **Education**: BSc in Engineering/Energy/Economics/Business or related discipline
* Master’s in Business, Economics or Trade related discipline
* **Other skills:** Proven communication skills (oral and written), Knowledge of Trade, Customs and Tariff issues
 | * **Minimum requirement:** At least 10 years of experience dealing with Trade related issues preferably with some of that experience being in the COMESA region.
* At least 5 years in customs and tariff related work
* Experience in assisting developing countries in trade policy issues
* Experience with working at regional level
* Specific experience in Off-grid renewable energy will be added advantage.
 |

1. Burundi, Comoros, Djibouti, DRC, Egypt, Eritrea, Eswatini, Ethiopia, Libya, Madagascar, Malawi, Mauritius, Kenya, Rwanda, Sudan, Seychelles, Somalia, Tunisia, Uganda, Zambia, Zimbabwe [↑](#footnote-ref-1)