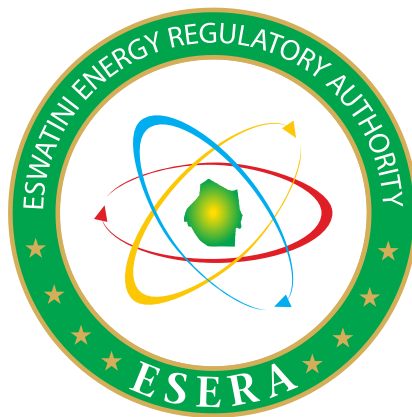


Tender No.: ESERA/RFP/06/2020-2021
Eswatini Energy Regulatory Authority

Request for Qualification

Procurement of New Generation Capacity in Eswatini
(Second Tranche Procurement Programme)

Briefing Note No. 03



Date of Issue: 26 October 2020

1 INTRODUCTION

This Briefing Note (“**Briefing Note No. 03**”) is issued pursuant to the Request for Qualification for the procurement of new generation capacity in Eswatini under the Second Tranche Procurement Programme launched by the Eswatini Energy Regulatory Authority (“**ESERA**”) on 07 August 2020 with Tender No.: ESERA/RFP/06/2020-2021 (the “**RFQ**”) and is subject to all the terms and conditions contained therein.

Terms defined in the RFQ and used in this Briefing Note with capitalized initial letters, bear the meanings given to them in the RFP, unless otherwise defined herein.

Item No.	Request for Clarification	ESERA Response
1	<p>Please confirm if the following will be acceptable:</p> <ul style="list-style-type: none"> (a) A plant that is based on combined heat and power generation. (b) At least four (4) weeks of down-time a year for maintenance purposes. <p>Please confirm if the above will be acceptable to ESERA.</p>	<ul style="list-style-type: none"> (a) Please refer to the response provided in Briefing Note 01, Item 03. (b) An annual cumulative down time of 4 weeks per year for plant maintenance is acceptable. The commercial arrangement relating to plant outages for maintenance purposes and unplanned outages will be detailed in the PPA which is to be provided during the RFP process.
2	<p>We note that the definition for 'Public Body' includes entities such as the pension funds. Can you please clarify the intention of Section 9.1 (Non-eligible persons) where Public Bodies are prohibited from participating in the Second Tranche Procurement Programme with the exception of the pension funds.</p> <p>Furthermore, please confirm if funding from Eswatini based Development Finance Institution (DFIs) will be considered in fulfilling the local content requirements with respect to debt / equity.</p>	<p>A key objective of Government policy on development of new generation capacity is to encourage private sector debt and equity investment in the power sector in Eswatini rather than relying on public sector funding for such development. The Second Tranche procurement is focused on encouraging private sector independent power producers (IPPs) to participate in a competitive tendering process for the development of biomass projects in the country. Hence ESERA has not permitted the participation of Public Bodies in the Second Tranche procurement process.</p> <p>However, ESERA recognises the mandate of certain public funds in Eswatini to invest their funds in the country and as a result, ESERA agreed to allow interested public pension funds to participate provided that they offer substantively the same terms to all Applicants or Bidders who meet their qualifying criteria investment.</p> <p>For purposes of the Second Tranche Procurement Programme, ESERA will also permit the participation of Eswatini based Development Finance Institution (DFIs) provided that such DFI's offer substantively the same terms to all Applicants or Bidders who meet their qualifying criteria investment.</p>

Item No.	Request for Clarification	ESERA Response
3	If an Applicant Member cannot obtain a tax clearance certificate from the relevant tax authority, please confirm what other documentary evidence can be provided to demonstrate that the Applicant Member's tax status is in good standing.	<p>In the event that an Applicant Member is unable to provide a tax clearance certificate, such Applicant must provide a letter from an independent Chartered Accountant confirming: -</p> <ul style="list-style-type: none"> - that a tax clearance certificate cannot be provided from the tax authority; and - that the Applicant Member's tax affairs are in order.
4	We note from the RFQ that Applications are required to be submitted electronically. Will ESERA also accept hard copies of the Applications.	At this stage, ESERA will only accept electronic submission of Applications as set out in the RFQ.
5	Please confirm if our consortium can be shortlisted on the basis of the experience demonstrated by our proposed EPC contractor rather than the Lead Developer.	<p>Experience where an Applicant acted as EPC contractor will not be considered as lead developer or co-developer experience. However, where an EPC contractor has previously acted as a lead developer or co-developer, and will be acting as a developer or co-developer within the Applicant's Consortium, then such previous experience will be considered by ESERA.</p> <p>Applicants should note that, as set out in Briefing Note 02, it is no longer a Minimum Requirement for Applicants to provide experience where they have acted as lead developer or co-developer. Instead evaluation points will be granted under the Stage 2 evaluation process for Applicants who demonstrate experience as lead developer or co-developer.</p>
6	Are novel technologies such as pyrolysis and gasification acceptable for the Second Tranche Procurement Programme.	Applicants / Bidders are required to utilise only Proven Technologies in the Projects. As per the RFQ " <i>Proven Technology means a technology that has a documented track record of being used in a commercial power project (excluding proof-of-concept or prototype-piloting projects) that has achieved commercial operations in the past ten (10) years and has been successfully in operation for at least two (2) years and is still in operation</i> ".

Item No.	Request for Clarification	ESERA Response
7	Is there any local or international climate change related funding available for the Second Tranche Procurement Programme.	ESERA has not secured any climate change related funding for the Second Tranche Procurement Programme. However, Applicants / Bidders are free to explore synergies with climate change funding partners who focus on private sector investments.
8	Would ESERA consider extending the timelines for the RFQ process in order to allow the Applicants sufficient time to prepare their responses.	ESERA wishes to amend the timelines for the Second Tranche Procurement Programme in accordance with Section 4.2 of the RFQ. The updated timetable is included in Annexure A of this Briefing Note 03.

Annexure A: Revised Timetable for the Second Tranche Procurement Programme

Table 4.1 of the RFQ shall be replaced with the following table.

Table 1: Updated Timetable for the Second Tranche Procurement Programme

Item No.	Milestone	Date
Stage I - Request for Qualification (RFQ) process		
1	Launch of request for qualification (RFQ) process	07 Aug 20
2	Last date for request for clarifications	05 Feb 21
3	Deadline for submission of RFQ responses	26 Feb 21
4	Announcement of Shortlisted Bidders	09 Apr 21
Stage II - Request for Proposals (RFP) process		
5	Launch of request for proposals (RFP) process	10 May 21
6	Bidders' Conference	21 Jun 21
7	Last date for request for clarifications	08 Oct 21
8	Deadline for submission of RFP responses	05 Nov 21
9	Announcement of Successful Bidders	15 Dec 21
10	Last Signature Date	15 Jun 22
11	Commercial operation date	15 Jun 24