



TERMS OF REFERENCE

Scaling-up Renewable Energy Program (SREP)

Joint Mission

June 23-26, 2015

Rwanda



SUMMARY

1. *Mission objectives.* The main objective of the Joint Mission (“the Mission”) is to support the Government of Rwanda in designing the SREP Investment Plan (IP). In consultation with stakeholders, the Mission will: (i) review and validate the suggested investment priorities; (ii) collect all the necessary elements to ensure the finalization of the Investment Plan; and (iii) develop investment concept briefs of the projects that will enable the implementation of the Investment Plan under Phase 2.
2. *Dates of the Mission.* The proposed dates for the Joint Mission are June 23-26, 2015.
3. *MDB Mission Team.* Representatives from Multilateral Development Banks (MDBs), including the World Bank (WB), the International Finance Corporation (IFC), and the African Development Bank (AfDB) will participate in the proposed Mission.
4. *SREP Focal Point from Government.* The SREP Focal Point in Rwanda is Mr. Marcel Gakuba, Head of Studies, Research, and Development in the Energy Development Corporation Ltd, Rwanda Energy Group.
5. SREP Focal Point from MDBs:
 - WB: Gevorg Sargsyan (gsargsyan@worldbank.org)
 - IFC: Joyita M. Mukherjee (jmukherjee1@ifc.org)
 - AfDB: Joao Cunha (j.cunha@afdb.org)
6. *Activities to be undertaken during the Mission.* The Mission team will: (i) conduct stakeholder consultations through workshops and meetings to discuss the strategic role of the investment priorities proposed by the Government, and to identify potential co-financiers; (ii) assist the Government in finalizing and validating the identified investment priorities; (iii) support the design of the various program/projects’ concept notes that will lead to the implementation of the SREP IP under Phase 2; and (v) initiate to the extent possible the work related to the IP environmental and social issues, as well as the development of the Monitoring and Evaluation (M&E) framework for the program.
7. *Expected Results and Outcomes.* The main deliverables for the Mission include: (i) the investment priorities discussed and agreed upon with national stakeholders; (ii) based on the discussion with government authorities and stakeholders including NGOs and private sector, investment concept briefs for the implementation of the IP prepared; (iii) the draft IP substantially completed and agreement on how to fill any gaps to finalize the same; and (iv) an *aide memoire* describing key findings and recommendations of the Mission as well as agreed next steps for SREP Rwanda.

CONTEXT OF THE MISSION

8. The Climate Investment Funds (CIF) was established in 2008 with the goal of promoting international cooperation on climate change issues, and supporting the mitigation and adaptation efforts of low income countries. SREP was developed under the CIF umbrella that was approved in 2009 to demonstrate the social, economic, and environmental viability of low carbon development pathways in the energy sector. It seeks to create new economic opportunities and increase energy access through the production and use of renewable energy.

9. In June 2014, the SREP Sub-Committee approved the selection of 14 new SREP pilot countries, including Rwanda, expanding to 27 the number of countries participating in the SREP program. In September 2014, the Government of Rwanda was invited to take a leadership role in working with the Multilateral Development Banks (MDBs) to develop a full SREP Investment Plan (IP). In January 2015, the SREP sub-committee agreed on an indicative allocation of up to \$50 million for Rwanda, of which a maximum of 45 percent can be provided as grant resources considering Rwanda's low risk of debt distress. The IP preparation grant of US\$ 260,000 was approved in January 2015.

10. SREP will support investments to scale-up renewable energy generation in Rwanda, and facilitate the development of the country's sustainable energy agenda. Rwanda engagement in SREP activities is expected to result in:

- Development of a clean energy IP for the first five years that would help Rwanda to scale up RE and move towards low carbon development;
- Improved investment climate for private sector participation in the renewable energy sector;
- Enhanced legal and regulatory frameworks in the renewable energy sector.

11. During Phase 1 of the implementation of the SREP, the African Development Bank (AfDB) and the World Bank Group (WBG), including the International Finance Corporation (IFC), have been supporting the Government of Rwanda and other relevant stakeholders - United Nations Organizations, bilateral partners, private sector companies, non-governmental organizations and civil society organizations - in developing the SREP IP. It was agreed that the World Bank would be the "lead MDB" and therefore coordinate the joint effort of the MDBs in the country. The finalization and endorsement of the IP by the SREP Sub-Committee will mark the beginning of implementation (Phase 2).

PREPARATORY ACTIVITIES

12. Since Rwanda was selected as a pilot country for the SREP, the Government has undertaken a number of preparatory activities with support from MDBs, including: (i) the completion of a Scoping Mission containing consultations with various national stakeholders; (ii) the request of \$260,000 grant resources to support IP preparatory activities; and (iii) the appointment of an individual consultant to support the Rwanda Energy Group (REG) and technical team hosted in the Ministry of Infrastructure (MININFRA) with the preparation of the SREP IP.

- Completion of Scoping Mission.* Representatives from the MDBs (AfDB, WB, IFC) visited Rwanda to support the government with the preparation of the IP. The Scoping Mission was completed under the leadership of the SREP focal point for Rwanda during the period December 8-11, 2014. The objectives of the Mission were to (i) introduce key features of the SREP program to relevant government ministries, development partners, and key stakeholders who are expected to contribute to the development of the IP; (ii) hold preliminary consultations with key stakeholders; (iii) assess the need for technical assistance and resources to develop the IP based on the country readiness and available relevant studies and documents; and (iv) agree on next steps and develop a detailed timeline for the preparation of the IP. During the Scoping Mission, the Mission team introduced the objectives, scope and type of investments supported under the SREP program to various stakeholders. Preliminary consultations were held with government agencies, including the Ministry of Infrastructure (MININFRA), the Rwanda Energy Group (REG) and the Energy Development Corporation Limited (EDCL). The Mission team also held consultations with development partners, private sector, and bilateral agencies engaged in the energy sector.¹ Besides potential areas of engagement for SREP, the Government and MDBs agreed on key considerations and road map leading to the submission of the Rwanda IP for SREP sub-committee approval in November 2015: (i) Propose investments for SREP funding under the IP which are aligned with the priorities identified in the Country's Vision 2020, the Economic Development Strategy and Poverty Reduction Strategy (EDPSR) for the period 2013/18, and the SE4ALL Action Plan for Rwanda; (ii) Design the IP to enhance private sector engagement and investments, especially in the off-grid energy sector. The Government agreed to develop a concept note for the establishment of the Renewable Energy Development Fund; and (iii) initiate selection of the Consultant to assist the Government with development of the IP. The Government agreed to request the IP preparation grant and invited the World Bank to execute the grant on its behalf.
- Approval of IP preparation grant.* The SREP MDB Committee approved the request for \$260,000 grant resources to support of IP preparatory activities in January 2015. The preparation grant will be utilized to hire individual consultant(s) to assist the Government of Rwanda with the preparation of the IP. The preparation grant will be executed by the World Bank on behalf of the Government of Rwanda.
- Appointment of individual consultant (s).* The consultant began the assignment in February, holding in-country meetings during the periods February 9-20, 2015 and March 23-April 2, 2015. During these visits, the consultant together with the SREP focal point met with key actors in the energy sector from various government departments, NGOs and civil society representatives, international and local private sector companies, finance organizations and development partners. In May 2015, the consultant delivered an inception report which, inter-alia, identifies opportunities for renewable energy investments and summarizes the policy, legal, and regulatory environment for renewable energy development in Rwanda.

¹ A detailed list of stakeholders is provided in the aide memoire of the mission available on the SREP website: <http://www-cif.climateinvestmentfunds.org/country/rwanda>

JOINT MISSION ACTIVITIES

13. *Objectives of the Joint Mission.* The objective of the Joint Mission (“the Mission”) is to support the Government of Rwanda in designing the SREP Investment Plan (IP). In consultation with stakeholders, the Mission will: (i) review and validate the suggested investment priorities; (ii) collect all the necessary elements to ensure the finalization of an advanced draft of the of the Investment Plan; (iv) work on M&E, environmental and social safeguards, and knowledge management aspects, and (iv) develop investment concept briefs of the projects that will enable the implementation of the Investment Plan under Phase 2. The focus will be to facilitate the development of renewable energy projects that would not materialize without SREP involvement, thereby promoting investment in innovative renewable energy technologies and the participation of the private sector.

14. *Scope of the Joint Mission.* The Mission will collectively validate the strategic investment priorities for the scaling-up of renewable energy in Rwanda. As part of the Mission, and during the various consultations, the Government will present the proposed investment priorities and captures views and opinions from stakeholders. Consultation workshops as well as a series of meetings will be organized as part of the Mission to identify and validate concrete opportunities for investment that could lead to large-scale development of renewables. Consultations with stakeholders, already initiated during the Scoping Mission, should help strengthen national ownership, mobilize co-financing for SREP investments, harmonize support to public policies and promote complementarity with ongoing or planned activities. A tentative list of stakeholders the Mission endeavors to consult is included in Annex 1.

15. During and after the completion of the Mission, the MDBs will support the Governemnt in drafting an advanced draft of the IP. The MDBs will also support the Government in designing program/projects’ concept notes which will lead to the implementation of the IP under Phase 2. The concept notes should address the SREP investment criteria as stipulated in the *SREP Programming Modalities and Operational Guidelines*.²

16. *Expected Results and Outcomes.* The main deliverables for the Mission are: (i) the investment priorities discussed and agreed upon with national stakeholders; (ii) based on the discussion with government authorities and stakeholders including NGOs and private sector, investment concept briefs for the implementation of the IP prepared; (iii) the draft IP substantially completed and agreement on how to fill any gaps to finalize the same; and (iv) an *aide memoire* describing key findings and recommendations of the Mission as well as agreed next steps for SREP Rwanda.

MISSION TEAM COMPOSITION and AGENDA

17. The Mission Team will consist of experts from the WB/IFC and AfDB, supported by consultant(s) supporting the Phase 1 activities. Participation in the Mission will be limited to a small number of

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http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/SREP_Programming_Modalities_and_Operational_Guidelines_final.pdf

individuals, whereas others experts will contribute to the Mission from their respective headquarters. The areas of expertise include: (i) Energy / Renewable Energy Specialist, (ii) Energy Economist, (iii) CIF/SREP Coordinator, (iv) Private Sector Specialists, (v) Climate Finance Specialist, (vi) Policy Specialist; (vii) Country Economist, (viii) Power Engineer, (ix) Social Development / Gender Specialist, (x) Monitoring and Evaluation Specialist, and (x) Financial Specialist.

18. Below is the **tentative** agenda for the Joint Mission.

<i>Time</i>	<i>Meeting</i>	<i>Participants</i>	<i>Venue</i>
<i>Tuesday, June 23, 2015</i>			
AM	Internal MDB meeting	WB/IFC/AfDB	WB office
PM	Kick-off meeting with SREP Focal Point and technical team about priority areas of engagement, finalization of mission schedule and logistics for the consultations. Meeting with MININFRA	SREP focal point and technical team, MDBs	TBC
<i>Wednesday, June 24, 2015</i>			
AM	Consultation with private sector stakeholders (small-hydro, solar, biogas, cookstoves, etc.).	SREP focal point and technical team, MDBs, private sector stakeholders	TBC
PM	Consultation with CSOs/NGOs	SREP focal point and technical team, MDBs, CSO/NGOs	TBC
<i>Thursday, June 25, 2015</i>			
AM	Consultation with Energy Sector Group, including Government and relevant stakeholders from private sector and development partners.	SREP focal point and technical team, MDBs, Energy Sector Group	TBC
PM	Discussion about outcome of consultations. Validate priority areas of engagement.	SREP focal point and technical team, MDBs	TBC
<i>Friday, June 26, 2015</i>			
AM	Meeting with Minister of State for Energy, Water and Sanitation.	SREP focal point, MDBs	TBC
PM	Wrap-up discussions and follow-up actions.	SREP technical team, MDBs	TBC

ANNEX 1: LIST OF STAKEHOLDERS

Government		
Hon. Kamayirese Germaine	MININFRA	Minister of State in Charge of Energy, Water and Sanitation
Emmanuel Kamanzi	MININFRA	Principal Engineer
Paul Rugambwa	MININFRA	Coordinator, ESWG
David Biseruka	MININFRA	Energy Policy
William Blyth	MININFRA	Consultant, SE4ALL Action Agenda
Peace Kaliisa	MININFRA	External Links and Donor Coordinator, ESWG
Edward Kasumba	EDCL	EARP Coordinator
Marcel Gakuba	EDCL	SREP Focal Person
Alain Harelimana	MININFRA	Capacity Building Expert/ Advisor
Carlo Polacco	MININFRA	Advisor
Samuel Fell	MININFRA	Energy Policy
Timothy Kayumba	EDCL	Head Biomass Unit
James Twesigye	EDCL	Solar Energy Unit
Turambe Twizere	EDCL	Micro hydro
Louis Badeyi	EDCL	Solar Energy Unit
Erwin de Wandel	Embassy of Belgium	Development Cooperation Counsellor and Co-Chair ESWG
Marc Buchmann	EU Delegation RW	Head of Infrastructure
Massimiliano Pedretti	EU Delegation RW	Programme Officer
Dr. Mirco Gaul	GIZ,,Rwanda	Consultant, EnDev
Dr. Miriam Schroeder	GIZ, Rwanda	Country Project Manager Rwanda,EnDev
Nozaka .Naohiro	JICA	Head, JICA Rwanda Office
John Rugwe	Ngali Energy	Technical Advisor
Muvunyi Kiba	Societe des Grands Lacs Ltd	Director General
Mugisha Julius	Serve and Smile / Ignite	General Operations Manager
Nzeyimana Isdore	Tekutangije	Director General
Niyigena Aimable	AEPE	Technical Manager
Multilateral Development Banks (MDBs)		
Paul Baringanire	Senior Energy Specialist, World Bank	pbaringanire@worldbank.org
Federico Qüerio	Energy Specialist, World Bank	fquerio@worldbank.org
Richard Ndwiga	Power Engineer, AfDB	h.ndwiga-richard@afdb.org
Leandro Azevedo	Climate Finance Officer, AfDB	l.azevedo@afdb.org
Antony Karembu	Policy & PPP Expert, AfDB	a.karembu@afdb.org

Brunno Maradei	Blended Finance Investment Officer	BMaradei@ifc.org
Maria Pateguana	Investment Officer	MPateguana@ifc.org