

PRE-QUALIFICATION QUESTIONS AND ANSWERS

FOURTH BGFA CALL FOR PROPOSALS (BGFA4)

Democratic Republic of the Congo (DRC)

Helsinki, 9 August 2022



These Questions and Answers form an integral part of the BGFA4 Pre-Qualification Guidelines:

Q1	<ol style="list-style-type: none"> 1. How can we best understand the weighting for the different tiers? Is the price per weighted energy service tier calculation similar to previous BGFA rounds, using the BGFA wC Calculation tool? 2. If this information will only be made available for the Final Application stage, will it be possible to change the numbers of ESS that we listed in each Tier in the EOI application to a different number of ESS at the Final Application Stage?
A1	<ol style="list-style-type: none"> 1. <i>Reference is made to Annex C of the Pre-Qualification Guidelines stating that “[t]he energy service Tiers included in the proposed project will be weighted in line with the overall objectives of BGFA4. The weighting will reflect the proposed increase in the quality of energy services.”</i> <i>The Final Application Guidelines will include information about the weighting criteria; the criteria described in the Pre-Qualification Guidelines is still subject to change. During the Final Application stage, applications will be evaluated based on the value for money they provide with BGFA4 funding. Any company invited to take part in the Final Application stage will be able to take this into account when preparing their business plan.</i> 2. <i>Yes, it will be possible to change the number of ESS if you are invited to the Final Application stage.</i>
Q2	<ol style="list-style-type: none"> 1. Does the financial position requirement of turnover of at least EUR 300,000 during the latest fiscal year apply only to the main applicant or can it be a combined turnover together with consortium partners?
A2	<ol style="list-style-type: none"> 1. <i>It applies to the Applicant, the Parent company, or the consolidated Group. The turnover of consortium members cannot be combined. Reference is made to the section 3.3. of the Pre-Qualification Guidelines stating that “If the Applicant is not registered as a company in DRC and for that reason has no historical financial records of its own or does not fulfil the minimum financial criteria as</i>

	<p><i>set out above, the financials of the Parent company or a Group's consolidated financials may be used instead. In that case, Nefco may require an appropriate financial guarantee (such as a parental guarantee) to be issued by the Applicant/Parent company prior to BGFA contracting."</i></p>
Q3	<p>1. Do you have any guidelines on how to go about the formation of the consortium for the project?</p>
A3	<p><i>1. Please refer to section 'Project Consortium' in the BGFA4 PQ Guidelines.</i></p>
Q4	<p>1. Is the entire province of Kinshasa excluded or just the city proper?</p> <p>2. If we apply for the "Standalone/SHS" category, can we seek funding for small mini-grids (for company use only) that will power our sales and repairs operations in remote areas?</p> <p>3. Is BGFA expecting each applicant in the "Standalone/SHS" category to reach 70-100,000 subscribers or for all awardees in that category to reach that number combined?</p> <p>4. How does BGFA define a "subscriber"? Is it by household, number of SHS or PUE devices in a given home/business, or something else? For example, if we have commercial customers and they have multiple types of devices (SHS, a TV attachment, a fan attachment, and a solar streetlight) is that one subscriber or four subscriptions to different products?</p> <p>5. We understand that Kinshasa is ineligible to receive funding, but our company headquarters where we complete the final assembly of all SHS products is located there. Is that facility ineligible for upgrades to increase capacity even though it will be used to serve last-mile/rural areas?</p> <p>6. We understand that we are not allowed to engage in partnerships with governments or agencies, but can they be clients? Where does BGFA</p>

	<p>draw the line in their definition of partners vs. clients in terms of working relationships?</p> <p>7. How does BGFA define "several adjoining districts" (in re: project locations)? Distance, travel time required, shared administrative districts, etc.?</p> <p>8. In regards to setting up "an automated data transfer integration with a Nefco monitoring IT system", is this process something that we will need to build into our budget and project costs? What does this process entail?</p> <p>9. Is it okay to use a generator/fossil fuels to power initial construction of a last-mile facility before solar is installed?</p>
A4	<p>1. <i>The following Communes of the City-Province of Kinshasa are excluded: Kitambo, Gombe, Barumbu, Lingwala, Kinshasa, Bandalugwa, Matete, N'djili, Kasa-Vubu, Ngiri-Ngiri, Kalamu, Limete, Bumbu, Ngaba, Ngaliema, Lemba, Selembao, Makala, Kisenso.</i></p> <p>2. <i>BGFA supports the establishment of ESSs between the company and its customers, as well as eligible PUE ESS. If smaller mini-grids are needed for your project it can be part of your budget. BGFA does not, however, provide specific subsidies for such costs.</i></p> <p>3. <i>This is the number estimated for all awardees combined, not for individual projects.</i></p> <p>4. <i>Number of "Subscriber" equals the number of contracts related to an eligible ESS between ESPs and their customers.</i></p> <p>5. <i>Headquarters, warehouse etc. can be situated in Kinshasa or other excluded cities. The exclusion refers to where the sales are made, the customers are situated and sold solutions installed.</i></p>

	<p>6. <i>BGFA supports underserved communities, including people, businesses, and institutions without access to energy. Hence, the customer may be a government owned entity, for example hospital, school etc.</i></p> <p>7. <i>BGFA seeks to encourage the development of local markets for energy access solutions. As such, Applicants are encouraged to deploy solutions through a geographically sensitive approach covering adjoining “Sectors, Chiefdoms or Communes” and eventually adjoining “Territories and Cities.”</i></p> <p>8. <i>Yes, this is to be built into the project. The integration must be able to support an automated transfer of a range of data points related to e.g. customer information, energy service specifications, geography/location, power storage and load data, payments and transactions, consumption, etc. Further information may be provided at FA stage.</i></p> <p>9. <i>Yes, this is acceptable</i></p>
Q5	<p>1. Can you please clarify if the contribution for PUE is to be summed up to the contribution for mini-grid (i.e. 5m EUR for mini-grid + 2m EUR for PUE)?</p>
A5	<p>1. <i>No. Reference is made to the section 1.3. “[t]he indicative individual contract ticket size per ESP is expected to be between EUR 1 and EUR 5 million.” Please also refer to A7.5.</i></p>
Q6	<p>1. Can the same company bid for several contracts at the same time for different projects?</p> <p>2. Can you confirm that the construction of additional generation (hydroplant) is eligible? What would be the disbursement terms? Would it be a maximum of EUR 500k before the completion of the plant? Or can it be done in milestones?</p> <p>3. Is my understanding correct that an individual contract (including co-financing) is maximum 10mEUR (I refer to the last column of the table,</p>

	<p>page 9 article 1.3 of the guidelines)? Would a 20mEUR hydropower plant be eligible?</p> <p>4. Can we ask for a payment profile that is unevenly spread over the different years?</p> <p>5. Do you confirm my understanding that an investment in a new PUE (e.g. an electric roaster) falls under the definition of PUE?</p> <p>6. Are large scale batteries eligible for funding as part of this BGFA grant (e.g., to manage peak hours on the grid of city X)?</p>
A6	<p>1. <i>A company can bid for several projects but do note that it can only be awarded one project.</i></p> <p>2. <i>Yes, this is possible, as long as the project complies with all other requirements. Hydro power is not excluded. However, the applicant has to demonstrate that the project can be implemented and generate sufficient ESS within the four-year implementation period (taking into account the often long lead times for physical energy infrastructure). Regarding disbursement terms, the advance payments may be up to a maximum of EUR 500,000, subject to Nefco's approval and assessment. The remaining potential disbursements would be based on realised results, i.e. established ESS's.</i></p> <p>3. <i>This is not correct. The maximum amount that can be awarded, by BGFA, for a project is EUR 5 million. However, BGFA does not specify a maximum overall project size (BGFA financing + co-financing).</i></p> <p>4. <i>Yes, the payment schedule can be unevenly spread out over the course of the project. Please however note that up to 30% of the requested BGFA4 funding can be disbursed in advance (up to a maximum of EUR 500,000). The rest of the funding is results-based, disbursed when pre-agreed ESSs have been deployed.</i></p>

	<p>5. <i>Yes, please refer to the definition of Productive Use Energy, as well as separate sub-chapter on “Productive Use” in the Pre-Qualification guidelines.</i></p> <p>6. <i>Yes, batteries are eligible costs, for example as part of a mini-grid solution. However, please note that the results-based funding is linked to eligible ESS.</i></p>
Q7	<ol style="list-style-type: none"> 1. Company X is a manufacturer of Solar powered refrigerator for PUE purpose. Its products are not featured in the Global Leap buyer’s guide – 2017 and 2019. But its products are Verasol certified. Should the company still undergo the test procedures involving randomly selected product samples in Page B2? 2. Company X is a distributor of “Standalone” (not sold with lighting) Solar powered refrigerators whose Wh/day meets Tier 5+ on ESS matrix. The refrigerators are used 100% for PUE purpose by the informal sector. How will each sale of refrigerator be classified – 1) Commercial ESS with PUE incentive 2) PUE ESS 3. Company X is a manufacturer of Solar powered refrigerators whose Wh/day is LOWER than Tier 5+ ESS matrix. Its refrigerators are sold to informal sector that use it for PUE purpose. Will each refrigerator sold be counted as one PUE ESS OR as a Commercial ESS with PUE incentive? 4. In Page 9, 60 – 150 is mentioned as the Number of ESS targeted in PUE category. Company X is a manufacturer of Solar powered refrigerators whose Wh/day meets Tier 5+ on ESS matrix. Refrigerators are sold to PUE customers. Company X targets to sell 1,000 refrigerators through BGFA 4. Does 60 – 150 mean that Company X will be incentivized for only 150 units? 5. Company X is a SHS distributor in DRC. It also distributes fridges / freezers that meet Tier 5+ on ESS matrix for 100% PUE purpose. Company X plans to offer both SHS and freezers to BGFA 4. In what

	<p>category will this company be classified? – Standalone / SHS funding category or PEU funding category?</p> <p>6. For the Tier classification of SHS, how should the Wh/day be calculated? Can we calculate Wh/day as (Rated Wp of the product) X (Availability / day)?</p> <p>7. Company X is a manufacturer of SHS and does not have a DRC registered entity. It is however distributing its products in DRC through a DRC registered distributor. Can Company X be a lead applicant and still implement BGFA project through its distributor without registering in DRC?</p> <p>8. Company X is a DRC registered distributor of SHS. Should it mandatorily include its supplier as a Project partner?</p> <p>9. Company X is a DRC registered entity. It has sold more than 3,000 SHS in DRC. But not all the 3,000+ SHSs have Available Daily Electrical Energy of 20 Wh/day. Is Company X eligible on Market Experience?</p>
<p>A7</p>	<p>1. <i>VeraSol certification for fridges does not yet exist. Hence, requirements defined in Annex B apply at the prequalification stage. VeraSol test reports for fridges may, however, be available, as well as the possibility to conduct a benchmark analysis to determine whether the product is in par with the Global LEAP Awards winners & finalists. Additional guidance on this, including references to the Global LEAP benchmark, may be added for the final application guidelines.</i></p> <p>2. <i>Fridges and freezers will be incentivised through premiums applicable to commercial and/or institutional ESS. Thus, the weight will primarily relate to the type of customer, in this instance commercial ESS plus applicable premium. A minimum weight will be introduced to promote small and energy-efficient fridges/freezers to reflect the relatively large developmental impact, and the maximum incentive will be capped. This applies to both tier 5+ systems and systems below tier 5.</i></p>

3. *See answer 7.2. Additionally, the question refers to the manufacturer. Please note that fridges must be deployed together with an eligible ESS. The simple sale of a fridge is not eligible.*
4. *The number of PUE installations to be financed (60-150) is only indicative and would be more relevant for larger PUE systems (e.g. cold rooms, drinking water installations, e-mobility stations, etc.). If an ESP is selected based on an application offering 1,000 ESS including PUE systems, all ESS will be contracted subject to successful due diligence.*
5. *If an ESP offers only PUE systems, relevant eligibility criteria for PUE apply and the applicable funding category is PUE (see Table 1). As soon as an ESP diversifies its offer with SHS or standalone systems without PUE, all eligibility criteria and requirements related to the Standalone/SHS category apply and, subject to successful contracting, all ESS (with and without PUE) will be funded from the same contract (of an indicative value of €2-5 million). The same applies to mini-grid operators.*
6. *The Tier levels are primarily based on the metric 'available daily electrical energy [Wh/day]. For integrated SHS with power ratings of 350 Wp or lower, available daily electrical energy refers to the eponymous indicator (i.e. "available daily electrical energy") in the VeraSol certification. Please see Annex C for further details.*
7. *No, Applicants shall be already legally incorporated and included in the register of for-profit companies in DRC or commit to being incorporated and/or registered as such, to Nefco's satisfaction, before signing a possible BGFA financing contract.*
8. *No, a DRC registered distributor of SHS can apply as an Applicant as long as they fulfil the minimum eligibility requirements. They can apply with their supplier as Project Partner or Consortium Member if this strengthens their application. Please also note: any for-profit or non-profit entity with a material and meaningful interest in the implementation of*

	<p><i>the proposed project (e.g. product suppliers; financial service partners; engineering, procurement and construction service providers; capacity building and training organisations and initiatives; NGOs) are to be defined as Project Partner. Furthermore, a company or organisation sub-contracted by an Applicant with direct responsibility for implementing and/or operating one or more components of the proposed project representing a minimum of 20% of the awarded BGFA4 funding shall be defined as Significant Sub-Contractor.</i></p> <p>9. Yes.</p>
Q8	<ol style="list-style-type: none"> 1. Does Nefco have a targeted split between rural, peri-urban, and urban connections that will be supported by BGFA Lot 11? 2. Can you share the calculation / methodology that will be used to convert/compare SHS connections to minigrid connections to various productive use assets?
A8	<ol style="list-style-type: none"> 1. <i>Nefco does not have a targeted split between these.</i> 2. <i>The Final Application Guidelines will include information about the weighting process, and any company invited to take part in the Final Application stage will be able to take this into account when preparing their business plan.</i>
Q9	<ol style="list-style-type: none"> 1. If we choose the type of Solar Home Systems (SHS), do we still need to provide past proof of Productive Use Energy? 2. How to understand a reverse auction approach and what is the specific operation process? 3. Is there a cap on the total amount of BGFA4 funding be requested each year? If so, how much in euros each year? 4. How to understand “free equity”? Do I need to repay the corresponding amount of “free equity” during the project implementation?

	<p>5. All the expenditure and investments involved in this part are applicable only in the first year of project execution? Or can we apply every year during the 5 years of implementation period (2023-2027)?</p> <p>6. If we provide the financial audit report of the DRC's company for the past 3 years, can it be used as a viable capital structure and credible financial model?</p> <p>7. The parent company of our DRC's company provides a letter of funding guarantee plan within 5 years (2023-2027) during the project implementation period, this letter can be used as a credible fundraising plan for expected co-financing from third parties prior to contracting?</p> <p>8. The TOTAL NOMINAL CAPITAL mentioned by this table is the upper limit of 10 million euros. Can the same company provide two different plans? That is, the size of each plan is within 5 million euros, and the individual contract size is less than or equal to 5 million euros?</p> <p>9. Can the same company offer a proposal with a total value of up to 10 million euros?</p> <p>10. The 110,000 OFF-GRID ESS, benefiting more than 500,000 people in rural, peri-urban and/or certain urban areas, can be realized through SHS only?</p> <p>11. If 110,000 OFF-GRID ESSs cannot be implemented only in the form of SHS, can the number of off-grid ESSs under the SHS scheme adopt the upper limit of the ESS mentioned in the table above, that is, 100,000 ESSs, and the remaining 10,000 ESS can be realized through Mini-/Micro-grids solution? And Is it possible to achieve the goal of 100,000 ESSs through 2 proposal of 5millions euros?</p> <p>12. What does a detailed and robust security plan refer to here? safety work plan? Or the project fund use plan? Or other documentations?</p>
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	<p>13. We are a local company in the Democratic Republic of Congo. The company's administrative and financial documents are in French. Do they need to be translated into English? Do we need to convert Congolese local currency involved in financial documents to euros? Which date is the exchange rate based on?</p>
<p>A9</p>	<ol style="list-style-type: none"> 1. <i>You do not need to provide specific proof of PUE experience in this case. However we encourage all applicants to provide proof of relevant market experience. Please also consider the minimum requirements highlighted in the PQ Guidelines.</i> 2. <i>BGFA4 funding will be awarded to Applicants that, during the Final Application stage, can demonstrate the best value for money, defined as the lowest average weighted cost per ESS, taking into account the viability of the underlying business plan. The weighted cost and the quality of the business plan will be compounded to create a single comparison score as to be described in detail in the Final Application Guidelines. A lower wC will score higher on the price component.</i> 3. <i>BGFA funding is based on the number of ESSs established, which will be defined in project Milestones. There is no specific cap on how much from the approved BGFA financing that can be disbursed in any specific year.</i> 4. <i>The BGFA funding is regarded as “free equity” as defined in the PQ Guidelines, Box 1 and is paid out based on realised results and not to be repaid by the awardee, as long as no misconduct or other similar breach of contract would take place.</i> 5. <i>The Applicant is free to set up a project plan and budget as they consider to result in the best outcome for the project. Expenditures and investments are not limited to the first year of the project and can be spread out during the four-year implementation period.</i> 6. <i>Audited financial statements are to be supplied. These are not, however, the same as a financial model that will be required for the proposed</i>

project during the Final Application stage. More information on financial model will be provided in the Final Application guidelines.

7. Yes. Proof of the source of financing or existing funds will be required at due diligence.

8. The maximum amount available from BGFA for a single project is EUR 5 million. As a project is required to, at a minimum, match this sum the project budget for such a project would need to be at least EUR 10 million (if requested financing from BGFA would be for example EUR 1 million, then the minimum total project budget would need to be EUR 2 million). One company can be awarded financing for only one project under BGFA4.

9. Yes, please see the answer above.

10. No, the indicated numbers of ESS under BGFA4 are rough estimates and will be realised through a mix of SHS-, mini-grid-, and PUE projects.

11. The number of 110,000 ESS does not refer to individual projects but an estimation of realised ESSs from multiple projects to be financed by BGFA4.

12. It relates to the project company's security plan and protocols for staff and other persons related to the project, customers etc. Examples of security risk include criminal damage, medical emergency, road safety, etc. More details will be supplied during the Final Application stage.

13. All official correspondence and documentation between project companies and Nefco are to be supplied in English. Unofficial translations and simplified versions/summaries may be accepted by Nefco during the PQ stage (along with the original document in French) whereas notarized translations may be required at later stages to Nefco's satisfaction. Financial figures are to be provided in Euros. Figures in local currency can be provided in parallel with this. The date of the exchange rate should be the date of the document in question.

Q10	<ol style="list-style-type: none"> 1. Why did you exclude the 4 mains cities of DRC? In fact, it is in those 4 cities (Kinshasa, Lubumbashi, Mbuji Mayi and Kananga) where potentially we can find people able to subscribe to electrical services and take advantage, benefit of it? 2. The amount of EUR 300,000 is a huge amount for the middle class here in DRC. 3. If we use the fund for first create a new company, will we have enough time for training employees fit for the project? Also, time to have time to tie contact and relations with the National company in case we want a Grid connected project? 4. Can a single applicant apply for more than one project, in different areas? 5. As DRC is a French country the official documents are printed in French so translating them will be an issue we presume.
A10	<ol style="list-style-type: none"> 1. <i>The four largest cities in the country (Kinshasa, Lubumbashi, Kananga and Mbuji-Mayi) are excluded for reasons of additionality so as to target poorer urban areas not already served by existing providers, and since BGFA is primarily a rural energy access programme.</i> 2. <i>Please refer to the section 3.3 for the notion “To be invited to the Final Application stage, the Applicant must fulfil at least two of the three financial criteria above.”</i> 3. <i>The Applicant should ensure that a viable business plan is presented which takes into account mobilising of resources including staffing. Note, BGFA does not work with grid connected projects and does not accept grid connected ESS.</i> 4. <i>One company may apply for more than one project. However, a company can only be awarded maximum one project under BGFA4. Please also see answer 6.1.</i>

	<i>5. Please refer to answer 9.13.</i>
Q11	<ol style="list-style-type: none"> 1. In the event the applicant does not already have operations in the DRC, can the legal entity applying at the pre-qualification stage be modified during the final application, as long as the minimum eligibility criteria are still met, and that the legal entity is part of the same company? 2. Can a partner or project consortium be added between the pre-qualification and the final application stage? 3. Could you confirm the size of the exclusion zone for support from the BGFA out of the four cities listed? For instance, in the case of Lubumbashi, does it only include the municipality of Lubumbashi, or also its other six municipalities? 4. Could you confirm whether the following example for ESS activities with partners that are not eligible for BGFA financing provided in the guidelines apply to mini-grid activities or SHS : “Wholesale of energy to a third-party retailer or “distribution partner” that does not form part of a Project consortium”?
A11	<ol style="list-style-type: none"> 1. <i>Yes, modifications can still take place during the Final Application stage.</i> 2. <i>Yes, this is possible.</i> 3. <i>For Lumumbashi, the entire city including the following Communes are excluded: Kamalondo, Kenya, Kampemba, Katuba, Lubumbashi, Ruashi, and Annexe.</i> 4. <i>This applies for both SHS-, mini-grid-, as well as PUE projects (including water).</i>
Q12	<ol style="list-style-type: none"> 1. Can we submit an application for multiple product categories? For example, can we build our proposal around Solar Home System AND Productive Use Energy systems AND Clean Cookstoves? Or should focus on a single product category?

	<ol style="list-style-type: none"> 2. Regarding the 3-years warranty requirements, is it absolutely mandatory or would you consider a 2-years warranty solution? Indeed, most of the suppliers certified Lighting Global on the market, including our supplier X, offer a 2-years warranty with their SHS and not 3-years. 3. Regarding the requirement about being fossil fuels free, does it apply to the products only or also to our distribution operations? It hardly feasible to operate last mile distribution in Africa without using gasoline. 4. The guidelines document is mentioning a target of 110 000 household's subscriptions, is this target the whole program or should is it a requisite for each applicant?
A12	<ol style="list-style-type: none"> 1. <i>Please choose one main category, in line with the application form and Table 1. In the Pre-Qualification guidelines. However, within SHS and Mini-grid projects some PUE components can be included (Tier 5+). Please note that BGFA does not limit your other business activities.</i> 2. <i>A 3-year warranty period is mandatory to be eligible for BGFA financing. It needs to be extended by the ESP to its customers irrespective of the arrangements between the ESP and its supplier.</i> 3. <i>This applies to products/ESS only.</i> 4. <i>The target of 110,000 ESS is a target for the whole programme, not for individual projects seeking financing.</i>
Q13	<ol style="list-style-type: none"> 1. We have viewed BGFA Funding opportunity, we meet all the criteria but we don't have an audit report documents because we are no more than 8 Months operating from Rwanda. We started this cooling as a service in 2022. 2. I kindly request for your advice to apply for this BGFA Fund opportunity or I should stop from applying because of lack of audited reports.
A13	<ol style="list-style-type: none"> 1. <i>Audited reports will be required if you are selected for the Final Application round. If all other requirements are met, you would be</i>

	<p><i>requested to provide audited reports to Nefco's satisfaction at the Final Application stage or during a potential future Due Diligence phase or at the very latest as a Conditions Precedent in a possible contract.</i></p> <p><i>2. Please see answer to question above.</i></p>
Q14	<ol style="list-style-type: none"> 1. Who should apply, the local DRC company or the parent group? The recently established local project company would not be able to demonstrate significant financial track record. 2. Our project is planned to be implemented in 2 phases. In phase 1 we plan to build a minigrid with PV power generation, storage and grid, in phase 2 we intend to add more PV power, more storage and connect more households and businesses. Is it possible to make the funding application for both phases: First phase 2.5 Mio EUR grant and second phase 2.5 Mio EUR grant? How can we put this information into the online forms? 3. What are the differences between Project Consortium Member vs Project Partner vs Significant Sub-Contractor? 4. Requirement to have "at least 3 privately owned/operated sites serving at least 500 ESS in another SSA country". Is this an exclusion criterion? 5. Is it ok if one of the technology partners has this track record? Does he need to be classified as consortium member, or is project partner or significant sub-contractor enough? 6. Can we put the projects of the technology partner in the project reference list? 7. Looking at the table below: Does it mean that subsidy is calculated up to a maximum of 10 Mio EUR for 20,000 ESS, i.e. 500 EUR maximum per ESS for mini/microgrids?

FUNDING LOT	FUNDING CATEGORY	TIER LEVEL	NUMBER OF ESS	NUMBER OF EXPECTED CONTRACTS	INDICATIVE INDIVIDUAL CONTRACT SIZE (EUR million)	TOTAL NOMINAL CAPITAL (EUR million)
LOT #11 Up to €15 million	Standalone/SHS	1A-5	70,000–100,000	1–3	2–5	Up to max. 10
	Mini-/Micro-grids	1A-5	12,000–20,000	1–3	2–5	Up to max. 10
	PUE	≥ 5+*	60–150	1–4	0.75–2	Up to max. 5

8. Our Project will also deliver electricity to businesses. Should we apply for PUE as well? Does a wood processing factory, our biggest consumer, classify as PUE? In table 6 / Annex C of the pre-qualification guidelines, carpentry is excluded, but “agricultural processing; multi-functional platforms and integrated value chains” are classified as PUE.
9. How can other PUE appliances like electric pressure cookers be included? Through a local partner, e.g., one that takes part in the existing Nefco program on electric cooking?
10. We are a bit unsure how to answer the following question: “Describe what you intend to do in DRC, if you get access to BGFA financing, what you would not otherwise do, and how your business in DRC would work in practice on the ground” Can you give more background about this question and which effect answers have on the rating of the application?

A14

1. *The DRC company can apply if it meets all but financial eligibility criteria, and you can use the parent’s financial records, if needed. Reference is made to the section 3.3. of the Pre-Qualification Guidelines stating that “...or does not fulfil the minimum financial criteria as set out above, the financials of the Parent company or a Group’s consolidated financials may be used instead. In that case, Nefco may require an appropriate financial guarantee (such as a parental guarantee) to be issued by the Applicant/Parent company prior to BGFA contracting.”*
2. *Yes, you may apply for both phases, in case they can be implemented during the maximum of 4 years. In this case you should combine the two*

phases into one project, with appropriate Milestones reflecting the various stages of the project.

- 3. Please refer to "Definitions" in Pre-Qualification guidelines.*
- 4. This is one of the two alternative criteria for operators proposing mini-grid projects. The alternative criterion is "Successful deployment of at least one privately owned/operated site serving at least 40 ESS in the DRC". One of the two criteria is to be fulfilled in such a project.*
- 5. A sub-contractor is not to be used for reference projects. Please refer to Section 3.5 "Applicants who do not themselves have this experience, may rely on experience within their corporate group provided the entity relied on is majority owned (>51%) within the group and the ability of the BGFA contract counterpart to leverage the experience can be clearly demonstrated through management structures and/or clear operational linkages."*
- 6. Please refer to answer above.*
- 7. No, this is not correct. Figures are only examples and projects will be chosen through the reverse auction mechanism, as described in the PQ Guidelines.*
- 8. Please also refer to answer 12.1. Carpentry and woodworking are explicitly referenced in Table 6 of Annex C in the section on artisanal activity and are eligible as commercial ESS (Table 6). Wood processing for commercial customers would be acceptable*
- 9. Although many appliances can contribute to higher income, for the purpose of BGFA, PUE and the related incentive strictly applies to identified target applications/services in the following sectors: e-mobility, drinking water, solar pumping, cold chains (see "PUE ESS" in the section "Definitions" and details in Annex C). Other eligible machinery/equipment (e.g. carpentry, EPC) deployed together with an eligible ESS will be incentivised through a premium applied on the relevant weight. Details will be shared at Final Application stage. Please note that double*

	<p><i>counting of ESS is not allowed, and ESS established with BGFA4 funding shall be solely reported to BGFA4. Synergies with other initiatives are otherwise welcome.</i></p> <p><i>10. We would like to understand the additionality and incremental impacts of the proposed BGFA financing on the ground.</i></p>
Q15	<p>1. Can Energy Service Providers submit more than one application or one application for multiple sites?</p> <p>2. The RFA states: "Project implementation is expected to start in 2023 and end in 2027." I have a few questions about the relationships between the start date of the proposed mini-grid and the BGFA project start date.</p> <ul style="list-style-type: none"> - Company X has a pipeline of projects in early, middle, and late stages of development. Company X is planning to submit a late-stage project. - Company X has a pipeline of projects which are in late-stage development and would achieve a Commercial Operation Date in 2023. Are late-stage projects eligible for the BGFA program?
A15	<p><i>1. Companies can submit more than one application, however, please note that BGFA can provide financing to a maximum of one project per company under BGFA4. Please also see answer 6.1.</i></p> <p><i>2. The implementation period of the proposed projects is a maximum of four years. Projects may, however, be implemented quicker and become operational at any stage during the acceptable implementation period.</i></p>
Q16	<p>1. I manage a solar energy company that develops portable energy storage systems in city X within an exclusion zone. We have developed a solar energy concept to deploy in the rural areas of the province and we would like to know whether we are fit to apply for this opportunity or not based on the fact the company is headquarter in city X with major impacts in rural regions where there is not grid extension?</p>
A16	<p><i>1. Yes, this company can be eligible. Please also refer to answer 4.5 for an answer.</i></p>