

UNHCR Green Fund Solarization Tender Announcement

10 November 2020

The UNHCR Green Fund is in the final stages of preparing the first round of a tender to finance, build and operate solar plants at up to ten (10) UNHCR sites located in Kenya, Ethiopia and Uganda, with an individual project size ranging from 60kW to 500kW and an estimated total solar photovoltaic (PV) capacity of up to 1,800kW. It is anticipated that each new PV system will be installed in combination with batteries and/or residual diesel generation. All sites will include diesel backup. Bidding companies will be expected to bid on all the sites eventually selected for the tender.

This tender will be run as a two-stage process and is scheduled to launch in November 2020 with an initial Expression of Interest (EOI). The EOI will include pre-qualification criteria and is intended to lead to the selection of the prospective bidders that will be invited to participate in the second stage, the formal solicitation process. The EOI criteria will focus on the experience, expertise, capability and financial resources required to execute the envisaged projects. The EOI stage will be followed by a Request for Proposal (RFP) with the pre-qualified bidders, which is expected to begin in early 2021. Bids by consortia will be permitted, subject to specific qualification criteria.

The information provided in this Announcement may be subject to changes. The launch of the EOI will be announced publicly, and prospective applicants are encouraged to follow closely the information provided on the UNGM (www.ungm.org/Public/Notice) and UNHCR (www.unhcr.org/expressions-interest.html) websites.

Project background

UNHCR's compounds, premises, and offices generate greenhouse gas emissions amounting to an estimated 97,136 tons of CO₂ annually. One major source of emissions is linked to the fact that UNHCR runs diesel generators, particularly in large field compounds in 'deep field' Africa operations. Converting these compounds to solar energy could have both a positive carbon impact and a positive financial impact, since solar energy is expected to be cheaper than existing diesel/fossil fuel generation.

Over the course of 2020, with support from the Swedish International Development Cooperation (Sida), UNHCR has designed and operationalized the internal governance and technical procedures for operating a Green Fund to enable solarization of its deep field compounds. In close collaboration with the German Cooperation (GIZ), UNHCR has also conducted feasibility analysis on a first set of potential sites and has commenced legal and technical work to prepare for a first round of competitive procurement of electricity from private sector solar energy developers.

The Green Fund

The Green Fund is an innovative financing mechanism that will allow UNHCR to contract clean energy as a service via multi-year Power Purchase Agreements (or comparable leasing arrangements, where more adapted to local regulatory frameworks) with private sector independent power producers (IPPs). Contracts will be backed by the Green Fund in order to achieve the highest possible level of financial guarantees for the IPP and the most competitive monthly capacity payments for UNHCR. This first tender will be followed by further procurement rounds to continue the reduction in CO₂ emissions from UNHCR sites.