

Terms of Reference (ToR)

Conduct Business Opportunities Assessment in the Catchment Areas of Selected Micro Hydro Projects in Jajarkot and West Rukum Districts

1. Background

The energy component of the Renewable Energy for Resilient Agri-Food System (RERAS) project is being implemented by Central Renewable Energy Fund (CREF) within Alternative Energy Promotion Centre (AEPC) with the technical assistance of Renewable Energy for Rural Livelihood (RERL) which is a joint project of the UNDP and the government of Nepal and implemented by AEPC. CREF/AEPC's main responsibility in RERAS, with necessary technical support from RERL, is to ensure supply of reliable and quality electricity, mechanization of agricultural production and marketing, promotion of agricultural product based productive end uses, etc.

RERL supports livelihood opportunities for poor and marginalized communities by providing reliable electricity supply and fostering Productive Energy Uses (PEU). The focus is on increasing the plant load factor, improving electricity quality, and enhancing revenue generation for the sustainable operation of the micro hydro system.

Recently, UNDP has implemented the RERAS project in earthquake affected districts in Jajarkot and West Rukum under the priority of resilient recovery post-Jajarkot Earthquake, the immediate line of support will facilitate operationalization of renewable energy systems for productive end use, strengthen capacity of local governments on providing advisory support, technological support and strengthening cooperatives to promote women led green enterprises.

In addition to ongoing support for early recovery offered by UNDP and other actors, the proposed expansion of RERAS will provide additional livelihoods support to earthquake victims in Jajarkot and West Rukum. The activities will prioritize working with local governments to provide agro-support services and support cooperatives and farmers' groups for improved agricultural production and value chain linkages, agro-support services and support to better utilize renewable energy for agro- and non-agro-enterprises, all aiming to create additional short and long-term employment opportunities for rapid economic recovery in the affected areas. RERL supports the creation of livelihood opportunities for the poor and marginalized communities through the provision of reliable electricity supply and enterprise development with a focus on increasing plant load factors and improving the quality of electricity and revenue generation.

Experience has shown that electrification in rural areas does not automatically induce the local economy. This is primarily due to the lack of local community-friendly local business development support services available for the creation and development of micro and small enterprises or businesses, low orientation towards enterprise creation as well as fragmented capacity of existing small businesses to capitalize on increased energy access.

Presently the idea of promoting productive end-uses has been mostly for sustaining the Micro Hydropower Projects (MHPs) by increasing the plant factor. According to the available information, only around 30% of the total capacity has been utilized in MHPs. Most of the power

generated is used for household lighting purposes (in the morning and evening) and some for operating household appliances, grocery shops, hotels, schools for operating computers, and other energy-use applications. Many MHPs are in operation only during the early morning and evening time; the rest of the time they are shut down. Awareness creation among the beneficiaries, regarding productive energy use applications of Renewable Energy technologies (RETs), is a must for realizing the full economic potential/benefit of MHPs and other RETs.

In this backdrop, Business Opportunities Assessment (BoA) is crucial to explore and identify the potential business/services in the catchment area of micro hydropower projects and shows the pathways to selecting the most promising sustainable business.

Thus, this ToR is prepared to seek consulting firms/institutions to conduct Business Opportunities Assessment (BoA) in selected micro hydropower projects in the Jajarkot and West Rukum districts (Detail names of MHPs are listed in Annex 2)

2. Objective of the Assignment

The objective of the assignment is to conduct business opportunities assessments in selected micro hydropower projects in the Jajarkot and West Rukum.

3. Scope of Work

The consultant shall conduct the desk study of the following reports.

- Detailed Feasibility Study (DFS) Report
- Operational Guidelines of MHPs
- Administrative Financial and Management Guidelines, subsidy policy/implementation guidelines of AEPC, and other relevant documents

(i) Regarding the Business Opportunities Assessment, the consultant shall include but not be limited to the following:

- a) Design and develop a questionnaire and checklist for a field study to conduct BOA in the catchment areas of MHPs.
- b) Conduction of field visits, discussions/meetings with rural municipalities, Users Committee, operators/managers of MHPs, with lead farmers, information collection of available resources, market potential, and business potential
- c) Conduct a focus group discussion with the selected key person in the community.
- d) Coordinate with energy/RETs-related business organizations, agriculture offices, the private sector including Banks, Saving and Credit Cooperatives, Companies, suppliers, business development service provider's organizations, and other stakeholders for information collection and validation of the data.
- e) Explore the possible enterprises on agriculture and non-agriculture and their possible intervention in value addition particularly whereas used of energy
- f) Explore and analyze local market/business center in the catchment area for the growth potential of the market and potential services that can render to the local community.
- g) Identification and prioritization of major stakeholders and key players for sustainable business promotion

- h) Follow the BoA process as per MSMEs strategy guidelines of Productive Energy Uses (PEU) of AEPC
- i) Preparation of a **detailed list of potential as well as existing business/services in agriculture and non-agriculture** sectors.
- j) During field visits a special focus should be given to female-led enterprises and their skills, as well as identifying the business potential of RETs, especially for disadvantaged groups. This should include considering the potential of RETs for commercial activities associated with or accessible for women and disadvantaged groups, as well as the specific needs of women and disadvantaged groups.
- k) Organize validation event after collection of primary information at the field level
- l) Design and a draft of BOA report and collect feedback from AEPC/RERL
- m) Seek feedback from AEPC/CREP and RERAS during information analysis, verification, and field coordination.

4. Outputs/ Deliverables

Key deliveries of consulting services are:

- Preparation of business opportunities assessment report of the selected MHPs in the Nepali language.

5. Qualification of Consultant

5.1 Team Leader

The Team Leader/Consultant will be responsible for completing the assignment mentioned in this ToR. The team leader should have a Minimum Master's (or equivalent) in Business Administration, Economics, Business Studies, Management, Rural Development, or any other relevant field, and 10 years of working experience in the business development sector. S/he should have extensive knowledge and skill in business research analysis, business plan preparation, private sector promotion, and institutional development. Priority will be given already worked in off grid sector and conducted BoA in MHPs catchment areas. S/he should also have a strong working orientation on rural enterprises and market system development. The team leader can hire an Electrical Engineer who has sound knowledge and experience in the calculation of tariffs from electricity consumption and other technical information as well as productive energy uses.

5.2 Enterprise Development Expert

The consultant should have extensive knowledge and skills in Productive Energy Uses with have at least 5 years' experience. S/he should have at least a bachelor's degree in management, Economics, Development Studies, or other relevant fields. S/he should have at least Knowledge and experience, particularly in the rural enterprise development sector, is highly appreciated.

6. Duration of the Assignment

The duration of this assignment shall be **one** month from the date of signing the contract agreement with AEPC/RERL.

7. Eligibility Criteria (Required Documents):

SN	Required Mandatory Documents
1	Copy of Company/Firm Registration Certificate with updated renewal and

	Business Registration Certificate
2	Copy of PAN/VAT Registration Certificate
3	A copy of the Tax Clearance Certificate of FY 2080/81 or Income Tax Return submission evidence or evidence of time extension for the Income Tax Return of FY 2078/79
4	Self-Declaration (Regarding not being blacklisted, not ineligible to participate in the contract, and not being punished for the business offense)
5	Sealed Brief Hard Copy Technical (Methodology and Signed CV of Proposed HR) and Financial Proposal (As per given format)
6	Signed CV of proposed dedicated (Key) personnel (<i>While evaluating the proposal, the human resource proposed will not be counted if the same human resource is/are occupied with another activity/project during the same period</i>)

8. Terms of Payment:

The payment to the consultant will be made after completion of assignment.

9. Selection/Evaluation Process

The selection will be followed based on the Least Cost Based Selection (LCBS).

Conduction of BoA in Selected MHPs in Jajarkot and West Rukum Districts						
A. Human Resources Fee						
S N	Name of Professionals	Unit	No.	Unit Rate (Rs.)	Total Amount (Rs.)	Remarks
1	Team Leader	Days				
2	Enterprise Dev. Expert	Days				
3	Travel	Days				
5	Report Prepration	LS				
Sub-total					-	
Overhead (4%)					-	
Total Fee					-	
VAT 13%					-	
Total Fee					-	
B. Travel and Daily Allowance						
S N	Reimbursable	Unit	No.	Unit Rate (Rs.)	Total Amount (Rs.)	Remarks
1	Meeting snacks	LS				
2	Transportation Cost of Resource Persons	LS				
Sub Total (B2)					-	
Summery Sheet						
SN	Particulars				Total Cost	Remarks
1	A. Human Resources Fee				-	
2	B. Travel and Miscellanous				-	
Grand Total					-	

LIST OF MICRO-HYDROPOWER PROJECTS

S.N.	MHPs	kW	HHs	Address	Name	Contact Number
Nalgad Municipality, Jajarkot						
1	Sirpa Khola MHP	31	350	Nalgad-8, Jajarkot	Karna Bdr Kusari	9765594873
Barakat Rural Municipality, Jajarkot						
2	Simtara Khola MHP	52	700	Barakat-7, Jajarkot	Hari Bahadur Bohara	9745544966
3	Sepra Khola MHP	31	350	Barekot-7, Jajarkot		9868936340
Aatbiskot Municipality, Rukum(west)						
4	Gigagad MHP	44	400	Aatbiskot-9, Rukum (West)	Gokarna kumar chand	9742264258
5	Kharkhara Khola MHP	44	500	Aatbiskot-9, Rukum (West)	Krishna Bdr Batala	9767408202
Musikot Municipality, Rukum (West)						
6	Chun Khola II MHP	27	300	Musikot-Rukum(west)	Gyan Bdr Oli	9866160888
7	Sankh Khola III MHP	60	700	Musikot-4, Rukum(west)	Bishnu Kumar Sharma	9847852213
		289	3300			