



GOVERNMENT OF SIERRA LEONE
Ministry of Energy
REQUEST FOR EXPRESSION OF INTEREST (REOI)

**FOR THE PRIVATE SECTOR PARTICIPANT IN THE OPERATIONS, MAINTENANCE,
AND MANAGEMENT OF 'ELECTRICITY DISTRIBUTION AND SUPPLY AUTHORITY'
(EDSA), SIERRA LEONE**

Date issued:

1. Introduction:

The Government of Sierra Leone (GoSL) is committed to improving the efficiency, reliability, and financial sustainability of its electricity distribution sector. In line with this commitment, the GoSL seeks to engage a reputable and financially sound private sector partner to participate in the operations, maintenance, and investment of the Electricity Distribution and Supply Authority (EDSA).

The Electricity Distribution and Supply Authority (EDSA) has been entrusted with the responsibility of distributing and supplying electricity throughout Sierra Leone (**Annexure**). The Ministry of Energy (MoE) intends to procure a 'Private Sector Participant' (PSP) for EDSA. In this regard, the MoE, on behalf of the Government of Sierra Leone (GoSL), now invites Expressions of Interest (EOI) from qualified and reputable firms or associations with electricity utility experience for the operation, maintenance, and management of EDSA under a 'Concession' agreement.

The private party's role is expected to lead to improvements across various areas, including operations and maintenance, billing and revenue collection, enhanced customer service, and compliance with regulatory directives. Specifically, the private party shall be responsible for improving operational efficiency, maintain infrastructure, reduce distribution losses, enhance the quality of supply in the concessional area and provide limited capital expenditure (CAPEX) in some areas.

2. Objective

The primary objectives of the private sector participant (PSP) in EDSA are:

- a) To improve operational efficiency and service reliability.
- b) To reduce technical and commercial losses.
- c) To attract private investment for infrastructure upgrades and expansion.
- d) To enhance customer service and revenue collection.
- e) To support the national development agenda, including the Feed Salone initiative and increasing energy access.

3. Scope of Work:

Under the project “*Private Sector Participant (PSP) in the Electricity Distribution and Supply Authority (EDSA) of Sierra Leone*”, the scope of work entails:

- a) To operate and maintain EDSA networks to improve efficiency, upgrade infrastructure (limited CAPEX), reduce distribution losses, and enhance supply quality.
- b) To reduce Aggregate Technical and Commercial (AT&C) losses and improve collection efficiency.
- c) To enhance the quality of service to consumers, including improving the security and reliability of the distribution system.
- d) To effectively plan and execute the collection of past arrears from consumers.
- e) To ensure consumer indexing and the implementation of energy accounting and auditing processes within EDSA.
- f) To introduce and implement best practices in distribution and retail supply, enhancing productivity and growth in the sector.
- g) Investing in the upgrade and expansion of the distribution infrastructure.
- h) Implementing advanced metering and billing systems.
- i) Enhancing customer service and support.
- j) Ensuring compliance with regulatory standards and safety norms.
- k) Collaborating with the GoSL and development partners to achieve national energy goals.

4. Qualification and Experience:

To qualify, the applicant (the prospective firm or association) must demonstrate the necessary capabilities and relevant experience in providing the required services. They should submit comprehensive information containing:

General Criteria:

- The applicant must be a legally registered entity with the capability to enter into a contract with the GoSL. The applicant shall furnish Company registration including Certificate of Incorporation, certified true copies of Memorandum and Articles of Association.
- The applicant must have demonstrated experience in managing and operating electricity distribution utilities, preferably in developing countries.
- Strong commitment to corporate social responsibility and adherence to environmental and safety standards.
- The firm or any member of the association shall not be blacklisted/ debarred by GoSL or any country.

NB: An Association refers to a group of companies, a consortium or a partnership who share common interests or a common purpose.

Technical Criteria:

- The firm or association should have a minimum of Five (5) years of experience in Electricity Distribution including but not limited to
 - Proven track record of technical and commercial loss reduction,
 - Experience in managing of at least 350,000 customers in the developing countries,
 - Maintaining and upgrading distribution infrastructure,
 - Deploying and managing innovative technologies, and

- Expertise in stakeholder engagement and customer relationship management.

Financial Criteria:

- The firm or association having a minimum of USD 50 million in turnover in each of the last three (3) years. The applicant shall furnish audited financial statements for the latest available three years.
- Demonstrated financial stability and capability to mobilize investment for infrastructure upgrades and expansion.
- Evidence of successful financing and management of similar projects, including partnerships with international financial institutions.

Note:

MoE/EDSA reserves the right to revise the above-mentioned criteria later at the RFP stage.

The interest expressed by a candidate does not imply any obligation on the part of MoE/EDSA to retain it on the shortlist.

5. Submission of Expressions of Interest

Interested parties are invited to submit their Expressions of Interest (EOI) by [insert submission deadline]. The EOI should include:

- A cover letter expressing the interest and motivation for participation.
- Company profile, including legal status, ownership, and organizational structure.
- Details of relevant experience and technical expertise.
- Financial statements and evidence of financial capability.
- A preliminary proposal outlining the approach to achieve the objectives and scope of work.

6. Comments/ Inputs sought from the bidders (Optional):

Along with the submission, bidders may also submit their comments and input on the following aspects:

- Suggestions on the Scope of Work that could enhance the quality or effectiveness of the assignment.
- Expected form of support from MoE/GoSL.
- Major challenges anticipated in participation and investment.
- Elements of CAPEX the bidders would be interested in executing.
- Any other comments or suggestions.

Note: Providing comments or inputs is optional for bidders and will not affect the shortlisting process.

7. Tentative timelines of the selection process

Activity	Tentative Date
Publication of Call for EOI	August 22, 2024
Deadline for Clarifications on the EOI	October 14, 2024
Deadline for submission of EOIs	October 21, 2024
Invitation to submit a Request for Proposal (RFP) and notification to unsuccessful applicants	November 05, 2024

Activity	Tentative Date
Submission of proposals (against the RFP)	December 24, 2024

8. Submission of Expressions of Interest

All EOI submissions (in English) should be in accordance with the following instructions. The EOI must be submitted no later than October 21, 2024; 11:59 PM UTC. Electronic submissions in PDF format, not exceeding 5 MB, should be sent to the following email address: **edsapsp@gmail.com**. Late applications will not be accepted.

9. Contact for request for Clarification:

All requests for clarifications in relation to this EOI should be sent to the following email address: **edsapsp@gmail.com**, no fewer than seven (7) days before the submission deadline.

ANNEXURE

Sierra Leone, a country in Western Africa, has a population of 8.79 million, with 56% residing in rural areas as of 2023. As of 2021, only 27.5% of the country had access to electricity. Specifically, the electricity access in urban areas is 57% compared to a mere 5% in rural areas. Sierra Leone's per capita electricity consumption was recorded at 24 kWh as of 2021.

Throughout the years, the Government of Sierra Leone (GoSL) has embarked on numerous initiatives aimed at reforming the power sector. A significant milestone was the introduction of the National Electricity Act in 2011, which was designed to liberalize and transform the country's power sector. Subsequently, the Sierra Leone Electricity & Water Regulatory Commission (SLEWRC) was established under the SLEWRC Act of 2011. The commission's mandate encompasses the formulation, implementation, and monitoring of quality and compliance standards. It also provides tariff guidelines, issues licenses, and implements regulatory frameworks to ensure the safe, secure, affordable, and reliable supply of water and electricity in Sierra Leone.

In 2014, the reform measures led to the restructuring of the National Power Authority (NPA), a vertically structured entity. This restructuring resulted in the creation of two main utilities: the Electricity Generation and Transmission Company (EGTC) and the Electricity Distribution and Supply Authority (EDSA).

EDSA has been entrusted with the responsibility of distributing and supplying electricity throughout Sierra Leone. In addition to EDSA, there are several licensees that operate mini-grid systems and distribute electricity. These mini-grid operators operate independently from EDSA and are directly monitored by MoE and SLEWRC.

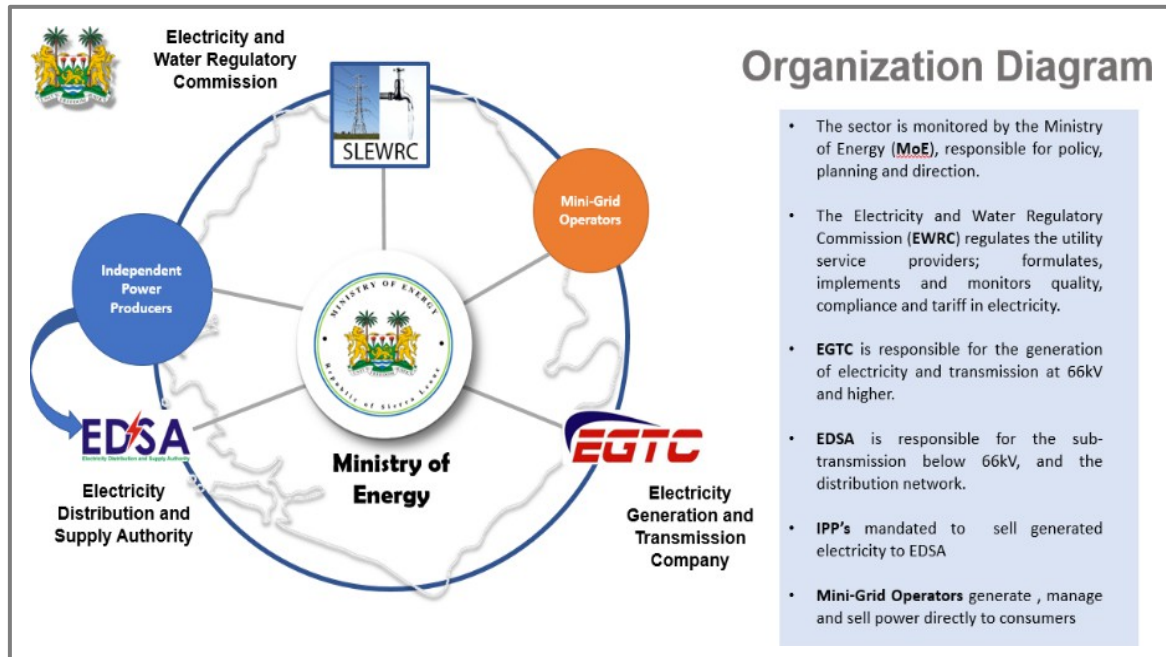


Figure 1: Power Sector Organization Diagram

EDSA operates in 11 areas, covering 16 districts in Sierra Leone with distribution networks across Sierra Leone includes equipment with voltages ranging from 33kV to 11kV and 0.415kV. The assets consist of 11kV overhead lines, underground cables, low voltage lines, and transformers with transformation ratios of 33/0.415kV and 11/0.415kV.

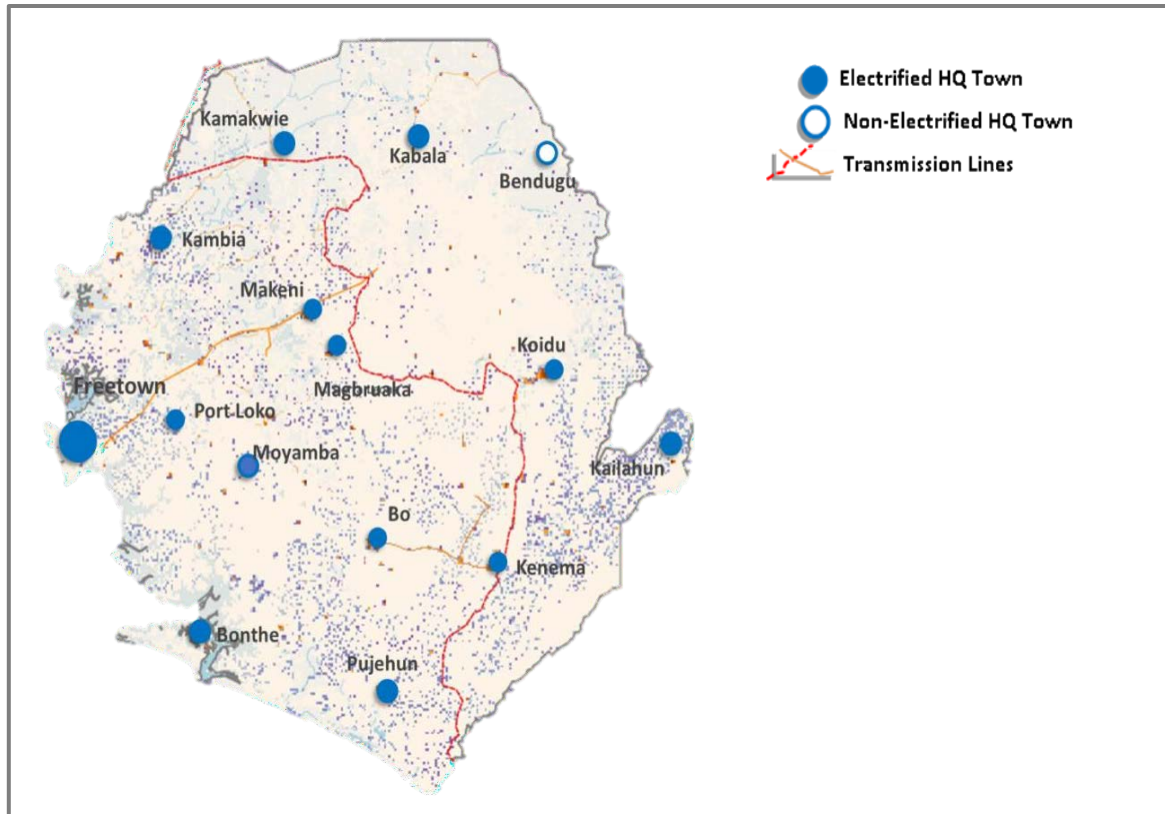


Figure 2: Existing Network

As of 2024, EDSA serves over 320,000 electricity consumers, with residential customers representing approximately ~89% of the total customer base. Freetown, the capital and largest city of Sierra Leone, accounts for ~71% of the total consumer base and ~75% of the country’s power distribution.

Table 1: EDSA region-wise consumer list

REGION	TOTAL	REGION	TOTAL
Freetown	226,884	Bumbuna	1,076
Makeni	22,978	Portloko	2,062
Bo	29,571	Magburaka	3,178
Kenema	16,352	Bonthe	408
Lungi	8,332	Moyamba	226
Kono	7,145	Pujehun	354
Lunsar	2,140	Kailahun	616
GRAND TOTAL		321,322	

To meet the growing demand of the country, EDSA procures power from the State-owned utility ‘EGTC’ (35%) and Independent Power Producers (IPPs) such as ‘KarPowerShip’ (34%), ‘CIE’ (30%), and ‘Serengeti Energy’ (1%).

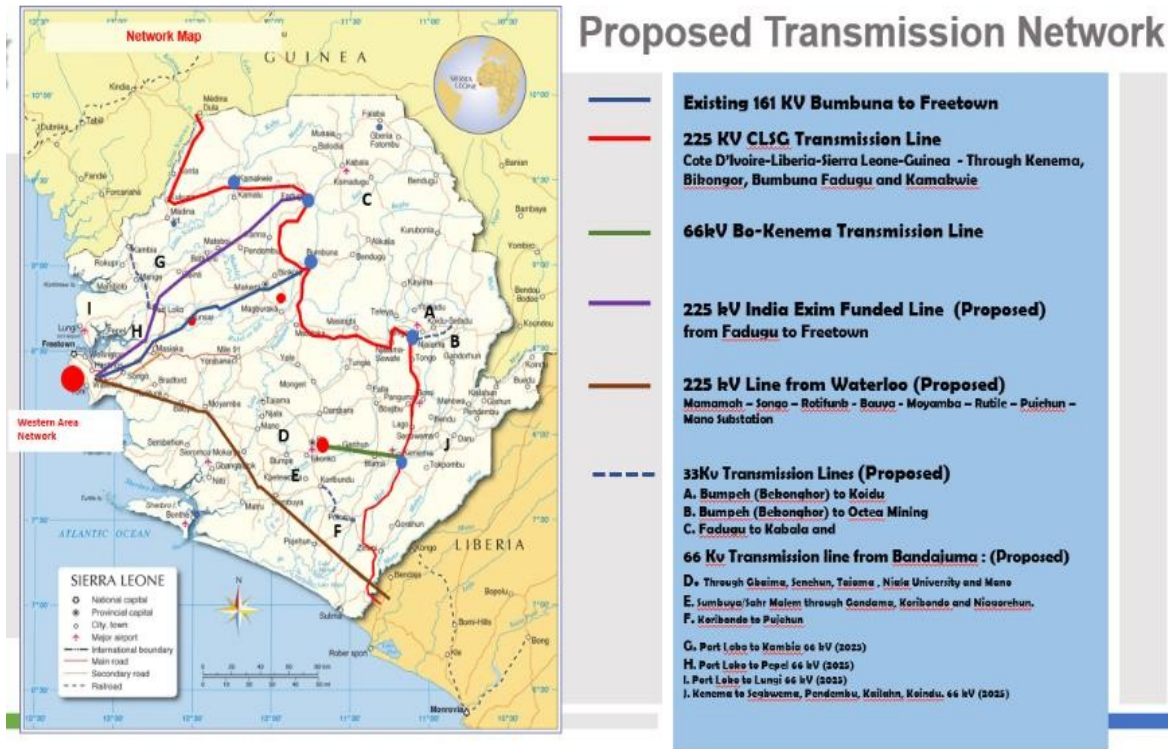


Figure 3: Proposed T&D Grid Network in Sierra Leone

Despite the unbundling and reforms, the performance of EDSA has been plagued by huge inefficiencies. Specifically, the AT&C losses, which are close to 50%, significantly impacting the efficiency of the power distribution system in Sierra Leone.

With the given background above, the Ministry of Energy (MoE) seeks Private Sector Participation (PSP) to enhance the operational efficiency and financial viability of EDSA by inviting the prospective bidders to submit the Expression of Interest (EOI).