Annex 1: Background Material for Agenda Item No. 2: Near Term Investment Opportunities - Agree on institutions that could be supported for either pre-feasibility/feasibility studies
### SUMMARY SHEET OF INVESTMENT OPPORTUNITIES

**Criteria**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>W. Kenya (Kenya)</th>
<th>TPC (Tanzania)</th>
<th>RSSC (Swaziland)</th>
<th>Metahara (Ethiopia)</th>
<th>J. Finlay (Kenya)</th>
<th>Eth. Co (Malawi)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requested grants from Project Sponsor/Factory (US$)</td>
<td>120,000 - 162,000</td>
<td>176,000 - 191,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

#### 1. Technical Merits

1.1 Availability, Quality and Thoroughness of Project Documentation
1.2 Steam/Electricity Utilisation Assessment
1.3 Reliability and Technical Accuracy of Estimates
1.4 Security of Fuel Supply
1.5 Standard of Procurement Process

**Sub-Total**

| Sub-Total | 160 | 176 | 130 | 16 | 24 | 16 |

#### 2. Project Developer

2.1 Source of Equity
2.2 Equity Contribution/Project Developer’s Commitment
2.3 Seniority/Stake of Key Contact

**Sub-Total**

| Sub-Total | 280 | 300 | 60 | 80 | 200 | 80 |

#### 3. Economic Viability

3.1 Project Internal Rate of Return (IRR)
3.2 Lenders’ Commitment
3.3 Availability of Market for Steam/Electricity
3.4 Availability for Firm Power Exports to the Grid
3.5 Status of Power Purchase Agreement/Tariff Negotiations
3.6 Adequacy and Soundness of Assumptions Used
3.7 Overall Status and Maturity of Project Development
3.8 Risk Analysis & Mitigation Strategies

**Sub-Total**

| Sub-Total | 150 | 174 | 100 | 50 | 50 | 50 |

#### 4. National/Global Environmental & Social Benefits

4.1 Global Impact & Mitigation Strategies (CO₂, CH₄, N₂O)
4.2 Local Impact & Mitigation Strategies (NOₓ, SOₓ, particulates, etc.)
4.3 National, Social and Community Impact
4.4 Status of Environmental/Social Impact Assessment & Certification

**Sub-Total**

| Sub-Total | 30 | 72 | 88 | 0 | 0 | 0 |

#### 5. Demonstration Value/Replicability

5.1 Potential for Future Expansion
5.2 Replicability Potential within Country/Region
5.3 Policy Support for Project Development
5.4 Legal/Regulatory Support for Project Development

**Sub-Total**

| Sub-Total | 175 | 130 | 145 | 90 | 110 | 130 |

**GRAND TOTAL**

|                | 795 | 852 | 523 | 236 | 384 | 276 |

**Supplementary Criteria**

- Opportunity for Near-term Cogen Investment: Yes
- One Company per Sector per Country: No
- Whether Project is in one of the Target Countries: Yes
- Contribution to Geographical Diversity: Yes
- Contribution to Sectoral Diversity: Yes

**Total Supplementary Score**
Minimum Requirements:

Cogeneration/Power export potential: New investment or expansion/rehabilitation of existing capacity. Existing cogeneration investment with surplus power that could be exported to the grid can also be considered.

Technology: Use of tried and proven technology.

Fuel: Use one or a combination of renewable fuel (e.g. bagasse, wood, wood waste, crop residue, etc) and fossil fuel (e.g. coal, gas, etc)

Geographical coverage: All Eastern and Southern African countries, with special consideration being given to Kenya, Uganda, Tanzania, Ethiopia, Malawi, Swaziland and Sudan.

Industry/sector coverage: All private and public industries with special consideration being given to privately-owned agro-industry and forestry/pulp & paper sectors.

Capital investment: Preference given to interested project developers with own equity and willing to mobilize it for capital investment.

Project implementation timeframe: Before May 2013.

Obligations of Project Developer:

Depending on the nature of the project to be supported by AFREPREN/FWD ‘Cogen for Africa’ initiative, the specific obligations of the project developer could vary from project to project. However, the following guidelines outline the basic obligations of the project developer:

Provide relevant data and information: In order for the AFREPREN/FWD ‘Cogen for Africa’ Project to provide sufficient support to the project developer, relevant background data and information on the project will be required. It is, therefore, expected that the project developer will share any relevant technical and financial information pertaining to the project development. This information will be protected and treated as confidential by the AFREPREN/FWD ‘Cogen for Africa’ Project.

Allow project visits: The project developer will be required to allow the AFREPREN/FWD ‘Cogen for Africa’ Project Staff to visit the investment from time to time until May 2013 in order to keep track of its progress. In addition, the project developer shall allow visits from other potential investors in cogeneration under the sponsorship of the AFREPREN/FWD ‘Cogen for Africa’ Project. Preferably, potential investors should come from different industries/sectors and/or countries.

Allow counting of installed generation capacity: The AFREPREN/FWD ‘Cogen for Africa’ Project has an explicit target of encouraging the development of 40 MW. It is, therefore, expected that the projects developed with support from the AFREPREN/FWD ‘Cogen for Africa’ Project would count towards meeting the aforementioned target.

Acknowledge support from AFREPREN/FWD ‘Cogen for Africa’ Project: It will be imperative that the support from the AFREPREN/FWD ‘Cogen for Africa’ Project is explicitly acknowledged in form of a letter and/or in the company’s publications (e.g. brochures, newsletters, website, etc).

Signing of a Cooperation Agreement: It is anticipated that the collaboration between the project developer and the AFREPREN/FWD ‘Cogen for Africa’ Project will be formalised through signing of a Cooperation Agreement. The Cooperation Agreement shall highlight the obligations of the project developer as well as that of the ‘Cogen for Africa’ Project.

Scope of Support from AFREPREN/FWD ‘Cogen for Africa’ Project:

Varies depending of project sponsor’s request. However, the Project is limited to non-capital project development support and can provide any or a combination of the following Technical Assistance activities:
**Feasibility Studies:** The AFREPREN/FWD ‘Cogen for Africa’ Project can provide co-financing support for feasibility and pre-feasibility studies as follows:
- Co-finance Full Feasibility study: Maximum of US$ 150,000 (for projects of ≥7MW)
- Co-finance Full Feasibility Studies: Maximum of US$ 80,000 (for projects of <7MW)
- Co-finance Pre-feasibility Studies: Maximum of US$ 12,000

**Funds Mobilization and financial packaging:** The AFREPREN/FWD ‘Cogen for Africa’ Project can assist project developers in mobilizing low-cost financing from banks such as the African Development Bank. In addition, the Project can provide co-financing support to project developers for the requisite financial packaging as well as compiling a bankable project proposal.

**Technology selection:** One of the challenges that project developers face is selecting the right technology and equipment to meet the project’s objectives. The AFREPREN/FWD ‘Cogen for Africa’ Project can assist in this area.

**PPA negotiations:** For projects that are likely to have excess electricity generation capacity and would be interested in selling it to the national grid, the AFREPREN/FWD ‘Cogen for Africa’ Project can provide some co-financing support to the project developer to negotiate for an attractive price and Power Purchase Agreement.

**Pre-investment consultancy support:** The AFREPREN/FWD ‘Cogen for Africa’ Project can provide co-financing support for pre-investment consultancy services. The support could either be in form of the AFREPREN/FWD ‘Cogen for Africa’ Project providing the expertise or co-financing the consultancy fees to the project developer’s preferred consultancy firm.

**Pre-contract engineering services support:** The AFREPREN/FWD ‘Cogen for Africa’ Project can provide co-financing support for pre-contract engineering services. The support would be in form of co-financing the consultancy fees to the project developer’s preferred consultancy firm.

**Post-contract project management services support:** Should a project developer require support for general project management and supervision, the AFREPREN/FWD ‘Cogen for Africa’ Project can provide some co-financing support.

**Training, study visits and tours:** The AFREPREN/FWD ‘Cogen for Africa’ Project can provide co-financing support to project developers for capacity building. Specialized training is especially required for existing staff, where there is a new installation of relatively higher boiler pressures and generation capacity. The training could be in the form of class-based courses, workshops or on-site and hands-on (apprenticeship/supervised) training. The AFREPREN/FWD ‘Cogen for Africa’ Project can also provide co-financing support for project developers to undertake study visits and tours cogeneration installations such as the one they intend to implement.

--- FOR USE BY PROJECT STEERING COMMITTEE ONLY ---

**Confidentiality Clause:** All information submitted by the project developer will be treated as confidential and its sharing will be limited to among AFREPREN/FWD, UNEP/GEF, AfDB, other co-financing institutions and the consultants selected by the project developer for project development purposes only. Sharing the aforementioned information with any other party will be subject to express permission, in writing, granted by the project developer.

**Evaluation Matrix:**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
<th>Weight</th>
<th>Total</th>
</tr>
</thead>
</table>

--- Co-financing support for pre-feasibility studies does not guarantee support for subsequent full feasibility study.
# Technical Merits

1.1 Availability, Quality and Thoroughness of Project Documentation - 2
1.2 Steam/Electricity Utilisation Assessment - 2
1.3 Reliability and Technical Accuracy of Estimates - 2
1.4 Security of Fuel Supply - 12
1.5 Standard of Procurement Process - 2

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<tr>
<th>1. Project Developer</th>
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<th>30</th>
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<td>2.2 Equity Contribution/Project Developer’s Commitment</td>
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</tr>
<tr>
<td>2.3 Seniority/Stake of Key Contact</td>
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<table>
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<tr>
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<td>3.2 Lenders’ Commitment</td>
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<td></td>
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<tr>
<td>3.3 Availability of Market for Steam/Electricity</td>
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<td>3.4 Availability for Firm Power Exports to the Grid</td>
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<tr>
<td>3.5 Status of Power Purchase Agreement/Tariff Negotiations</td>
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<tr>
<td>3.6 Adequacy and Soundness of Assumptions Used</td>
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<td></td>
</tr>
<tr>
<td>3.7 Overall Status and Maturity of Project Development</td>
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<td></td>
</tr>
<tr>
<td>3.8 Risk Analysis &amp; Mitigation Strategies</td>
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<td></td>
</tr>
</tbody>
</table>

<table>
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<tr>
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<th>400</th>
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<tr>
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<tr>
<td>4.2 Local Impact &amp; Mitigation Strategies (NOₓ, SOₓ, particulates, etc.)</td>
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<tr>
<td>4.3 National, Social and Community Impact</td>
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</tr>
<tr>
<td>4.4 Status of Environmental/Social Impact Assessment &amp; Certification</td>
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<tr>
<td>5.1 Potential for Future Expansion</td>
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<tr>
<td>5.2 Replicability Potential within Country/Region</td>
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<td>5.3 Policy Support for Project Development</td>
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<tr>
<td>5.4 Legal/Regulatory Support for Project Development</td>
<td>-</td>
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**Maximum Total Score** 240 100

**Supplementary Criteria**

<table>
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<th>40</th>
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<tbody>
<tr>
<td>One Company per Sector per Country</td>
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<td></td>
</tr>
<tr>
<td>Whether Project is in one of the Target Countries</td>
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<td>5</td>
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</tr>
<tr>
<td>Contribution to Geographical Diversity</td>
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<td>5</td>
<td></td>
</tr>
<tr>
<td>Contribution to Sectoral Diversity</td>
<td>-</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

**Maximum Supplementary Total Score** 140 120

**Scoring system:**

9-10:  Very Good
7-8:  Good
4-6:  Adequate
1-3:  Poor
0:  Missing/Insufficient information to evaluate criteria
DEFINITION OF TERMS USED IN THE EVALUATION MATRIX

1.-1 **Technical Merits**

2.-1

3.-1 **Availability, Quality and Thoroughness of Project Documentation**: Availability of some background material on the project prepared by the Project Developer. In addition, comment on the quality and thoroughness of the background material.

4.-1

5.-1 **Steam/Electricity Utilisation Assessment**: Check if the Project Developer provided any estimates on steam and electricity utilisation after the new investment. Possibly, this information should be in the aforementioned background material.

6.-1

7.-1 **Reliability and Technical Accuracy of Estimates**: Cursory assessment of the accuracy methodology, data and information used to provide technical estimates.

8.-1

9.-1 **Security of Fuel Supply**: Assurance of adequate all-year-round fuel supply and/or selection of a fuel that is not susceptible to price fluctuations.

10.-1 **Standard of Procurement Process**: Existence and Quality of Project Developer’s procurement process for equipment and services.

**Project Developer**

11.-1 **Source of Equity**: Source of equity already identified. Also comment on the reliability of the source(s).

12.-1

13.-1 **Equity Contribution/Project Developer’s Commitment**: Willingness and capability of the Project Developer to commit a significant amount of equity.

**Seniority/Stake of Key Contact**: Assess the seniority of the key contact within the company management ranks as well as the person’s influence on decision making.

14.-1 **Economic Viability**

15.-1

16.-1 **Project Internal Rate of Return (IRR)**: Estimated IRR of the project.

17.-1

18.-1 **Lenders’ Commitment**: Availability of written commitments from lending institutions.

19.-1

20.-1 **Availability of Market for Steam/Electricity**: Whether there is sufficient demand for the steam and electricity produced as well as the existing legal and regulatory framework allows Project Developer to sell steam and/or electricity.

21.-1

22.-1 **Availability for Firm Power Exports to the Grid**: If Project Developer intends to sell excess power to the grid, whether installed capacity and quantity of excess electricity produced is sufficient for firm power supply throughout the year.

23.-1

24.-1 **Status of Power Purchase Agreement/Tariff Negotiations**: If Project Developer intends to sell excess power to the grid, at what stage are PPA/Tariff negotiations.

25.-1

26.-1 **Adequacy and Soundness of Assumptions Used**: Assessment of the stipulated assumptions.

27.-1 **Overall Status of Project Development**: General assessment of progress made on the project at the time of evaluation.

28.-1 **Risk Analysis & Mitigation Strategies**: Identified risks and risk mitigation strategies.
29.0 National/Global Environmental & Social Benefits
30.- National, Global Environmental & Social Benefits
32.- Local Impact & Mitigation Strategies (NOx, SOx, particulates, etc.): General assessment of local impacts and mitigation strategies.
33.- National, Social and Community Impact: General assessment of impacts that the project will have at national, social and community levels.
34.- Status of Environmental/Social Impact Assessment & Certification: At what stage is the Environmental/Social Impact Assessment as well as Certification application at the national environmental management authority.

38.- Demonstration Value/Replicability
39.- Potential for Future Expansion: An assessment of whether there is room for future expansion eg. increased steam/electricity production capacity, increased availability of fuel, etc.
40.- Replicability Potential within Country/Region: Existence of similar entities in the country/region that could potential replicate the project being developed.
41.- Policy Support for Project Development: Assessment of existing energy policies and/or sectoral policies and, if possible, financial incentives that promote the development of projects such as the one in question.
42.- Legal/Regulatory Support for Project Development: Assessment of whether the existing legal and regulatory framework allows for unconstrained development of projects such as the one in question.

48.- Supplementary Criteria
49.- One Company per Sector per Country: Assess whether or not there is another company in the same sector and country already being supported by the AFREPEN/FWD ‘Cogen for Africa’ Project.
50.- Whether Project is one of the Target Countries: Preference to be given to Kenya, Uganda, Tanzania, Ethiopia, Malawi, Swaziland and Sudan.
51.- Contribution to Geographical Diversity: Assess whether or not there are other projects in the same country already being supported by the AFREPEN/FWD ‘Cogen for Africa’ Project.
52.- Contribution to Sectoral Diversity: Assess whether or not there are other projects in the same sector already being supported by the AFREPEN/FWD ‘Cogen for Africa’ Project.
Brief Overviews of Visited/Discussed Opportunities
Brief Overview of West Kenya Sugar Company Limited – Kenya

West Kenya Sugar Company (WKSC) is a privately owned sugar company by the Bhikhu family (An Indian family). It is based in the Western Province of Kenya (Kakamega District). WKSC is the smallest sugar factory in the country based on its installed cane crushing capacity of 1,500 TCD. However, the factory has been on an expansion programme with a short term target of crushing 2,500 TCD by end of year 2007 and a middle term target of 3,500TCD (with an effective capacity of 4,000 TCD) by end of 2008 and a further long term target of 6,000 TCD. The factory has acquired a new 45 bar boiler (80 tonnes) and two turbines of 3MW each, which are in the process of installation. Each will be able to generate 8.5MW of power thereby making the factory to be self-sufficient in power and have 1.5MW excess power after these installations by end of 2008.

The company’s plans to carry out a full feasibility study on cogeneration potential and factory expansion. The factory tendered for quotations and has already received two proposals from two Indian firms (one of the firms carried out the Mumias cogeneration feasibility study).

Based on a mission visit to the factory by a team from the AFREPREN/FWD ‘Cogen for Africa’ Project as well as discussions held with the senior management of WKSC, there are several opportunities that can arise for WKSC in this project, especially in the following areas:

**Full Feasibility Study**: Since the company has already sourced for quotations to carry out a full-feasibility study on cogeneration potential, the project can play a part in the funding of this study.

**Government Permit and PPA Negotiations**: The AFREPREN/FWD ‘Cogen for Africa’ Project has offered to be instrumental in the PPA negotiations with the government for a standard power purchase agreement with can be applicable to all cogeneration IPPs in the country.

**Rural Electrification**: The AFREPREN/FWD ‘Cogen for Africa’ Project in conjunction with the COOPENER project could also advise the WKSC Management on how to devise a rural electrification plan for the locals.
Brief Overview of Tanganyika Planting Company (TPC) - Tanzania

Tanganyika Planting Company (TPC) is operated by the CIEL Agro-industry Group which owns 75% while the balance of the shares (25%) is held by the Government of Tanzania. TPC is based in the Kilimanjaro region of Tanzania and, during the 2005/06 season, harvested 594,778 tonnes of cane. It has acquired a new 20 MW Turbo-Alternator and a 45 bar boiler which are in the process of installation. Potentially, TPC could export 7 - 11 MW to the grid. Since 2000 when the CIEL Group of Companies bought 75% of shareholding from the Government of Tanzania, a significant amount of investment has gone into the rehabilitation of the factory and its sugarcane plantations.

There is a new power unit at the factory that is yet to be commissioned. This unit was expected to have begun running in August 2006 but has been delayed due to the status of the Turbo-Alternator Set. The power unit has faced several challenges, including: delays in the delivery of the unit, delivery of the unit without key components, immediate failure and eventual destruction of the turbine at the initial test run, delays in the replacement of the damaged turbine and failure of the new turbine leading to at least five disassemblies and reassemblies. However, plans are underway to solve these problems once and for all.

Based on a mission visit to the factory by a team from the AFREPREN/FWD ‘Cogen for Africa’ Project as well as discussions held with the Senior Management of TPC, there are several opportunities that can arise for TPC in this project, especially in the following areas:

**Cogen Development:** Upgrading the power generation capacity of TPC has several prospects and challenges associated with it. One of the challenges that TPC will be facing soon after the new power unit is commissioned is the limited experience of its plant operators to handle mid-range pressure boilers and steam turbines - such as the ones being installed. According to the Factory Executive Officer, the jump from 12 bar boiler pressure to 45 bars and 5 MW to 20 MW of the Turbo-Alternator presents a steep learning curve for the present plant operators. Consequently, there is need for having experienced operators brought in for a 1-year hands-on and hand-holding training of the existing TPC plant operators. It was pointed out that there is a limit to what classroom-based training of a few weeks or months could achieve compared to the apprenticeship approach of training.

Similarly, given the numerous problems facing the new turbine, the TPC Management Team felt that it requires an expert in Turbo-Alternator sets to oversee the final reassembly and commissioning of the power unit. In addition, the expert could also assist in providing some of the training to the TPC plant operators.

It is estimated that the total cost of the proposed 1-year training of the plant operators as well as hiring an expert to oversee the installation of the power unit is in the range of US$ 176,000 - 191,000. The estimated cost is significant and represents approximately 74 to 80% of the total CIP allocations to Tanzania in the AFREPREN/FWD ‘Cogen for Africa’ Project’s budget. However, supporting TPC’s initiative could play a significant role in cost-effectively meeting the project’s objectives. For example, the project could meet 50% of the targeted installed capacity with only less than 4% of its total budget. Secondly, TPC’s Management is willing to consider the factory not only a demo for other sugar factories but also as a hands-on training ground for plant operators in sugar factories planning to invest in more efficient boilers and larger power units. This offer could lead to lower cost but much more productive training workshops than planned for.

**PPA Negotiations:** The AFREPREN/FWD ‘Cogen for Africa’ Project could assist TPC to negotiate with TANESCO for a more attractive feed-in tariff for the power that TPC will sell to the grid.
Evacuation of Power: The AFREPREN/FWD ‘Cogen for Africa’ Project could assist TPC with two power evacuation options: rehabilitating the current 14-km line whose layout is a zig-zag pattern as it is designed to pass through four villages and about 7 of TPC’s pumping stations in the plantation before reaching TPC’s factory and construction of a new 10-km almost straight line connecting TPC’s factory and Kiyungi Sub-station.

Rural Electrification: The AFREPREN/FWD ‘Cogen for Africa’ project in conjunction with the COOPENER project could assist TPC in identifying suitable low cost electrification options. Examples of possible low cost electrification options include the following: Ready boards, Pre-payment meters, Load limiters, Single Wire Earth Return, Smaller conductors, Bundled conductors and Flood-lighting. The AFREPREN/FWD ‘Cogen for Africa’ project in conjunction with the COOPENER project could also advise the TPC Management on the ways in which to handle revenue collection, maintenance, enforcement of a disconnection for non-payment policy, among other operational issues.
Brief Overview of Royal Swaziland Sugar Corporation - Swaziland

The following were the findings of a mission visit to the Royal Swaziland Sugar Corporation (RSSC) by a team from the AFREPREN/FWD ‘Cogen for Africa’ Project following a meeting with the corporation’s General Manager – Manufacturing.

The Mission Team learnt that new investment in cogeneration is unlikely to happen soon in any of the two factories in Swaziland. This is largely because the Swaziland Electricity Board (SEB) is currently enjoying very low tariffs (about US¢ 3.1) from Eskom, South Africa. Consequently, SEB is not willing to consider purchasing electricity at prices higher than Eskom’s sales price.

In the meantime, RSSC is more interested in minimising/eliminating the use of coal by burning more biomass for its internal cogeneration energy need. The motivation for the aforementioned interest is due to the substantial increase in the landed cost of coal in Southern Africa in the past couple of years.

In order to increase the use of biomass for cogeneration, RSSC has embarked on a World Bank-supported feasibility study and pilot project of using trash and tops recovery. Apparently, the other sugar factory in Swaziland - Ubombo Sugar Factory - has performed some trash and tops recovery trials with satisfactory results. The feasibility study is part of the background work being carried out for purposes of placing RSSC in the pipeline of CDM projects.

Another possibility that RSSC is considering as part of eliminating coal, is through obtaining electricity from its sister sugar factories across the border in South Africa. Being part of the TSP group of sugar companies, RSSC plans to investigate the possibility of wheeling electricity from its sister sugar factories that might have an excess.

The Mission Team also learnt that, alongside cogeneration development, the RSSC is interested in exploring a rural electrification initiative especially for the benefit of unelectrified villages on the sugar estate. In addition, for the electrified villages, RSSC is considering the cost-effectiveness of replacing gas for cooking with electricity. Currently, it is estimated that RSSC spends ZAR 15 million (about US$ 2.1 million) per annum on supplying cooking gas to the employees living in the sugar estate villages.

To sum up, cogeneration investment potential at RSSC appears to be limited at the moment. However, subject to the extent of tariff increments by Eskom, the sugar company could be interested in generating excess electricity for export to the national grid. RSSC requested to receive a criteria for qualification of support from the AFREPREN/FWD ‘Cogen for Africa’ Project should an opportunity for cogeneration investment arise.
Brief Overview of Metahara Sugar Company – Ethiopia

There are currently 3 sugar factories in Ethiopia, which are all state-owned, namely:

a. Wonji/Shoa which is the oldest factory with a capacity of 3,100 TCD (Tonnes of Cane per Day)
b. Metahara with a capacity of 5,000 TCD
c. Finchaa with a capacity of 4,400 TCD

An additional Greenfield sugar project is planned, Tendaho Sugar Plant, which will have a capacity of 26,000 TCD upon completion of all its planned phases.

Currently the Government is implementing an ambitious program designed to dramatically expand and modernize its existing sugar factories. The program includes increased cane production, sugar production, cogeneration and ethanol production.

Daily sugar production in the country is currently about 280,000 tonnes annually, against a demand of 300,000 tonnes annually. Demand for sugar is growing, and with new planned expansion, sugar production is expected to reach 600,000 tonnes per annum. The surplus is expected to be exported to neighbouring countries.

The status of the ongoing sugar sector program is summarized below:

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<th>Sugar Factory</th>
<th>Type</th>
<th>Feasibility Studies</th>
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<td>Wonji/Shoa</td>
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<td>Finalized</td>
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<td>Tendaho</td>
<td>Greenfield</td>
<td>Finalized</td>
<td>Finalized</td>
</tr>
</tbody>
</table>

Some of the consultants that have been involved in feasibility studies include SOFRECO (www.sofreco.com), Booker Tate (http://www.booker-tate.co.uk), JP Mukherji (http://jpma.co.in/) and PGBI (http://www.pgbi.co.za) of South Africa

The financing for the expansion of Ethiopia’s sugar factory is, in part, financed by the Sugar Development Fund which has an estimated inflow of about US$ 8 million per year. The balance is sourced from local banks, government treasury and bilateral agreements with cooperative partners such as the Indian Government that has an ongoing major cooperative agreement with Ethiopia in the sugar sector.

Although all factories are state-owned, there are opportunities for private participation as the Ethiopian Government is open to private players, both local and international.

There is an opportunity for developing public private partnerships (PPPs) which would be of interest to the private sector arm of AfDB. The private players can participate in the cogeneration or ethanol investments. There are already existing examples of this – in the case of Metahara, a private consortium is negotiating with the Government of Ethiopia on the possibility of developing an ethanol investment.

Based on a meeting held between the Director General of the Ethiopia Sugar Development Authority and a team from the AFREPREN/FWD ‘Cogen for Africa’ Project, there are several opportunities that can arise for Metahara Sugar Company:
There are opportunities for the AFREPREN/FWD ‘Cogen for Africa’ Project to participate in the Metahara Sugar project expansion, since the project financing is still not yet finalized. There are possibilities for the AfDB to participate in the financing of the project, using one of the following options:

a. Private sector funding of a PPP – Public Private Partnership, where a private firm takes up the development of either the cogeneration or ethanol investment at Metahara.

b. Public sector funding of proposed expansion at Metahara as well as associated cogeneration and ethanol investments.

The AFREPREN/FWD ‘Cogen for Africa’ Project can assist the Metahara sugar factory in overcoming any other barriers that the project could face. Examples include:

c. Power purchase agreement analysis and negotiations with the utility, to ensure sale of excess co-generated electricity to the grid

d. Training and capacity building on operation of high pressure cogeneration systems, as part of planned training and capacity building activities of the AFREPREN/FWD ‘Cogen for Africa’ Project.
Brief Overview of James Finlays Gasification Project – Muzizi, Uganda

Finlays is a UK based company and has been involved in tea estates since the end of the 19th century. It has tea estates in Kenya, Uganda and Sri Lanka producing over 50 million kilos of made tea every year.

The Muzizi Tea Estate gasification project is situated 600km from Kampala in western Uganda. The factory is not connected to the national grid and running the factory tea processing (which requires 500kW of power) on a diesel generator has proved very expensive to the factory. Therefore, the factory management decided to look for alternative options for power generation. They decided to install a pilot project of a gasifier at the Muzizi factory to generate power for the factory tea processing. The gasifier has a capacity of 250kW but produced 200kW due to some technical hitches. Even though this is a new technology in the region, the AFREPREN/FWD ‘Cogen for Africa’ Project Team visited the factory and ascertained that the project is operational at the Muzizi tea factory.

The management is relatively satisfied with the investment and intends to install a second gasifier in the same factory and possibly replicate the technology to other tea factories.

Based on the mission visit to the factory by the team from the AFREPREN/FWD Cogen for Africa project as well as discussions held with the management of the factory, the following were identified as areas that the AFREPREN/FWD ‘Cogen for Africa’ Project can offer assistance to the James Finlays project:

**Feasibility Study:** With the interest that the James Finlays have in replicating the technology to other of its tea factories, the AFREPREN/FWD ‘Cogen for Africa’ Project can assist in developing a concept note for the roll out plan as well as follow up with feasibility for the planned replication.

**Documentation of Case Examples and Training:** During the discussions with the factory engineer in charge of the gasifier project, it was realized that the project has had a lot of difficulty due to lack of capacity. In addition, there is documentation of this case example that can be used by other factories planning to install the same technology. Therefore, the AFREPREN/FWD ‘Cogen for Africa’ Project can be instrumental in assisting in documenting the processes, troubleshooting activities and all problems encountered during the project pilot phase. In addition, the AFREPREN/FWD ‘Cogen for Africa’ Project can provide training experts to the various engineers of James Finlays.

**Rural Electrification:** The AFREPREN/FWD ‘Cogen for Africa’ Project in conjunction with the COOPENER project could also advice the management of James Finlays on how to devise a rural electrification plan for the locals.
**Brief Overview of Ethanol Company of Malawi**

Malawi commissioned its first ethanol plant on the shores of Lake Malawi in Dwangwa in May 1982. A second plant was commissioned in 2004 in Chikwawa. So far, Malawi’s ethanol has been acclaimed for its smooth quality. Since the commissioning of the first plant, 224.5 million litres of ethanol have been blended with petrol in Malawi. In addition, other products like potable alcohol which is supplied to the only licensed distillery in the country for their entire alcoholic needs has also been produced to the tune of nine million litres.

Another product which has lately increased due to reduced blending ratios from 20% to 10% to satiate the unleaded petrol levels required for blending is rectified or industrial ethanol. Its production volumes to date stand at 24 million litres. These figures are grossed 257 million litres of ethanol produced from the Ethanol Company of Malawi in Dwangwa since its inception in 1982 to 31st December 2006.

In the past two years, the company has exported almost half of its product to the East African countries with some trickling to Mozambique, Zambia and Botswana. Ethanol has been very viable because in its 25 years of existence, it has saved Malawi money that would otherwise have been used to import petrol.

Malawi is currently taking the issue of ethanol utilization further based on the success of Brazil. In Brazil, almost 35% of cars run on flexifuel. A driver can either use pure ethanol or pure petrol in the same car at any one time. The Ethanol Company of Malawi together with Malawi Government’s Department of Science and Technology and Lilongwe Technical School have embarked on this project. An old Government Pajero has since been converted to run on either pure ethanol or petrol. Successful road tests have been carried out.

Experiences to date show that where molasses is used as feedstock, it enhances sugar production by guaranteeing the emptying of molasses tanks without further costs to the sugar milling industry. In addition to saving hard-earned foreign exchange, ethanol production provides employment opportunities to a wide section of the population.

Based on a mission visit to the ethanol plant by a team from the AFREPREN/FWD ‘Cogen for Africa’ Project, there are several opportunities that can arise for the Ethanol Company of Malawi, especially in the following areas:

**Full Feasibility Study:** The AFREPREN/FWD ‘Cogen for Africa’ Project can play a part in the funding of a full feasibility study with regards to the expansion of the factory which will include an expansion of the existing cogeneration facility.
<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Description</th>
<th>Project Sponsor</th>
<th>Expected Output/Production Capacity</th>
<th>Planned Investment (US$)</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>KENYA</strong></td>
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</tr>
</tbody>
</table>
| West Kenya Sugar Factory   | Pre-feasibility by MoE for 17MW; Company plans feasibility for 10MW plant            | Private Company                                         | 10 MW                              | 15-20 million            | Showed interest in investing in cogeneration; AFREPREN/FWD contacted factory for visit in June/July  
- Proposed appointment on 10th July 2007 at their factory  
- Plans for expansion of cogeneration plant; About to commission feasibility study  
- Sent follow-up email and establish contact between factory and AfDB.  
- Follow-up mission organized on 26th and 27th July 2007  
- Collected information on 2 aspects: Planned cogeneration development and consultants being considered for feasibility study  
- Awaiting discussion at Steering Committee Meeting |
| Mumias                     | Currently sells 2MW to the grid; Pre-feasibility study conducted for 35 MW with plans to export 25MW to the grid | Mumias Sugar Company Ltd; Japan Carbon Finance Bank      | 35MW production with 25MW planned for export - Ethanol production floated, feasibility studies underway | 50 million               | Feasibility study conducted and project expected to kick off in 2007, New PPA negotiations complete  
- Acknowledgment from MD (Kidero)  
- Based on discussions at MOE cogen meeting in Kisumu, already have in place a consortium of financiers. However, they plan to export 25MW, and are working with KPLC to install a 132KV line (30km)  
- funding arrangement proposed is for Mumias to fund it and transfer ownership to KPLC. Opportunity for cogen project mobilize the funds for the transmission line.  
- AFREPREN/FWD will follow up with Mumias CEO (Dr. Evans Kidero) and Factory Operations Manager (Engineer Luchacha) on possibility of mobilizing funds for construction of the 132KV transmission line |
<table>
<thead>
<tr>
<th>Location/Company</th>
<th>Pre-feasibility Study Details</th>
<th>Capacity</th>
<th>Cost</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemelil</td>
<td>Pre-feasibility study conducted for 15MW</td>
<td>Chemelil</td>
<td>15MW</td>
<td>23.7 million</td>
</tr>
<tr>
<td>South Nyanza Sugar Company (SONY)</td>
<td>Pre-feasibility study for expansion and cogeneration unit by MoE Government of Kenya</td>
<td>26-30MW</td>
<td>41 million</td>
<td>Pre-feasibility study conducted; To follow up and arrange for visit</td>
</tr>
<tr>
<td>Busia Sugar Company</td>
<td>Feasibility study to implement new sugar factory to include 20MW cogeneration plant</td>
<td>Government of Kenya</td>
<td>20MW</td>
<td>100 million (includes cost of factory setup with cogeneration component)</td>
</tr>
<tr>
<td>TANZANIA</td>
<td>Tanganyika Planting Company</td>
<td>Installed 18MW, with factory expansion; AfDB has been in touch; investment opportunity for constructing sub-station and transmission/connection to grid &amp; negotiation of PPA</td>
<td>Tanganyika Planting Company Ltd.</td>
<td>18MW -Potential to produce ethanol, initial assessments of potential done</td>
</tr>
<tr>
<td>Facility</td>
<td>Ownership</td>
<td>Grid Connection</td>
<td>Current Capacity</td>
<td>Expansion Potential</td>
</tr>
<tr>
<td>--------------------------</td>
<td>----------------------------------</td>
<td>-----------------</td>
<td>------------------</td>
<td>---------------------</td>
</tr>
</tbody>
</table>
| Kilombero Sugar Factory  | Signed contract with TANESCO to sell 2MW to the grid | Illvo Sugar Company majority shareholder | Current capacity is 6.8MW | To be confirmed | Potential cogeneration opportunities worth assessing  
  - To be followed up during Tanzania visit |
| Mtibwa Sugar Factory     | Managed by Super Doll Trailer Manufacture Company (T) Limited of Dar-es-Salaam | Tanzania Sugar Industries | Generates 13MW, intends to expand to 30MW | To be confirmed | Planned expansion envisaged to produce 30MW out of which 20-25MW will be exported  
  - To be followed up during Tanzania visit |
| Kagera Sugar Factory     | Managed by the Agricultural Consultancy Services (Mauritius) Limited | Sugar Industries Limited | Generates 2.5MW | To be confirmed | Potential cogeneration opportunities worth assessing  
  - To be followed up during Tanzania visit |
| **SWAZILAND**            |                                  |                 |                  |                     |                                                                      |
| Simunye                  | Pre-feasibility study for 50MW conducted | Royal Swaziland Sugar Company | 50MW;  
  - Runs distillery that produces 12.5million litres of ethanol per year  
  - Feasibility for expanding ethanol production done | 77.5million | Feasibility available; Initial contact with AfDB  
  - Reminder sent to MD  
  - Confirmed appointment on 18th July 2007 at their factory  
  
  During the meeting at the RSSC, the Mission Team learnt that new investment in cogeneration is unlikely to happen soon in any of the two factories. This is largely because of the very low import tariffs (about US$ 3.1) that the Swaziland Electricity Board (SEB) is currently enjoying from Eskom, South Africa.  
  - In order to increase the use of biomass for cogen, RSSC has embarked on a World Bank-supported feasibility study and pilot project of using recovered cane trash and tops to replace use of coal in its dual-fired boilers.  
  - Being part of the TSP group of sugar companies, RSSC plans to investigate the possibility of wheeling through the SEB transmission system cogenerated electricity from its sister sugar factories that might have an excess for sale.  
  - RSSC is interested in exploring rural electrification options for the benefit of unelectrified villages on the sugar estate.  
  - RSSC requested the Mission Team to send it a set of criteria for qualification of support from Cogen Project should an opportunity for cogen investment arise. Feasibility available |
| Mlhume                   | Pre-feasibility study for 50MW conducted, with factory expansion | Royal Swaziland Sugar Company | 50MW | 77.1million | Feasibility available; Initial contact with AfDB  
  - Reminder sent to MD  
  - Confirmed appointment on 18th July 2007 at their factory  
  
  During the meeting at the RSSC, the Mission Team learnt that new investment in cogeneration is unlikely to happen soon in any of the two factories. This is largely because of the very low import tariffs (about US$ 3.1) that the Swaziland Electricity Board (SEB) is currently enjoying from Eskom, South Africa.  
  - In order to increase the use of biomass for cogen, RSSC has embarked on a World Bank-supported feasibility study and pilot project of using recovered cane trash and tops to replace use of coal in its dual-fired boilers.  
  - Being part of the TSP group of sugar companies, RSSC plans to investigate the possibility of wheeling through the SEB transmission system cogenerated electricity from its sister sugar factories that might have an excess for sale.  
  - RSSC is interested in exploring rural electrification options for the benefit of unelectrified villages on the sugar estate.  
  - RSSC requested the Mission Team to send it a set of criteria for qualification of support from Cogen Project should an opportunity for cogen investment arise. Feasibility available |
<table>
<thead>
<tr>
<th>Company</th>
<th>Illovo Sugar Company</th>
<th>Ubombo are planning for to install a 40 MW plant that will use bagasse and sugar-cane tops</th>
<th>Pre-feasibility study undertaken. -Request for appointment sent on 11th July 2007 To be followed up during visit to Swaziland Request for appointment sent, no response</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ETHIOPIA</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metahara Sugar Factory</td>
<td>Metahara Sugar factory has expansion plans to establish a cogeneration facility and Ethanol Plant. It also plans to expand the sugar factory to a capacity of about 8,000 TCD and sugar production to about 190,000 tons by the year 2011.</td>
<td>Government of Ethiopia</td>
<td>To be confirmed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>To be confirmed</td>
</tr>
</tbody>
</table>
| | | | The Metahara Sugar Factory had been expanded twice from 2000 TCD to its current capacity of 5000 TCD, and 115,000 tons of sugar per annum, the latest expansion occurring in 1982. The total area developed at Metahara Sugar Estate is 10,000 ha. Following up on possibility of appointment in early August 2007 Visit on 6th August 2007 confirmed that Feasibility study for expansion is currently ongoing. The financing arrangement has been not been finalized, and there is an opportunity for the cogen project to participate in helping the project access financing. In particular, the AfDB is interested in developing a PPP-Public Private Partnership, where a private company develops either the cogen or ethanol plant.
| | | | Next Steps: Awaiting formal request from Director General of the Ethiopia Sugar Development Authority, which is in charge of all sugar development in the country. |
| Wonji/Shoa Sugar Factory | The two state factories (Wonji and Shoa) to be merged into one sugar factory with cogeneration plant. The factory intends to export 27MW of power to the national grid after the | Government of Ethiopia | 54 MW cogeneration facility with 27MW for export to the |
| | | | 195 million (includes factory expansion with cogeneration component) |
| | | | Pre-feasibility study conducted for 54 MW, with factory expansion; AFREPREN/FWD contacted factory for visit in June/July; EIB recently contacted factory - One of the technical experts (Wolde-Ghiorgis) indicated major cogen investments in the pipeline and |


**Finchaa Sugar Factory**

Factory plans to expand its crushing capacity and invest in more efficient cogeneration plant with potential of generating excess power for export

- Government of Ethiopia
- 34MW cogeneration capacity with 9MW for export to national grid
- Currently produces 8 million liters of ethanol a year
- 34 million

**UGANDA**

**Sugar Corporation of Uganda Limited (SCOUL)**

- Pre-feasibility? for 6MW
- Managed by Mauritian entity
- 6MW
- To be confirmed
- To be followed up

**Kinyara Sugar Company**

- Pre-feasibility study conducted for 5MW; recently got privatised, new Management (RAI Holdings) and managed by the Sugar Management Consultancy of Mauritius
- RAI Holdings
- 5MW
- To be confirmed
- AFREPREN/FWD contacted factory for visit in June/July
- Reminder sent
<table>
<thead>
<tr>
<th>Company</th>
<th>Status Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kakira Sugar Works</td>
<td>Agreement to sell 12MW to the grid, interested in expansion if attractive PPA is agreed upon, Imported 16MW turbine</td>
</tr>
<tr>
<td>Madhavani Group</td>
<td>19MW - Ethanol plans floated; Kakira could produce 20 million liters of ethanol per year</td>
</tr>
<tr>
<td>ERT loan-US $7.7; EADB-US $0.6; GEF grant-US $3.3; Kakira Sugar Works is expected to provide US $8.4.</td>
<td></td>
</tr>
<tr>
<td>Ongoing</td>
<td>To be followed up</td>
</tr>
<tr>
<td>Malawi</td>
<td>To be confirmed</td>
</tr>
<tr>
<td>Ndwangwa and Nchalo Sugar Factories</td>
<td>To be confirmed</td>
</tr>
<tr>
<td>To be confirmed</td>
<td>To be confirmed</td>
</tr>
<tr>
<td>To be confirmed</td>
<td>- Request for appointment sent</td>
</tr>
<tr>
<td>To be followed up</td>
<td></td>
</tr>
<tr>
<td>Sudan</td>
<td>To be confirmed</td>
</tr>
<tr>
<td>Gunied Sugar Factory</td>
<td>Feasibility study conducted for 28MW, with factory expansion</td>
</tr>
<tr>
<td>Government of Sudan</td>
<td>28MW - Ethanol production currently ongoing</td>
</tr>
<tr>
<td>34-39 million</td>
<td>pre-feasibility study available</td>
</tr>
<tr>
<td>To be confirmed</td>
<td>- Steering Committee placed it on hold</td>
</tr>
<tr>
<td>New Halfa Sugar Factory</td>
<td>Feasibility study conducted for 30MW, with factory expansion</td>
</tr>
<tr>
<td>Government of Sudan</td>
<td>30MW - Ethanol production in future plans for diversification</td>
</tr>
<tr>
<td>31-37 million</td>
<td>pre-feasibility study available</td>
</tr>
<tr>
<td>To be confirmed</td>
<td>- Steering Committee placed it on hold</td>
</tr>
<tr>
<td>Sennar Sugar Factory</td>
<td>Feasibility study conducted for 13MW, with factory expansion</td>
</tr>
<tr>
<td>Government of Sudan</td>
<td>13MW - Ethanol production in future plans for diversification</td>
</tr>
<tr>
<td>19million</td>
<td>pre-feasibility study available</td>
</tr>
<tr>
<td>To be confirmed</td>
<td>- Steering Committee placed it on hold</td>
</tr>
</tbody>
</table>
## Pipeline Initiatives

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Description</th>
<th>Project Sponsor</th>
<th>Expected Output/Production Capacity</th>
<th>Planned Investment (US$)</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Kenya</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tana Delta Kenya</td>
<td>Cane Factory Planned</td>
<td>Tana and Athi River Development Authority</td>
<td>To be confirmed</td>
<td>To be confirmed</td>
<td>To be confirmed</td>
</tr>
<tr>
<td>Homa Bay District</td>
<td>Cane factory proposed</td>
<td></td>
<td>To be confirmed</td>
<td>To be confirmed</td>
<td>A Sh 20 billion sugar factory is to be built in Homa Bay District to ease congestion at Sony Sugar. produce white sugar, ethanol and electricity from its by-products. It will be constructed in two phases and will take between two and three years to complete.</td>
</tr>
<tr>
<td><strong>Ethiopia</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tendaho Ethiopia</td>
<td>Cane Factory Planned</td>
<td>European Union and a consortium of developers from Sudan and Switzerland.</td>
<td>To be confirmed</td>
<td>258 million (to be confirmed)</td>
<td>The first private investment in the sugar sector is being made by Abdul Majeed Pardesi, a Pakistani planning to invest 7.5 billion Br to develop a 70,000ht sugar plantation with its own factory.</td>
</tr>
<tr>
<td><strong>Uganda</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sango Bay</td>
<td>Uganda Cane Factory Rehabilitation Planned</td>
<td>Sharad Patel</td>
<td>To be confirmed</td>
<td>To be confirmed</td>
<td></td>
</tr>
<tr>
<td>Amuru district</td>
<td>KAKIRA Sugar Works is planning to set up a 40,000ha sugar plantation in Amuru district, northern Uganda</td>
<td>KAKIRA Sugar Works</td>
<td>To be confirmed</td>
<td>To be confirmed</td>
<td>The proposed Amuru Sugar Complex will at the beginning need 40,000 hectares for the nucleus estate and for the outgrowers. The factory's first phase will have a capacity to crush 2,500 tonnes of cane per day. He said the sugar complex would comprise a factory, power generation plant, water treatment plant and reservoir, workshops,</td>
</tr>
</tbody>
</table>
stores, fuel stations and administration blocks.
<table>
<thead>
<tr>
<th>COMPANY</th>
<th>POTENTIAL MW FOR GRID</th>
<th>STATUS</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>MPM-Mufindi Paper Mills</td>
<td>2</td>
<td>Installing a 35 MW</td>
<td></td>
</tr>
<tr>
<td>Tanwat</td>
<td>2.4</td>
<td>Intention to install 5 MW</td>
<td></td>
</tr>
<tr>
<td>Mtibwa</td>
<td>7.0</td>
<td>Already installed (Transmission line to the grid)</td>
<td></td>
</tr>
<tr>
<td>Kilombero</td>
<td>2</td>
<td>Funding provided by GSB (Glowing Sustainable Business)</td>
<td></td>
</tr>
<tr>
<td>MWPT-Mufindi Wood Poles LTD</td>
<td>0.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sao hill- SAWMILLS</td>
<td>3.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safia</td>
<td>3.0</td>
<td></td>
<td>(Southern Highland Forest Industries Association)</td>
</tr>
<tr>
<td>Nyanza Salt Mines</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fiberboard</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Jokee (Japan)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KAGERA SUGAR</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holtan (Holland Tanzania)</td>
<td>1.0 MW</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mwanza Voil</td>
<td>0.5</td>
<td>Turbo general</td>
<td></td>
</tr>
<tr>
<td>Buhindi Cogen</td>
<td>0.5</td>
<td>turbo general</td>
<td></td>
</tr>
<tr>
<td>Mufindi Tea Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ifakara Missionary (DANIDA) Hospital</td>
<td>0.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mafia (H.J.S)</td>
<td>0.35</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upendo Group Tanzania Ltd</td>
<td>“Coal”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kiwira Coal Power</td>
<td>“Coal”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sugar Out grower Association Dr. Mlungwa</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NICO (National Investments Co. Ltd)</td>
<td>Power distribution</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Biomass Tanzania Ltd</td>
<td>Transmission</td>
<td></td>
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</tr>
</tbody>
</table>
**Over the horizon/speculative opportunities**

<table>
<thead>
<tr>
<th>Country</th>
<th>Company Name</th>
<th>Description</th>
<th>Contacts</th>
<th>Website</th>
</tr>
</thead>
</table>
| Swaziland    | Sappi Usuthu Pulp Ltd.            | Uses wood for making pulp and paper. The wood waste is used to fire up their boilers to run their machinery. | Tel: 268 4526010  
Fax: 268 4526032  
Email: helpdesk.usutu@za.sappi.com |                                                             |
| Kenya        | Chandaria Industries Ltd. (Kenya)- | CIL runs a converting plant and a cotton plant. The main products are paper and tissue. The mills have the following rated capacities: PM1 - 9 TPD PM2 - 10 TPD Converting paper - 500 TPM Cotton plant - 900 kg/day There are 3 main production processes, which include manufacture of paper and its conversion into paper products (tissue, serviettes and industrial napkins etc) and surgical cotton manufacture. The company applies the following energy efficiency methods:  
- Maintaining boilers at low flame by operating them on low firing mode.  
- Waste heat recovery from boiler flue gas by installation of heat recovery unit.  
- Vapor loss reduction by Modification of the piping system.  
- Paper machine flash steam recovery by modification of the existing system.  
- Steam optimization in Hood of PM 1 and PM 2  
- Heat recovery from bleach tank wash water by installation of plate heat exchanger  
- Cotton section – Vent opening & dryer speed  
- Efficiency improvement of back water pumps by installation of high efficiency pumps | P.O. Box 30621,Nairobi  
Tel: +254-20-802252/802253/802254/802255  
Fax: +254-20-862130/803271  
Email: info@chandaria.com  
Website: www.chandaria.com |                                                             |
| Tanzania     | TreeFarms A/S Mufindi Paper Mill   | **TreeFarms A/S** is Africa's leading afforestation company. It is growing trees to generate carbon carbon offsets and for future manufacturing of wood products and generation of bio-energy. It is a privately owned company establishing sustainably managed forests in Eastern Africa. It has activities in Tanzania, Uganda and Mozambique. TreeFarms’ subsidiary Sao Hill Industries Ltd in Tanzania is the largest sawmiller and one of the two largest treated pole producers in Eastern Africa. It also operates carpentry and joinery plants in Mufindi, Iiringa Region, Tanzania, and have several sales branches throughout Tanzania. Sao Hill Industries generates significant export revenues for Tanzania. It is also involved in cogeneration  
**Mufindi Paper Mill** is one of the main industrial actors in Saohill Plantation, which is involved in cogeneration. The Sao Hill sawmill is the largest sawmill in Eastern Africa, originally built by Norwegian development aid in the mid 1970s. Saohill plantation has a potential of 75 – 100 MW on yearly basis. Some of the challenges faced by the plantation are logistics, pricing mechanisms and harvesting technique | Contact person  
Ngibuini Mwaniki  
Managing Director, East Africa  
Mobile: +255 748 737796  
Mobile: +254 733756738  
Email: ngibuini@saohill.com  
Website: http://www.tree-farms.com/  
Choudray, Y.V.  
General Manager  
Telephone: +255-262-700325  
Fax: +255-262-700327  
Mobile Phone:0745683125  
Email: yve@mufindipaper.co.tz |                                                             |
<table>
<thead>
<tr>
<th>Sub-sector</th>
<th>Possible Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forest industries,</td>
<td>Tanzania – TANWATT &amp; SaoHill Saw Mill; Uganda; Swaziland, Sudan</td>
</tr>
<tr>
<td>Pulp &amp; paper,</td>
<td>Kenya, Swaziland, Tanzania, Uganda</td>
</tr>
<tr>
<td>Rice mills</td>
<td>Kenya, Uganda, Tanzania, Malawi, Sudan</td>
</tr>
<tr>
<td>Palm oil</td>
<td>Uganda, Tanzania</td>
</tr>
<tr>
<td>Sweet Sorghum</td>
<td>Uganda – JN Agritech is a Uganda registered company and is into commercial agricultural and Agro-processing. JNA is going into bio-fuels production using Agro-produce as feed stock. Plans are underway to produce fuel ethanol from sweet sorghum stalks using a patented technology. As part of ethanol plant, JNA is installing a CHP co generation plant, primarily to meet its own energy (Power &amp; heat) requirement and any surplus power generated will be exported to grid. Fuel source for this co generation plant is baggase (fiber derived after crushing sorghum) and methane gas extracted from effluent and other biomass. At present we are envisaging a 1.5 MW co generation plant for 90,000 LPD fuel ethanol plant as the first phase of a 200,000 LPD fuel ethanol project. Required land for captive farm to grow sorghum has been purchased and all necessary statutory approvals already obtained. Land development work is in progress.</td>
</tr>
<tr>
<td>Cotton</td>
<td>Sudan, Malawi</td>
</tr>
<tr>
<td>Sisal</td>
<td>Tanzania</td>
</tr>
<tr>
<td>Coconut</td>
<td>Tanzania</td>
</tr>
<tr>
<td>Biodiesel and Cogen</td>
<td>West Africa – Expression of interest from HCSL Biofuels, Jonathan Lewis, President &amp; CEO, +336-15-37-61-07; +229-97-24-74-86, <a href="mailto:Jalewis707@aol.com">Jalewis707@aol.com</a></td>
</tr>
</tbody>
</table>
Annex 2: Agenda Item No. 3 – Cooperation with Coopener PACEAA Activity

Modalities for Transfer of Funds from AFREPREN/FWD Cogen for Africa Project to PACEAA Related Activities

Introduction:

Cleaner energy has great potential to contribute to sustainable agricultural growth, poverty reduction, and rural development. However, in practice, effective integration of energy and agricultural sectors to reduce poverty through cleaner energy systems is constrained by several barriers. PACEAA (Poverty Alleviation through Cleaner Energy from Agro-industries in Africa) seeks to contribute to poverty reduction in Africa through improved agro-based cleaner energy planning and implementation. Specific objectives are: (a) to remove current policy/commercial/regulatory barriers to uptake of cleaner energy systems from agricultural industries; (b) to develop policy/regulatory guidelines for adoption of agro-based cleaner energy and incorporating the packages into local rural electrification plans; and (c) to enhance local/regional capacity for effective implementation and replication of agro-based cleaner energy systems. PACEAA will accelerate the pace of integration of energy and agriculture sectors leading to poverty alleviation in Africa.

PACEAA will cooperate with two large initiatives from the agro-industries in East and South Africa, both supported by the United Nations Environment Programme (UNEP) and Global Environmental Facility (GEF): “Greening the Tea Industry in East Africa (GTIEA)” implemented by the East Africa Tea Trade Association (EATTA) and “Cogen for Africa” implemented by AFREPREN/FWD. Both EATTA and AFREPREN/FWD are key partners to the projects, with Risoe (Denmark, Coordinator) and IED (France) being the European collaborators. The project duration is 30 months.

It is important to note that the Cogen for Africa project does not include a specific outcome on rural electrification. Therefore, rural electrification issues are not given high priority in the Cogen project, compared to the Greening the Tea Industry project, which includes a dedicated outcome on rural electrification. In line with the ‘Cogen for Africa’ project document, AFREPREN/FWD will utilize resources from PACEAAA to add a rural electrification component to the related project activities under the GEF ‘Cogen for Africa’ project. In addition, AFREPREN/FWD will contribute to the PACEAAA project activities, by providing inputs from Outcome 4 of the Cogen for Africa Project ‘More favourable policies and institutional arrangements that support cogeneration promoted’.

The proposed financing for the PACEAA project is as follows:

- The total budget for the project is EUR 1,267,242. The Intelligent Energy Executive Agency shall contribute a maximum of EUR 633,620, equivalent to 50% of the estimated eligible costs. These funds will be sent directly to Risoe and IED to cover their costs for project activities.

- EUR 622,400, equivalent to 49.11% of the project costs, will be co-financed by two UNEP/AFDB projects “Greening the Tea Industry in East Africa (GTIEA)” implemented by the East Africa Tea Trade Association (EATTA) (311,400), and “Cogen for Africa” implemented by AFREPREN/FWD (Euros 311,000). The requirement of the Intelligent Energy Executive Agency is that co-financing should be sent to Risoe (in order to reflect in their bank statements),

- The balance of 0.89% will be contributed by both Risoe and IED.

This write up outlines the modalities for transferring the co-financing related to the AFREPREN/FWD Cogen for Africa project.

Proposed Modalities and Reporting Requirements:
- In line with the financial reporting requirements of UNEP/GEF, the funds related to PACEAA activities will be transferred by AFREPREN/FWD in quarterly disbursements. Once the funds are reflected on the Risoe account, they will be sent back to AFREPREN/FWD, within 15 working days to facilitate undertaking of related activities and ensure there are no delays in the ‘Cogen for Africa’ Project activities.

- In line with the Cogen project document, the activities to be undertaken will be related to Outcome 4 of the Cogen for Africa Project ‘More favourable policies and institutional arrangements that support cogeneration promoted’. AFREPREN/FWD will transfer costs equivalent to activities related to this outcome in each quarter.

- AFREPREN/FWD will enter into a contract agreement with Risoe on the modalities for transfer of funds. The contract will be based on the existing contract between AFREPREN/FWD and UNEP/GEF.

Terms of Reference for AFREPREN/FWD Cogen for Africa Project

The specific activities and inputs that will be provided by the AFREPREN/FWD Cogen for Africa project are described in the following sub-sections, under the relevant workpackages.

Work Package 1: Management

AFREPREN/FWD will contribute to this work package through the following activities:

- Participation in the Project Steering Committee composed of the two (2) European partners plus the two (2) representative of the key subcontractors (EATTA and AFREPREN/FWD), which will meet twice a year as an add-on to side events to the regular GEF cogeneration/greening tea industry project meetings. The responsibility of the Steering Committee will be to (i) review the work realised during the previous 6 months period, (ii) plan the work for the next period and (iii) discuss any methodological issue which may arise during the project. It is scheduled that four (4) PSC meetings will take place in Africa. UNEP-GEF, which co-finances the project, will also participate to the PSC meeting.

- At the national level, the AFREPREN/FWD will act as facilitators of the national activities, which will be linked to activities to be undertaken under the Cogen for Africa project. AFREPREN/FWD will strengthen national coordination in the countries where key cogen investments are identified for support by the Cogen for Africa project.

Verifiable Indicators:
- Project Steering Committee Minutes
- AFREPREN/FWD will also be involved in organising and participating in PACEAA national and regional workshops, training workshops and project management committee meetings, which are to be organized as side events or additional days to planned GEF cogen for Africa events
- Contacts in project countries (sugar industries, financiers, regulators, utilities, ministries of energy, ministries of industry, ministries of agriculture)

Work Package 2: Review of policy and regulatory options that encourage the involvement of agro-industries in rural electrification

AFREPREN/FWD will contribute to sub-task 2.1 (Detailed review of institutional frameworks in the 11 countries), as part of the following activities under the GEF project on ‘Cogen for Africa’, with assistance from Risoe and IED experts:

Activity 4.1: Review and analyze existing policies and regulations, and recommend policy interventions and enhancements to support cogeneration

Activity 4.3: Support policy makers and relevant agencies in policy formulation and enhancements
Activity 4.4: Design and implement advocacy activities to influence policy reforms and implementation

AFREPREN/FWD will engage national, regional and international experts in undertaking the activities listed above, and will use PACEAA resources to include a Rural Electrification component in the above activities and outputs.

Verifiable Indicators:
- Excerpts and reviews of existing policies and regulations in countries covered by the Cogen for Africa project
- Participation in events aimed at influencing policy and regulatory frameworks in countries covered by the Cogen for Africa project

Work Package 3: Elaboration of organisational models for rural electrification from agro-industries

As part of the activities to be undertaken under the GEF project on ‘Cogen for Africa’, AFREPREN/FWD will contribute to this workpackage, with assistance from Risoe and IED experts. The following specific activities in the GEF project on ‘Cogen for Africa’ will use PACEAA resources to include a rural electrification component with assistance from Risoe and IED experts:

Activity 3.1: Develop a project development guide for cogeneration

Activity 3.2: Identify and select candidate sites for projects, prepare Cogeneration Investment Packages (CIP) for selected sites and promote the CIPs for private sector project development and investment

Activity 3.3: Select, support and implement Full Size Cogeneration Promotion Projects

A set of criteria will be developed for the selection of the four most mature countries for rural electrification projects, catalysed by agro-industries. The criteria will be mutually agreed with EATTA and AFREPREN/FWD and the remaining project partners and will cover aspects pertaining to the maturity of the institutional framework, potential for replication in other countries, and the interest expressed by the agro-industries in the development of the Small Hydro Power Plant and cogeneration projects, identified through the UNEP/GEF projects.

Verifiable Indicators:
- Comments on criteria for selection of mature rural electrification projects
- Excerpts from project development guide, dealing with rural electrification aspects
- Sponsorship of CIP- cogeneration investment packages
- Criteria for selection of full size promotion projects

Work Package 4: Elaboration of local rural electrification plans

AFREPREN/FWD’s contribution to this workpackage will use PACEAA resources to add a rural electrification component to the following activity under the GEF ‘Cogen for Africa’ project:

4.7 Assist utilities and relevant agencies to draft and set the stage for the approval of a Standard Power Purchase Agreements (PPAs)

Both regional and international experts will be involved in this activity, and the TORs will incorporate a component on rural electrification, to dovetail with the PACEEA activity, with assistance from Risoe and IED experts.

Verifiable Indicators:
- Excerpts from draft standard power purchase agreements
- Minutes/Mission reports of meetings with utilities and relevant agencies, on standard power purchase agreements
Work Package 5: Adoption of rural electrification packages from the agro-industry

AFREPREN/FWD will contribute to this workpackage by using PACEAA resources to facilitate the engagement of cogeneration stakeholders on the rural electrification packages. This will be as part of the following activity under the GEF ‘Cogen for Africa’ project:

Activity 4.2: Design and implement advocacy activities to influence policy reforms and implementation

Verifiable Indicators:

- Minutes/mission reports of meetings/missions/consultations on policy and institutional issues

Work Package 6: Training and capacity building

In order to ensure that the PACEAA activity dovetails with the GEF ‘Cogen for Africa’ project, AFREPREN/FWD will use PACEAA resources to include a Rural Electrification component to the planned training workshops under the GEF project on ‘Cogen for Africa’. The following training and capacity activities envisaged under the Cogen for Africa project will contribute to the PACEAA activity:

Activity 1.6: Conduct capacity building activities through seminars, workshops and training
Activity 1.8: Organize visits and study tours to successful cogeneration installations
Activity 2.4: Conduct training of project developers and financing institutions

Verifiable Indicators:

- Training Workshop/Seminar reports
- Mission/Study Tour reports

Work Package 7: Communication and dissemination activities

A PACEAA website dedicated to the project will be developed and remain active for at least two years after the end of the project. To ensure its long term sustainability, the PACEAA website will from the start be incorporated in the existing GEF ‘Cogen for Africa’ website.

AFREPREN/FWD will contribute to the updating of the project website, as part of the activities envisaged under the GEF project on ‘Cogen for Africa’. In addition, AFREPREN/FWD will use PACEAA resources to include information on the PACEAA activity in promotional material (newsletters, brochures, articles, etc) that will be developed under the GEF project on ‘Cogen for Africa’ and as part of the following planned activities:

Activity 4.5: Develop a promotional strategy for the whole project, prepare promotional and other relevant materials and disseminate them to relevant stakeholders

Activity 4.6: Develop a project website for internal and external audience and update continually

AFREPREN/FWD will use PACEAA resources to include a rural electrification side event or a added days of its planned regional workshops envisaged under the GEF project on Cogen for Africa.

Verifiable Indicators:
- Promotion of Cogen for Africa and PACEAA in relevant websites
- Uploading of relevant material on Cogen for Africa and PACEAA websites

**Work Package 8: Common dissemination activities**

AFREPREN/FWD will contribute to this task by providing information on the GEF project on ‘Cogen for Africa’ to Risoe and IED.

Verifiable Indicators:

- Updates on Cogen for Africa project, provided during participation in PACEAA Steering Committee Meetings
Terms of Reference for Risoe and IED Experts

As mentioned earlier, Risoe (Denmark, Coordinator) and IED (France) are the European collaborators in the PACEAA project. The activities that the two European partners will undertake under the PACEAA project will be counted as co-financing for the Cogen for Africa project. In order to ensure that the contribution of the European partners dovetails with the objectives of the Cogen for Africa project, the following specific tasks are expected from the Risoe and IED experts:

- To provide expert assistance and support as and when needed and in response to requests from sponsors and Regional Cogen Centre team.
- Review and provide advice on Feasibility studies, pre-feasibility studies and scoping studies, especially with regard to rural electrification, policy and regulatory issues, as well as validate the studies in response to requests from AFREPEN/FWD Cogen centre.
- Provide training to, and develops capacity of, the regional/local personnel of the regional Cogen Centre on rural electrification, policy and regulatory issues, of cogeneration projects.
- Act as a Resource Person on the external training and capacity building activities of the Regional Cogen Centre, especially with regard to rural electrification, policy and regulatory issues.
- To provide expert assistance and support on regulatory, PPA, IPP and tariff issues as and when needed and in response to requests from sponsors and Cogen team.
- Support and provide expert advice/inputs to the Africa Cogen Centre and to other stakeholders on matters related to policy formulation, enhancement and reform.
- Provide support to the policy makers and other relevant agencies on formulation/enhancements of policies and regulations that will encourage the widespread implementation of cogeneration.
- Any other tasks assigned by the AFREPEN/FWD Regional Cogen Centre Director, UNEP/DGEF and AfDB, especially with regard to rural electrification, policy and regulatory issues.

DRAFT CONTRACT AGREEMENT

Project Name: Cogen for Africa
Donor: United Nations Environment Programme (UNEP) / Global Environment Facility (GEF)
Contract Number: GFL/2328-2721-4976
Project Code: afr/risoe–PACEAA

MEMORANDUM OF AGREEMENT MADE THIS _____ day of September 2007 between the Energy, Environment and Development Network for Africa - AFREPEN/FWD (herein referred to as "AFREPEN/FWD") and Risoe National Laboratory (RISOE) (herein referred to as "Contractor") whose address is Frederiksborgvej 399, DK-4000, Roskilde, Denmark pursuant to contract agreement between AFREPEN/FWD and UNEP/GEF for the Cogen for Africa project.

WHEREAS AFREPEN/FWD desires to engage the services of the contractor on the terms and conditions hereinafter set forth and,

WHEREAS the Contractor is ready and willing to accept this engagement of service with AFREPEN/FWD on the said terms and conditions;

NOW THEREFORE, the parties hereby agree as follows:-

1. Status of the Contractor
The contractor shall be considered as having the legal status of an independent Contractor. The Contractor shall not be considered in any respect as being a staff member/constituent part of AFREPEN/FWD.

2. **Nature of services**

The Contractor shall perform the services described hereunder in pursuance of the objectives of the AFREPEN/FWD under the “Cogen for Africa” project.

The contractor shall perform the tasks as described in the enclosed funds Terms of Reference (TOR) and as per the enclosed funds transfer modalities, and as described in the contract between AFREPEN/FWD and UNEP/GEF. All the above form an integral part of this agreement.

3. **Duration of Agreement**

This agreement shall run for a period of 2 year commencing on the --- September 2007 and shall expire on --- August 2007, and on satisfactory completion of the services described above subject to the provisions of Articles 4(c), 7 and 8 below and subject to continued support from AFREPEN/FWD. In event the assignment cannot be completed within the stipulated period, the contractor shall request for a contract extension.

4. **Consideration**

a. The Contractor shall undertake the tasks as outlined in the enclosed terms of reference.

b. Payment to the contractor shall be disbursed as outline the enclosed funds transfer modalities after meeting the following requirements:

   **1st Transfer of US$ ------- (Inclusive of tax)**

   **2nd Transfer of US$ ------------- (Inclusive of tax)**

   **3rd Transfer of US$ ------------- (Inclusive of tax)**

   **4th Transfer of US$ ------------- (Inclusive of tax)**

   **5th Transfer of US$ ------------- (Inclusive of tax)**

b. Payments will be strictly subject to AFREPEN/FWD approval and submission of the requisite outputs as per the enclosed terms of reference and funds transfer modalities.

c. In the event of non-performance after receipt of payment, the contractor shall reimburse AFREPEN/FWD the payment within thirty days notwithstanding provisions of article 7, 8, and 9. AFREPEN/FWD reserves the right to pursue all available and lawful means to recover any payments owed to it by the contractor, notwithstanding articles 8 and 9 below.

d. In the event of failure to provide the required outputs as stipulated in the terms of reference and as per the fund transfer modalities, which form an integral part of this contract, the contractor shall forfeit all outstanding payments.

5. **Delivery of expected outputs**

As per the AFREPEN/FWD standard requirements, the contractor will be expected to deliver the expected outputs before or on the dates stipulated agreed upon. A total of 2 reminders shall be sent to the contractor regarding any pending outputs within a period of two weeks. Should the contractor fail to respond to the satisfaction of AFREPEN/FWD within the two weeks, AFREPEN/FWD reserves the right to stop the contract and seek reimbursement for non-performance (see item 4C).

6. **Rights and obligation of the Contractor**
a. The rights and obligations of the contractor are strictly limited to the terms and conditions of this agreement. Accordingly, the contractor shall not be entitled to any benefit, payment, subsidy, compensation or entitlement except as expressly provided in the agreement.

b. The contractor will ensure that any written material, data, graph, illustration and table submitted to AFREPREN/FWD is original work that has not heretofore been published in any form in whole or in part and that it is in no way an infringement of any existing copyright or license or any other right of any person or party whatsoever. In cases where it has been previously published the contractor [must have] has obtained permission for it to be published.

c. The contractor shall be solely liable for claims by third parties arising from the contractor's own negligent acts or omissions in the course of performing this agreement, and under no circumstances shall AFREPREN/FWD be held liable for such claims by third parties.

d. The report findings, papers, book, periodicals, title rights, copy rights of whatsoever nature in any material produced under the provision of this agreement shall be vested in AFREPREN/FWD and RISOE.

e. AFREPREN/FWD and RISOE shall be mentioned as joint sponsors on all documents arising from this agreement.

7. Amendment or Variation of Agreement

Notwithstanding anything to the contrary in this agreement but subject to Article 8 and 9 below, this agreement may be amended or varied to the extent mutually agreed between the parties hereto.

8. Termination

Either party may terminate this agreement at any time by giving the other party 2 weeks notice in writing of the intention to do so provided that where such notice is given by the contractor, the contractor shall ensure that all work is already performed in accordance with the terms of this agreement and is delivered in proper order to AFREPREN/FWD. In event of such a situation, the contractor shall be compensated for the actual amount of work performed to the satisfaction of AFREPREN/FWD on a pro-rata basis.

9. Settlement of Dispute

Any dispute arising out of or in connection with this agreement shall be submitted to arbitration by a single arbitrator agreed to by both parties, if attempts at settlement by negotiation have failed. The decision rendered in the arbitration shall constitute final adjudication of the dispute.

IN WITNESS WHEREOF, the parties hereto have executed this agreement.

On behalf of AFREPREN/FWD On behalf of Contractor

Signature: __________________________ Signature: __________________________

Name: STEPHEN KAREKEZI Name: __________________________

Title: DIRECTOR Title: __________________________

Date: ______________ Date: ______________
Annex 3: Agenda Item Number 4 – Staffing of Cogen Centre

Staffing of Cogen Centre - Status of Filled Project Positions

As outlined in the project contract document, it was agreed that to ensure that the project’s initial focus is on investments (and is not dissipated in the vagaries and complications associated with assembling a whole new team), the staffing of the AFREPREN/FWD Africa Regional Cogen Centre would be drawn from existing AFREPREN/FWD staff with the right skills, qualification and exposure - about half of the technical staff of the regional cogen centre is expected to be hired from AFREPREN/FWD staff. It was, therefore, agreed that 8 out of the 11 project staff positions were to be filled by existing AFREPREN/FWD staff with the right skills and the remaining 3 would be externally hired.

Following an internal evaluation process based on the terms of reference outlined in the project contract document, the best 8 out of a total 18 AFREPREN/FWD staff members, were selected to fill positions in the AFREPREN/FWD Regional Cogen Centre. Below is a status of the filled project positions.

<table>
<thead>
<tr>
<th>Filled Positions</th>
<th>Name</th>
<th>Status (Filled or Not Filled)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFREPREN/FWD Regional Cogen Centre Coordination and Director</td>
<td>Stephen Karekezi</td>
<td>Filled</td>
</tr>
<tr>
<td>Training &amp; Capacity Building, Conference/Event Coordinator</td>
<td>Lugard Majoro</td>
<td>Filled</td>
</tr>
<tr>
<td>Policy, Advocacy and Dissemination Coordinator</td>
<td>John Kimani</td>
<td>Filled</td>
</tr>
<tr>
<td>Project Development, Biomass Energy and Scoping Study Coordinator</td>
<td>Waeni Kithyoma</td>
<td>Filled</td>
</tr>
<tr>
<td>Finance / Project Accounts Team</td>
<td>Chrispines Oloo &amp; Justin Gitia</td>
<td>Filled</td>
</tr>
<tr>
<td>Information Systems &amp; Technology Coordinator</td>
<td>Nicholas Owino</td>
<td>Filled</td>
</tr>
<tr>
<td>Secretary and Admin Support</td>
<td>Dorothy Mwera</td>
<td>Filled</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Positions Yet To Be Filled</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Director, CIP and M&amp;E Coordinator</td>
<td></td>
<td>Not Filled</td>
</tr>
<tr>
<td>Financing and Full Feasibility Study Coordinator</td>
<td></td>
<td>Not Filled</td>
</tr>
<tr>
<td>Technical Unit and Pre-Feasibility Studies Coordinator</td>
<td></td>
<td>Not Filled</td>
</tr>
</tbody>
</table>

The 11 project staff (including the 3 to be externally hired) will contracted under the AFREPREN/FWD terms of reference and evaluation processes. Therefore, their terms of employment will be based on AFREPREN/FWD salary levels and contract periods.

As per the ‘Cogen for Africa’ project contract document, the project will pay for 8 out of 12 months for the 7 project technical staff and 11 out 12 months for the administration staff. The remaining 4 months and 1 month for the technical and admin staff respectively will be financed by other AFREPREN/FWD activities that are preferably related to the cogen project though that might not always be the case. In addition, the project will pay for only 80% of the time of the AFREPREN/FWD Regional Cogen Centre Director which is approximately equivalent to 6 months out of the 8 months allocated in the ‘Cogen for Africa’ project. Therefore, the additional 20% of the AFREPREN/FWD Regional Cogen Centre Director’s time will be financed by other AFREPREN/FWD activities that might not be directly related to the cogen project though that would be preferable.

AFREPREN/FWD Regional Cogen Centre Coordination and Director
<table>
<thead>
<tr>
<th>Terms of Reference for the Position</th>
<th>Requirement Met? Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum of University degree in Engineering and post-graduate Masters Degree in Management or a Masters in Business Administration</td>
<td>Yes</td>
</tr>
<tr>
<td>Minimum 15 years experience in the energy sector and minimum 10 years in managing a regional energy-related organization/agency or program</td>
<td>Yes</td>
</tr>
<tr>
<td>Extensive knowledge of power sector, regulation and reform, agro-sector, energy policy and cogeneration issues in Africa</td>
<td>Yes</td>
</tr>
<tr>
<td>Evidence of published books and journal articles on power sector, regulation and reform, energy policy and cogeneration issues in Africa</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge of UNEP/GEF facility as well as associated GEF Climate Program priorities, project preparation and implementation mechanisms</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge and experience with African Development Bank (AfDB), Renewable Energy and Energy Efficiency Partnership (REEEP) and EC/COOPENER will be an added advantage</td>
<td>Yes</td>
</tr>
<tr>
<td>Certified knowledge of Microsoft Project management Tool (Version 2000 and above)</td>
<td>Yes</td>
</tr>
<tr>
<td>Working knowledge of RETSCREEN cogeneration investment program (Combined Heat &amp; Power).</td>
<td>Yes</td>
</tr>
<tr>
<td>Widely travelled in the region (to at least 6 of the target countries for the project as well as Mauritius and South Africa which are possible sources of technical expertise and finance for project), with good contacts in key institutions including power utilities, regulatory bodies, sugar factories, agro-industries, private energy companies, government ministries etc.</td>
<td>Yes</td>
</tr>
<tr>
<td>Demonstrated ability in managing a multi-disciplinary, multi-cultural team and regional organization/network</td>
<td>Yes</td>
</tr>
<tr>
<td>Experience in regional cooperation and networking/cooperation with government officials, financiers, NGOs representatives and private sector executives in Africa</td>
<td>Yes</td>
</tr>
<tr>
<td>Excellent oral and written communication skills in English – knowledge of a local language e.g. Kiswahili or Arabic would be an added advantage.</td>
<td>Yes</td>
</tr>
<tr>
<td>Ability and willingness to travel at short notice</td>
<td>Yes</td>
</tr>
</tbody>
</table>
# Training & Capacity Building, Conference/Event Coordinator

<table>
<thead>
<tr>
<th>Terms of Reference for the Position</th>
<th>Requirement Met?</th>
<th>Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum University degree in a relevant field (Engineering or Agriculture)</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Combined minimum 10 years experience in project development and management, energy training and capacity building activities</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Extensive knowledge of power sector, regulation and reform, agro-sector, energy policy and cogeneration issues in Africa and evidence of published books and/or journal articles on these subjects</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Experience in organizing regional energy training and capacity building events (workshops, seminars and study tours)</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Knowledge of UNEP/GEF facility as well as associated GEF Climate Program priorities, project preparation and implementation mechanisms</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Knowledge and experience with African Development Bank (AfDB), Renewable Energy and Energy Efficiency Partnership (REEEP) and EC/COOPENER will be an added advantage</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Working knowledge of RETSCREEN cogeneration investment program (Combined Heat &amp; Power).</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Certified knowledge of Microsoft Project management Tool (Version 2000 and above)</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Widely travelled in the region (at least 3 of the target countries for the project as well as Mauritius or South Africa – countries that are likely to be sources of technical expertise and finance for the project)</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Excellent command of spoken and written English, ability to write reports and good presentation skills – knowledge of a local language e.g. Kiswahili or Arabic would be an added advantage.</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>
## Policy, Advocacy and Dissemination Coordinator

<table>
<thead>
<tr>
<th>Name of Person Selected</th>
<th>John Kimani</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Terms of Reference for the Position</strong></td>
<td>Requirement Met? Yes or No</td>
</tr>
<tr>
<td>Minimum university degree in a relevant field (Economics or Engineering)</td>
<td>Yes</td>
</tr>
<tr>
<td>Combined minimum 10 years relevant experience, in power sector policy, regulation and reform legal and contractual arrangements and promotional/communication activities desired</td>
<td>Yes</td>
</tr>
<tr>
<td>Extensive knowledge of energy, power sector, reforms and cogeneration issues in Africa and evidence of published books and/or journal articles on energy, power sector, reforms and cogeneration</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge of the process of formulating Power Purchase Agreements (PPA)</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge of UNEP/GEF facility as well as associated GEF Climate Program priorities, project preparation and implementation mechanisms</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge and experience with African Development Bank (AfDB), Renewable Energy and Energy Efficiency Partnership (REEEP) and EC/OEOPEN will be an added advantage</td>
<td>Yes</td>
</tr>
<tr>
<td>Demonstrated managerial experience and ability</td>
<td>Yes</td>
</tr>
<tr>
<td>Excellent command of the spoken and written English, ability to write reports and good presentation skills – Knowledge of a local language e.g. Kiswahili or Arabic would be an added advantage</td>
<td>Yes</td>
</tr>
<tr>
<td>Widely travelled in the region (at least 3 of the target countries for the project as well as Mauritius and/or South Africa – countries that are likely to be major sources of finance or expertise for the project)</td>
<td>Yes</td>
</tr>
<tr>
<td>Working knowledge of RETSCREEN cogeneration investment program (Combined Heat &amp; Power).</td>
<td>Yes</td>
</tr>
<tr>
<td>Certified knowledge of Microsoft Project management Tool (Version 2000 and above)</td>
<td>Yes</td>
</tr>
<tr>
<td>Contacts and networks in key institutions e.g. power utilities, Ministries of Energy etc.</td>
<td>Yes</td>
</tr>
</tbody>
</table>
## Project Development, Biomass Energy and Scoping Study Coordinator

<table>
<thead>
<tr>
<th>Name of Person Selected</th>
<th>Waeni Kithyoma</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terms of Reference for the Position</td>
<td>Requirement Met? Yes or No</td>
</tr>
<tr>
<td>Minimum relevant university degree in relevant field (Economics or Engineering or Agriculture)</td>
<td>Yes</td>
</tr>
<tr>
<td>Combined minimum 10 years experience in undertaking biomass energy assessments and studies</td>
<td>Yes</td>
</tr>
<tr>
<td>Extensive knowledge of energy sector, renewables, biomass energy, power sector, reforms and cogeneration issues in Africa and evidence of published books and/or journal articles on energy, renewables, biomass energy and cogeneration.</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge of UNEP/GEF facility as well as associated GEF Climate Program priorities, project preparation and implementation mechanisms</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge and experience with African Development Bank (AfDB), Renewable Energy and Energy Efficiency Partnership (REEEP) and EC/COOPENER will be an added advantage</td>
<td>Yes</td>
</tr>
<tr>
<td>Working knowledge of RETSCREEN cogeneration investment program (Combined Heat &amp; Power).</td>
<td>Yes</td>
</tr>
<tr>
<td>Certified knowledge of Microsoft Project management Tool (Version 2000 and above)</td>
<td>Yes</td>
</tr>
<tr>
<td>Widely travelled in the region (at least 3 of the target countries for the project as well as Mauritius and/or South Africa – countries that are likely to be source of technical expertise and financing)</td>
<td>Yes</td>
</tr>
<tr>
<td>Demonstrated managerial experience and ability</td>
<td>Yes</td>
</tr>
<tr>
<td>Excellent command of the spoken and written English, ability to write reports and good presentation skills</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge of a local language e.g. Kiswahili would be an added advantage.</td>
<td>Yes</td>
</tr>
</tbody>
</table>
## Finance / Project Accounts Team

<table>
<thead>
<tr>
<th>Names of Accounts Team</th>
<th>Chrispines Oloo &amp; Justin Gitia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terms of Reference for the Position</td>
<td>Requirement Met? Yes or No</td>
</tr>
<tr>
<td>Minimum university degree in administration, management, finance, commerce, accounting or equivalent</td>
<td>Yes</td>
</tr>
<tr>
<td>Combined minimum 5 years relevant experience in financial management, or accounting</td>
<td>Yes</td>
</tr>
<tr>
<td>At least 2 year experience of UNEP financial reporting systems and requirements</td>
<td>Yes</td>
</tr>
<tr>
<td>Working knowledge of accounting software</td>
<td>Yes</td>
</tr>
<tr>
<td>Extensive expertise in managing financial aspects of large regional projects</td>
<td>Yes</td>
</tr>
<tr>
<td>Certified knowledge of Microsoft Project management Tool (Version 2000 and above)</td>
<td>Yes</td>
</tr>
<tr>
<td>Working knowledge of Quick Books/SAGE accounting software</td>
<td>Yes</td>
</tr>
<tr>
<td>Good knowledge of biomass energy, power sector, reforms and cogeneration issues in Africa</td>
<td>Yes</td>
</tr>
<tr>
<td>Demonstrated managerial experience and ability</td>
<td>Yes</td>
</tr>
<tr>
<td>Excellent oral and written communication skills in English</td>
<td>Yes</td>
</tr>
</tbody>
</table>
## Information Systems & Technology Coordinator

<table>
<thead>
<tr>
<th>Name of Person Selected</th>
<th>Nicholas Owino</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terms of Reference for the Position</td>
<td>Requirement Met? Yes or No</td>
</tr>
<tr>
<td>Minimum university degree in computer science, information technology or equivalent</td>
<td>Yes</td>
</tr>
<tr>
<td>Minimum 3 years in computer network administration, database design and management, web design and development and computer hardware and software troubleshooting</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge of energy sector, renewables, biomass energy, power sector, reforms and cogeneration issues in Africa</td>
<td>Yes</td>
</tr>
<tr>
<td>Familiarity and experience with various computer software and operating systems</td>
<td>Yes</td>
</tr>
<tr>
<td>Certified knowledge of Microsoft Project management Tool (Version 2000 and above)</td>
<td>Yes</td>
</tr>
<tr>
<td>Familiarity and experience with various Database Management Systems</td>
<td>Yes</td>
</tr>
<tr>
<td>Good understanding of the spoken and written English</td>
<td>Yes</td>
</tr>
</tbody>
</table>
### Secretary and Admin Support

<table>
<thead>
<tr>
<th>Name of Person Selected</th>
<th>Dorothy Mwera</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terms of Reference for the Position</td>
<td>Requirement Met? Yes or No</td>
</tr>
<tr>
<td>Minimum university degree in social sciences or equivalent</td>
<td>Yes</td>
</tr>
<tr>
<td>Expertise in administration of regional energy programme/project</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge of energy sector, renewables, biomass energy, power sector, reforms and cogeneration issues in Africa</td>
<td>Yes</td>
</tr>
<tr>
<td>Certified knowledge of Microsoft Project management Tool (Version 2000 and above)</td>
<td>Yes</td>
</tr>
<tr>
<td>Demonstrated managerial experience and ability</td>
<td>Yes</td>
</tr>
<tr>
<td>Excellent command of the spoken and written English and ability to write reports and ability to draft correspondence</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Assistant Director, CIP and M&E Coordinator

<table>
<thead>
<tr>
<th>Name of Person Selected</th>
<th>Terms of Reference for the Position</th>
<th>Requirement Met? Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minimum of University degree in Commerce/Finance and a post-graduate degree in Finance/Banking</td>
<td></td>
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<tr>
<td></td>
<td>Should have energy project corporate financing expertise with demonstrated “deal closure” ability.</td>
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<tr>
<td></td>
<td>Minimum 10 years experience in corporate financing of investments in the power sector or agro/forest industry sector. Knowledge of power sector reforms, regulation and reform, energy policy and cogeneration issues in Africa will be an added advantage.</td>
<td></td>
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<tr>
<td></td>
<td>Working knowledge of Microsoft Project management Tool (Version 2000 and above)</td>
<td></td>
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<tr>
<td></td>
<td>Widely travelled in the region with good contacts in key institutions including power utilities, regulatory bodies, sugar factories, agro-industries, private energy companies, government ministries etc (experience in the target countries for the project as well as Mauritius and South Africa and/or India/Thailand will be an added advantage).</td>
<td></td>
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<tr>
<td></td>
<td>Demonstrated ability in managing a multi-disciplinary, multi-cultural team and regional organization/network</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Experience in regional cooperation and networking/cooperation with government officials, financiers, NGOs representatives and private sector executives in Africa</td>
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<tr>
<td></td>
<td>Excellent oral and written communication skills in English – knowledge of a local language e.g. Kiswahili or Arabic would be an added advantage.</td>
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<tr>
<td></td>
<td>Ability and willingness to travel at short notice</td>
<td></td>
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<tr>
<td></td>
<td>Preference to be given to a non-Kenyan national</td>
<td></td>
</tr>
</tbody>
</table>
# Financing and Full Feasibility Study Coordinator

<table>
<thead>
<tr>
<th>Name of Person Selected</th>
<th>Terms of Reference for the Position</th>
<th>Requirement Met? Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minimum university degree in Finance or Corporate Banking.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Combined minimum of 10 years relevant experience, particularly in the areas of financial analysis and project corporate financing, funds mobilization and financial packaging.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minimum 10 years experience in corporate financing of investments in the power sector or agro/forest industry sector. Knowledge of power sector reforms, regulation and reform, energy policy and cogeneration issues in Africa will be an added advantage.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Demonstrated managerial experience and ability</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Working knowledge of RETSCREEN cogeneration investment program (Combined Heat &amp; Power) would be an added advantage.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Working knowledge of Microsoft Project management Tool (Version 2000 and above) would be an added advantage.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Widely travelled in the region (experience in at least 3 of the target countries for the project as well as Mauritius and/or South Africa will be an added advantage)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Excellent oral and written communication skills in English – knowledge of a local language e.g. Kiswahili or Arabic would be an added advantage.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Preference to be given to a non-Kenyan national</td>
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</tbody>
</table>
**Technical Unit and Pre-Feasibility Studies Coordinator**

<table>
<thead>
<tr>
<th>Name of Person Selected</th>
<th>Requirements Met? Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Terms of Reference for the Position</strong></td>
<td></td>
</tr>
<tr>
<td>Minimum university degree in Mechanical Engineering or Power/Electrical Engineering</td>
<td></td>
</tr>
<tr>
<td>Minimum 10 years relevant experience, particularly in the energy sector, power sub-sector, renewables sub-sector, power plant and/or cogeneration systems</td>
<td></td>
</tr>
<tr>
<td>Extensive knowledge of energy and cogeneration issues in Africa. Published books and/or journal articles/reports on energy and cogeneration would be an added advantage.</td>
<td></td>
</tr>
<tr>
<td>Should have undertaken pre-feasibility and/or feasibility studies preferably in cogeneration related projects.</td>
<td></td>
</tr>
<tr>
<td>Working knowledge of RETSCREEN cogeneration investment program (Combined Heat &amp; Power) would be an added advantage.</td>
<td></td>
</tr>
<tr>
<td>Working knowledge of Microsoft Project management Tool (Version 2000 and above)</td>
<td></td>
</tr>
<tr>
<td>Widely travelled in the region (experience in at least 3 of the target countries for the project as well as Mauritius and/or South Africa will be an added advantage)</td>
<td></td>
</tr>
<tr>
<td>Demonstrated managerial experience and ability.</td>
<td></td>
</tr>
<tr>
<td>Excellent command of spoken and written English, ability to write reports and good presentation skills</td>
<td></td>
</tr>
<tr>
<td>Knowledge of a relevant local language (e.g. Kiswahili or Arabic) would be an added advantage.</td>
<td></td>
</tr>
<tr>
<td>Preference to be given to a non-Kenyan national</td>
<td></td>
</tr>
</tbody>
</table>
Assistant Project Director

A regional NGO is seeking a dynamic individual with strong professional and academic credentials to provide leadership for the implementation of a regional project. The regional project aims to promote (mostly biomass-based) cogeneration, generating power out of (mainly agricultural) waste. The key activities of the project include identification of opportunities, appropriate technologies and suppliers; technical advise to developers, financiers and investors; and, policy guidance (power purchase arrangements/tariffs for captive and excess firm/non firm power, etc). The project will cover 7 countries namely Ethiopia, Kenya, Malawi, Swaziland, Tanzania, Uganda and Sudan.

Based in Nairobi, Kenya, the key role of the Assistant Project Director will be to develop pre-feasibility / feasibility / Cogeneration Investment Packages (CIPs) and coordinate the monitoring and evaluation of project activities, and will be reporting directly to the Director.

**Principal Responsibilities**

Under the guidance of the Director, assist in overall coordination, management, oversight of the project; Review of key outputs of the project, including scoping studies, pre-feasibility studies and feasibility studies; Compilation of Cogeneration Investment Packages (CIPs); Liaising with potential financiers; Design an M&E plan for the project; Implementing, monitoring and tracking the M&E activities; Preparation of progress reports on M&E; and, Preparation or review of various project administrative reports.

**Qualifications and Competencies**

University degree in Commerce/Finance and a post-graduate degree in Finance/Banking with at least 10 years of relevant working experience in corporate financing of investments in the power sector or agro/forest industry sector. Experience in energy project corporate financing expertise with demonstrate “deal closure” ability is highly desirable; Demonstrated ability in managing a multi-disciplinary, multi-cultural team and regional organization / network. Knowledge of power sector reforms, regulation and reform, energy policy and cogeneration issues in Africa will an added advantage. Fluent in spoken and written English and able to draft documents and express views in a clear and concise manner.

**Remuneration**

The project duration is 6 years. However, the contract period will be a fixed 2-year agreement renewable for 2 additional terms. The successful candidate will be entitled to a gross remuneration of US$ 48,000 p.a inclusive of medical, housing and travel allowances.

**Deadline for application: 30th October 2007**

Application to include cover letter highlighting why the applicant is most suitable for the position and a detailed CV indicating 3 referees.

Applications to be sent to:
DNA
P.O. Box 3943 – 00100,
Nairobi, Kenya.
Email: dd-vacancy@gmail.com

Attempts to lobby for the position by an applicant will be grounds for elimination from the list of potential applicants.

Only short-listed applicants will be contacted.
Agenda Item No. 5 - Other Co-financiers who have approached AFREPEN/FWD Cogen center

1. Email from KfW
On 8/28/07, Hiroko Sugimoto <hiroko.sugimoto@unep.org wrote:

Dear Steve,

You might remember Eric Kalaja from KfW/DEG whom we met during Cogen/Greentea pdf B. I met him yesterday (at Masai Mara). He had asked me about those projects which I have informed him about the projects’ launch near future. Please keep him informed as he seems to be interested in.

thanks,
Hiroko

Hiroko Sugimoto
UNEP / Division of the GEF
P.O. Box 47074-00100
Nairobi, Kenya
Tel: 254-20-7625-075 (direct)
Fax: 254-20-7624-041/2
E-mail: hiroko.sugimoto@unep.org

---------- Forwarded message ----------
From: stephenk@africaonline.co.ke <stephenk@africaonline.co.ke>
Date: Aug 28, 2007 11:17 AM
Subject: Re: KFW DEG - Eric Kaleja
To: Hiroko Sugimoto <hiroko.sugimoto@unep.org>
Cc: stephenk@africaonline.co.ke, Peerke Bakker <peerke.bakker@unep.org>

Dear Hiroko,

Thank you for notification of KfW’s interest. We had informed KfW of project initiation in a circular sent to all our contacts as soon as we signed the grant agreement with UNEP.

We now have started compiling a more detailed list of investment opportunities. It allows us to interact productively with potential financing institutions such as KfW subject to advice from our regular project management meeting and guidance from Steering Committee due to meet this week.

Once again, many thanks for your notification of KfW’s continued interest which we are keen to pro-actively follow-up.

Thanks and best regards,

Steve, John, Waeni, Lugard and Nick
AFREPEN/FWD

2. Email from ESDA
---------- Forwarded message ----------
From: James Wakaba <jwakaba@esda.co.ke>
To: <stephenk@africaonline.co.ke>
Date: Mon, 27 Aug 2007 15:34:52 +0300
Subject: FW: Cogen

Hi Stephen,

I was trying to reach you to discuss an initiative we have that is complementary to the Cogen for Africa project. This is the GEEREF (Global Energy Efficiency and Renewable Energy Fund) This is an EU fund that is being set up with an East African component worth about USD 20 million which our company (CAMCO) will match and manage. The fund is looking for pipeline of projects that it will invest in when set up later in the year, and I was wondering if you have any projects already developing (may be at prefeasibility stage) that could be interested in getting investment from this fund.

Please let me know when we can discuss.

Regards

James Wakaba
Senior Consultant
Energy For Sustainable Development Africa Ltd
Muringa Road, off Elgeyo Marakwet Road, Kilimani
P.O. Box 76406-00508 Nairobi, Kenya
Tel 254 20 3871087
E: jwakaba@esda.co.ke, W: www.esd.co.uk,
Skype: wakabaji

3. Email from Oikonomou
Dear Sir/Madam,

Your details have been passed to me by Mr Peerke de Bakker, Programme Officer Energy at UNEP/DGEF.

I am writing to you with interest in exploring the possibility of employment collaboration based in Nairobi.

Please find attached my CV. I have a long track of managing and preparing successful proposals working in an international environment. I am currently working at CRES (Centre for Renewable Energy Sources, Greece), which is the only National Energy Research Agency in Greece acting as advisor to the government and collaborating, as well as leading, several national/European and international projects. The last months my main duties at CRES are:

- **Project officer/manager** for project EMERGENCE 2010 : An INTERREG IIIB MEDOCC project run in French language between 2006-2008. The project deals with energy policy and pilot projects (wind farms, Photo-Voltaic installations, biomass etc) in five EU regions, namely Cote d’Azur (France), Balearic Islands (Spain), Dodecanese Islands (Greece), Cagliari District (Sardinia, Italy) and Caltanissetta district (Sicily, Italy). The aim is for these regions to have a specific energy policy in order to reach their 2010 energy EU and Kyoto Protocol targets, such as the EU policy increase in the use of RES (Renewable Energies Sources) in electricity production. The work involves writing official technical reports, attending meetings, giving presentations, writing meeting reports and keeping track of the project budget. Within the framework of the project, I have been setting up a methodology to measure the socio-economic acceptance of RES by means of public surveys and in collaboration with AUBE (Athens University of Business and Economics) and TNS-iCap (Eurobarometer Statistical company).

- **Setting up / Preparation/ writing and submission of proposals** for the EU FP7, the IEE (Intelligent Energy Europe) and the upcoming 2008 INTERREG programs in a variety of themes that involve energy and environmental issues along with socio-economics, sustainable urban and rural development and investment management. More precisely

1. EU FP7 (Framework Program) proposal entitled “PROSA” led by WIP (Germany) and submitted in the May 2007 call within the topic 9.1.2 “Energy behavioural changes”. The project has been selected (decision 27-07-2007) for the final round of funding negotiations.

2. IEE proposal (leader Creative Environmental Networks, UK) to create areas where communities work together to reduce carbon emissions and become flagship low carbon communities.

3. IEE proposal (leader SUDEN - Sustainable Urban Development European Network, France) on Integration of measures for Energy efficiency in Municipal Retrofitting Programmes of social housing in the private sector towards Sustainability

4. IEE proposal (leaders CRES and EREF – European Renewable Energy Federation, Belgium) on

5. IEE proposal (leader SUDEN, France) on How to manage the EPBD, energy and GEG emission in (neighbourhood) regeneration (and other urban) projects towards sustainability

6. IEE proposal (leader CRES) on carbon foot print and products

7. INTERREG III 2008 call (leader tbd) on energy and environmental technology/management and prevention of forest fires

Finally, I am familiar with the UN and EU policies regarding the environmental and energy agenda and I speak fluently English and French with a good working knowledge of Spanish. I am of dual Hellenic and British nationality.

Please do not hesitate to contact me for any further details, should you find my CV of interest and relevance to your projects.

Best regards,
Emmanouil Oikonomou

========================================================================
Δρ. Εμμανουήλ Οικονόμου
Dear Stephen Karekezi, Waeni Kithyoma and Nicholas Owino

Thank you very much for your response to my inquiry regarding potential employment collaboration within your Nairobi-based organisation.

I have also sent you an email in which I listed my recent involvement in projects regarding renewable energy sources and I had also attached my recent CV. Please let me know in case you had difficulty in receiving those files so I can re-send them to you.

I am particularly interested in collaborating within the Cogen for Africa project for many reasons, should an opportunity arises to work for some time in Nairobi from November/December onwards. An additional possibility that can be explored is to prepare specific proposal for RES applications to be then funded by the Greek "Hellenic Aid" program that is to be advertised sometime in spring 2008 and it is run by the Greek Ministry of Foreign Affairs. In CRES, being the official energy advisor to the greek government, we are well informed that this year they are to include some east African countries that are at the same time partners in the Cogen for Africa. The type of projects we are looking for should have a pilot, as well as a multiplication nature with their budget being - typically – of one to a few million euros.

Therefore, my idea is to examine, on one hand, myself being employed within your project and, on the other hand, setting up proposals for submission to "Hellenic Aid" to be potentially fully funded by the greek governent and for which there is interest for investment by the greek industry. In CRES we have a long-track of experience and international knowledge, as well as connections with the national/european industry and a good rate of submitting successful proposals. Finally, I should also mentioned that a further reason I wish to be based in Nairobi for some time is also due to family circumstances since my wife is currently posted there for a few months with her job as manager in several projects within the GEF/UNEP.

Please let me know your thoughts on the above.

Best regards,
Emmanouil
Some initial description of the Hellenic Aid can be seen at:

whereas the 2005 info and specifications can be found at:
http://www.euroresources.org/guide_to_population_assistance/greece/development_programmes.html

Please notice that in 2007 the budget, specifications, priority areas and countries have changed substantially since 2005.

Priority areas/sectors for 2007 were:
1. Renewable Energy Sources (RES) and Energy Efficiency projects
2. Fish farming projects

Priority countries in Africa for 2007 were:
Egypt, Ethiopia, Congo Republic, Ivory Coast, South Africa and Zimbabwe

I will also try to find and pass you the entire call for proposals 2007 text in english. The pilot projects can be specific per country within four themes:

1. Social infrastructure and services (Education, Public Security and Health)
2. Economy production (e.g. Agriculture, Stock farming, Tourism)
3. Public governance (e.g. bursaries for civil servants, students etc)
4. Environment (e.g. small hydro construction)
5. Humanitarian (e.g. prevention of catastrophes, war refuges)

Some examples of pilot projects related to RES and Energy Efficiency and to the above 5 themes are the construction and/or refurbishment of buildings with public/humanitarian role (e.g. hospitals, schools, orphanage etc) using RES and Energy Efficiency planning/techniques, as well as projects in remote areas using cutting-edge knowledge and affordable/transferable in situ practices. Nevertheless, the application and implementation fields remain quite open to the countries of interest.

In any case, the projects should somehow promote the contribution of the Hellenic government and they can be - possibly - a part of a larger project, such as AFREPREN/FWD Cogen, or be newly set up.

I hope that you will find the above and internet-side information of some help and we can discuss further the potential for collaboration once your team has had a first briefing over the matter. Another potential is, after appropriate preparation and research, to specifically propose a set of RES/End E-Efficiency projects to the Hellenic Aid team and the Ministry of external Affairs. As mentioned above these projects can be within the AFREPREN/FWD Cogen who can act as a project "umbrella".

I hope you do find this information and ideas of interest. Looking forward to hearing from you.

Best regards,
Emmanouil

THE ROLE OF HELLENIC AID

International Development Cooperation Department (YDAS)/Hellenic Aid

Despite the improvement, generally speaking, in political, economic and other conditions within the framework of globalization, serious problems continue to exist. The developing world, home to the greater part of the global population, is plagued by poverty, disease, illiteracy, inadequate access to drinking water, and the exploitation of people by their fellow humans, conditions which lie at the root of:

- illegal and mass migration,
- the spread of international terrorism,
- the illegal drugs and arms trade,
- human trafficking for the purposes of economic or sexual exploitation,
- the escalation of regional military conflicts, etc.

The need to effectively tackle all of these phenomena has given rise to development diplomacy; that is, the joint action of developed states and civil society aimed at eradicating these dangers at their source.

In order to effectively tackle all these root causes of international dangers, the international community 25 developed countries, including Greece decided within the framework of the UN and the Development Assistance Committee (DAC) to take action. They jointly decided on a set of Millennium Goals, and committed themselves to collaborating not only with each other, but also with active civil society.

THE ROLE OF HELLENIC AID

The Hellenic International Development Cooperation Department Hellenic Aid was established in 1999, on the basis of article
18, paragraph 1 of L. 2731/1999. In 2000, Presidential Decree 224/2000 (Government Gazette 193/A/6-9-2000) came into force, on the Organization, staffing and operation of the International Development Cooperation Department of the Foreign Ministry. This is the most recently established Directorate General of the Foreign Ministry, and is mainly responsible for the supervision, coordination, monitoring and promotion of emergency humanitarian and food aid actions, as well as aid for the reorganization and restoration of the infrastructures of developing countries conducted by ministries, universities, NGOs or other players.

The main responsibilities of the International Development Cooperation Department, within the framework of development diplomacy, include:

- Handling of all development assistance funding provided by the state budget, as well as all the funding from ministries, organizations, and public and private agencies within the country and abroad.
- Monitoring and facilitating development programmes/projects carried out by public agencies, universities, NGOs and other civil society organizations.
- Collecting, processing and sending to the OECDs Development Aid Committee (DAC) statistical data on the provision of development assistance.
- Monitoring meetings of the Working Groups and Networks of the DAC and the EU.
- Submitting proposals to the Committee for the Organisation and Coordination of International Economic Relations with regard to the future planning of development policy for priority countries, with the objective of maximising the positive results from the implementation of viable programmes.
- Funding emergency humanitarian aid actions and programmes, restructuring and development programmes/projects, as well as development education and information regarding the promotion of voluntary work in Greece and developing countries.
- Supporting Greek participation in ECHO and EUROPE-AID programmes, as well as in programmes of the EU and other UN International Development Organizations.

**MAIN RESPONSIBILITIES OF THE YDAS DIRECTORATES**

**EMERGENCY HUMANITARIAN AND FOOD AID DIRECTORATE (YDAS-1)**

This Directorate is responsible for all the emergency humanitarian and food aid actions/programmes (coordination, collection, shipment and distribution) carried out in cases of emergency resulting from natural or man-made disasters. It checks the nature, quality and quantity of products sent, as well as their compatibility with international standards and the needs of the people to which they are being given. YDAS-1 evaluates emergency aid programmes submitted by NGOs to YDAS for possible funding, and follows the meetings of ECHO and other international organizations such as OCHA, WFP etc., which are concerned with humanitarian aid issues.

**REHABILITATION AND DEVELOPMENT DIRECTORATE (YDAS-2)**

This Directorate is responsible for all the phases from evaluation to implementation of development programmes submitted by NGOs or universities and aimed at the sector-by-sector development and reconstruction of developing countries. It oversees compliance with the criteria and conditions that these programmes must satisfy, based on sectors and priority countries. Moreover, it supports, coordinates and assists NGOs and other agencies in the implementation of development programmes, in accordance with the UNs Millennium Development Goals (MDGs), with the focus on combating poverty. It handles Greece relations with the OECDs DAC, participating in its Working Groups and Networks, as well as in the Ministerial Councils. It maintains the official statistical database on development assistance provided by Greece and sends detailed statistical data to the DAC, in fulfilment of our country's obligation so to do. YDAS-2 also draws up the Annual YDAS Report, which is submitted to the Hellenic Parliament, as well as other publications, such as Greece's Contribution towards Attaining the Millennium Development Goals. [See also: Official Development Assistance (ODA), Official Assistance (OA) and Total Flows for the years 1995-2003]

**REGIONAL POLICY AND STRATEGIC PLANNING DIRECTORATE (YDAS-3)**

YDAS-3 is responsible for studying and planning the national strategy for development cooperation. It represents YDAS in the relevant geographic Working Groups on EU External Relations, in other international organizations, as well as at the regular and informal Councils of EU Development Ministers. It also informs and supports NGOs with regard to their participation in EU programmes (PHARE, TASI, CARDS, MEDA) and those of other international organizations. It assesses development assistance programmes submitted by state agencies to YDAS for possible funding, and provides secretarial support to the Committee for the Organisation and Coordination of International Economic Relations in their briefing of the Hellenic Parliament on YDAS activities.

**NGO AND DEVELOPMENT EDUCATION DIRECTORATE (YDAS-4)**

This directorate is responsible for the development of civil society, supporting development NGOs and planning policy for the creation of new ones. It informs and sensitises public opinion on issues concerning humanitarian and development cooperation in the developing world. It evaluates development education programmes submitted to YDAS by NGOs for potential funding, and oversees actions and programmes that concern development education, whilst promoting the enhancement of voluntary work. YDAS-4 maintains a Registry of Non-governmental Organizations which, on the basis of the conditions stipulated by law, lists those NGOs which want to participate within the framework of YDAS-Hellenic Aid development cooperation programmes in developing countries. YDAS-4 is also responsible for scholarship policy within the framework of Development Cooperation, and monitors, administers and implements the scholarship programme under which grants are awarded to foreign students or
students of Greek extraction who are enrolled in undergraduate or graduate programmes in Greek universities. YDAS-4 is comprised of the following sections:

A) NGO Registry  
B) NGO Support Section  
C) Development Education Section  
D) Evaluation Section

ADMINISTRATIVE AND FINANCIAL SERVICES DIRECTORATE (YDAS-6)

This Directorate is responsible for the administrative and financial affairs of YDAS. It prepares all the administrative and technical procedures for submission for approval by the political leadership of the Foreign Ministry of all decisions concerning the funding of public agency or NGO actions or programmes. YDAS-6 also promotes funding contracts between YDAS and agencies implementing development cooperation programmes.
PROCEDURE FOR THE SUBMISSION OF DEVELOPMENT PROGRAMMES

Once a year, YDAS (Hellenic Aid) invites expressions of interest from ministries, legal entities, NGOs, universities, etc., who wish to submit proposals for programmes/projects for consideration. This invitation sets out the goals of the development cooperation policy for the year, the Priority Sectors for Aid, the Priority Countries related to the MDGs, as well as details regarding the proposal submission procedure.

In the initial stage, the programme/project proposals are evaluated by the competent YDAS Directorates. The second stage involves the consideration of proposals by the nine-member NGO Certification and Evaluation Committee, in an advisory capacity. The objective is, on the one hand, to guarantee that all the approved programmes/projects square with the goals of the overall development strategy and the geographic and sectoral priorities of Greece’s Five-year Development Cooperation and Assistance Programme, and, on the other, to administer the implementation of the bilateral official development assistance budget.

The same procedure is followed for emergency humanitarian and food aid project proposals, as well as proposals for development education programmes submitted to the competent YDAS Directorates.

These programmes must:

- be compatible with the principles of the OECD/DAC and, more particularly, the Millennium Development Goals.
- fall within the priority sectors and countries for Greek bilateral state development cooperation for 2005. (See also, Annual YDAS Announcement)

Each programme proposal submitted must be accompanied by:

- A written agreement with a reliable local NGO or, in the absence of such, with a local Municipal or State Authority.
- A document from an official State Authority in the recipient country, in cooperation with the NGO, regarding the need for the proposed programme.
- Written consent from the nearest Greek Diplomatic Mission regarding the programme (to be requested by the implementing agencies).

Any programme proposal not accompanied by the above three documents will not be accepted during the preliminary vetting by the competent YDAS Directorates.

Programme implementation agencies are Ministries and NGOs registered in the Foreign Ministry’s Registry of NGOs and other Civil Society Agencies. Ministries have the right to implement programmes either directly or through Public Sector Legal Entities which they control, or through Public Joint-Stock Companies.

Information material on the invitation to tender and forms to be filled out regarding proposals are available from YDAS.

Development Programmes – Hellenic Aid

The Greek government co-finances NGO projects in target countries through annual calls for proposals. Information on how to apply is compiled on this webpage.

Background

Within the Ministry of Foreign Affairs, the rehabilitation and development directorate YDAS-2 (or Hellenic Aid-2) is in charge of co-operation with non-government organisations (NGOs). It is responsible for all the phases from evaluation to implementation of development programmes submitted by NGOs or universities and aimed at the sector-by-sector development and reconstruction of developing countries. It oversees compliance with the conditions that these programmes must satisfy, based on sectors and priority countries. Moreover, it supports, coordinates and assists NGOs and other agencies in the implementation of development programmes, in accordance with the UN’s Millennium Development Goals (MDGs), with the focus on combating poverty. It handles Greece’s relations with the OECD’s Development Assistance Committee (DAC), participating in its working groups and networks, as well as in the ministerial councils.

Types of Grant

Co-financing of NGO projects in target countries.

Grant Size

In 2005, 150 projects were financed out of a budget of € 10.61 million This is an average of € 70,700 per project.

Own Contribution
The Ministry of Foreign Affairs co-finances 50% of the total budget for the programme. The NGO is required to contribute at least 15% of the total cost either financially or in kind; however, the ministry could provide up to 75% of the total budget for programmes where:

- the programme is implemented in priority countries of national development policy;
- new NGOs that have not acquired two years of experience in implementing programmes in developing countries are acting jointly; or
- there is a reliable local partner, development priorities of the developing country are compatible, and the programme contributes significantly to combating poverty.

Funding Priorities

Basic priority sectors for co-financed development programmes are those:

- pertaining to the social sector, basic health, basic education and vocational training involving young people and women in particular;
- for environmental protection, agricultural growth, housing, and material and technical infrastructure;
- in sectors producing income and substantially reducing the level of poverty;
- in the department of small infrastructure and local business initiatives that combat underemployment and unemployment; and
- in the sectors of human rights, gender equality, the building of democratic institutions, enhancement of local communities and participatory decentralised growth.

Grantmaking Criteria

Agencies permitted to implement programmes are the ministries and NGOs registered in the Foreign Ministry’s registry of NGOs and other civil society agencies.

Hellenic Aid is only able to fund Greek NGOs. Efforts are being made to alter regulations to also enable it to fund, through the local Greek embassy, international NGO projects in developing countries. Hellenic Aid is not able to fund activities by NGOs from other OECD countries.

Eligibility criteria for Greek NGOs are:

- Good acquaintance with the country and particularly the specific area where the programme is to be implemented, in addition to the local needs, situation and problems;
- Ability to co-operate and co-ordinate with local NGOs, other local development agencies, in addition to knowledge of government priorities;
- Ability to co-operate with European NGOs and international organisations actively involved in the same area;
- Ability to motivate Greek civil society and new volunteers in solidarity activities involving problems in developing countries and countries in transition;
- A minimum of two years’ field experience and adequate human resources and administrative experience to implement the proposed project;

Programmes should meet the following fundamental criteria:

- They should meet the fundamental needs for economic and social development of the population in developing countries effectively, particularly with regard to poorer or vulnerable groups, such as children and women.
- They should improve the quality of life of the target group and also enhance the local population’s ability to promote development and the enhancement of its income by employing their own powers.
- They should promote ownership of development advantages deriving from implementing programmes within local communities.

Guidelines

The objectives are to guarantee that all the approved programmes or projects meet the goals of the overall development strategy and the geographical and sectoral priorities of Greece’s five-year development co-operation and assistance programme, and to administer the implementation of the bilateral Official Development Assistance (ODA) budget. The same procedure is followed for emergency humanitarian and food aid project proposals, as well as for proposals for development education programmes submitted to the relevant Hellenic Aid directorates. These programmes must be compatible with the principles of the DAC and, more particularly, the MDGs, and they must match the priority sectors and countries for Greek bilateral state development co-operation for 2005 (see also the annual YDAS announcement). In February 2001, Hellenic Aid published a handbook entitled Special Guide for NGOs and Civil Society Institutions which
describes its philosophy and priorities and includes details of the requirements and procedures for registration and requesting co-financing. It is available from the Ministry of Foreign Affairs.

Project Duration

One year

**Deadline**

Call for proposals are published in January with a deadline in April.

**Application Forms**

Each programme proposal submitted must be accompanied by:

- a written agreement with a reliable local NGO or, in the absence of such, with a local municipal or state authority;
- a document from an official state authority in the recipient country, in co-operation with the NGO, regarding the need for the proposed programme; and
- written consent from the nearest Greek diplomatic mission regarding the programme (to be requested by the implementing agencies).

**Application and Procedures**

Once a year, Hellenic Aid invites expressions of interest from ministries, legal entities, NGOs, universities, etc., who wish to submit proposals for programmes or projects for consideration. This invitation sets out the goals of the development co-operation policy for the year, the priority sectors for aid, the priority countries related to the MDGs, and details regarding the proposal submission procedure. Proposals are first evaluated by the relevant Hellenic Aid directorates and then by the nine-member NGO Certification and Evaluation Committee, in an advisory capacity. Projects considered worth funding are then proposed to the minister who takes the final decision.

**Languages**

Greek

**Tips**

The presence of a reliable local partner able to ensure the sustainability of projects after the involvement of the Greek NGO has ended is a fundamental condition for receiving co-financing from Hellenic Aid.
Sample Email for Signing

From: Sandeep Bhambra <Sandeep.Bhambra@unep.org>
To: AFREPREN/FWD <afrepren@africaonline.co.ke>
Date: Tue, 8 May 2007 17:01:44 +0300
Subject: Re: UNEP/DGEF Cogen for Africa – Request for Budget Adjustments

Dear COGEN team,

In line with the last budget revision approved by UNEP in 2006 and explanation provided by Steve on "editor's" budget line, we approve the budget adjustments sent in email below.

Thanks,

******************************************************************************
Sandeep Bhambra
Division of GEF Coordination
UNEP
P.O. Box 30552
Nairobi
KENYA
Tel: 254 20 7623347
Fax: 254 20 7624041
******************************************************************************

AFREPREN/FWD <afrepren@africaonline.co.ke>
To: Peerke.Bakker@unep.org  26/04/2007 06:30
Cc: Sandeep.Bhambra@unep.org
Subject: UNEP/DGEF Cogen for Africa – Request for Budget Adjustments

Our ref: pbnew,afr/cogen,lm(sk,wk,jk)

Dear Peerke and Sandeep,

1. As a follow-up to our email of 20th April, attached please find a budget neutral re-allocation equivalent to less than 10% of the total project budget. Please note that the proposed budget adjustments do not increase the overall project budget, but are simply a re-allocation from one budget-line to another to reflect the actual work undertaken in finalizing the project document for submission to GEFSEC.

2. As agreed in our previous telephone discussion on the budget, the re-allocation reflects the fact that we were not able to hold all the planned stakeholder consultations and takes into account the additional personnel costs related to the preparation of the FSP documentation (filename: Adjusted 2006-2007 PDB-F Budget.xls).

3. As you are aware, the unexpected, arduous and protracted additional review processes took longer than was originally planned. Consequently, significantly more personnel time was required and some of the planned use of additional regional experts was not realized, as our cogen team focused on responding to the twists and turns of an intensive and continuously evolving review process. This required two re-submissions of the voluminous FSP documentation. Each resubmission is over 500 pages, which require to be meticulously updated and carefully cross-checked.

4. If our understanding of the communication with Sandeep is correct, activities/contracts/invoices issued in 2006 but paid in 2007 are to be recognized in year 2007 when the associated activities were finalized. This also necessitates a budget reallocation.

5. The proposed budget changes are shown in columns (D) for 2006 budget and (G) for 2007 budget.

6. The rationale for the proposed changes is provided below:

   - 1101 – budget-line item reduced by $436 in 2006 and increased by $500 in 2007. Budget increase to cover additional personnel time and associated costs related to FSP document editing and printing of project documents.

   - 1102 – budget-line item reduced by $850 in 2006 and increased by $170 in 2007. Budget increase to cover additional personnel time and associated costs related to FSP document editing and printing of project documents.

   - 1103 – budget-line item increased by $1,309 in 2006 and $6,050 in 2007 - Budget increase to cover additional personnel time and associated costs related to FSP document editing and printing of project documents.

   - 1201 – budget-line item reduced by $6,500 in 2006 and increased by $15,800 in 2007. The amount in 2007 reflects the period when actual expenditures will occur.

   - 1202 – budget-line item reduced by $20,423 in 2006 and increased by $6,920 in 2007. The amount in 2007 reflects the period...
when actual expenditures will occur.

- 1203 – budget-line item reduced by $3,350 in 2006 and increased by $6,250 in 2007. The amount in 2007 reflects the period when actual expenditures will occur.

- 1301 – budget-line item increased by $2,281 in 2006. Budget increase to cover additional personnel costs related to FSP preparation and the associated costs.

- 1302 - budget line item reduced by $1,240 in 2007. Internet and associated costs lower than anticipated.

- 1601 – budget-line item increased by $1,337 in 2006. Budget increase to cover additional unforeseen regional travel.

- 3301 – budget-line item reduced by $8,005. Not all planned stakeholder meetings/events were organized.

- 5301 – budget-line item reduced by $1,048 in 2006.

7. Kindly let us know if you require additional information or clarification and we look forward to your continued kind support and assistance.

Best regards,

Steve, Waeni, Nicholas and Lugard

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AFREPREN/FWD
Elgeyo Marakwet Close, Kilimani
P. O. Box 30979, 00100 GPO
Nairobi
Kenya

Tel: +254 20 3866032/3871467/3872144/383714
Fax: +254 20 3861464/3876470/3740524
E-mail: afrepren@africaonline.co.ke or stephenk@africaonline.co.ke
Website: www.afrepren.org

[attachment "Adjusted 2006-2007 PDB-F Budget.xls" deleted by Sandeep Bhambra/UNEP/NBO/UNO]

Summary of PDF-B Guidelines & Sample Email for Signing

From: Sandeep Bhambra <Sandeep.Bhambra@unep.org>
Date: Jan 31, 2006 3:40 PM
Subject: Re: Clarification on Financial Report to UNEP
To: AFREPREN <afrepren@africaonline.co.ke>
Cc: Hiroko.Sugimoto@unep.org, Peerke.Bakker@unep.org

Yes Waeni, its in order.
*************************************
Sandeep Bhambra
Division of GEF Coordination
UNEP

P.O. Box 30552
Nairobi
KENYA

Tel: 254 20 7623347
Fax: 254 20 7624041
*************************************

AFREPREN <afrepren@africaonline.co.ke>
To: Sandeep.Bhambra@unep.org 01/31/2006 15:27
Cc: Peerke.Bakker@unep.org, Hiroko.Sugimoto@unep.org
Subject: Clarification on Financial Report to UNEP

Our ref: cmnew,afr/rp/seirets,wk(sk)

Dear Sandeep,

1. This is a follow-up to our conversation earlier today, where we called to clarify on the financial reporting guidelines for the quarterly report. Below please find a summary of our conversation:

- Balances and over-expenditure for 2005: You explained that the funds that remained from 2005 were still available for the particular budget line item. An over-expenditure for a particular quarter was fine, as long as the overall sub-line and project budget was not exceeded. You explained that the basic rule is that we should not exceed the sub-line budgets and the overall budget. If we require any reallocations to budget line items, we would have to make a formal request to
UNEP, proposing the reallocation, which would then be approved before we could make the expenditures.

- Cash advances: These can be made as need arises, provided sufficient lead time is provided for processing and disbursement of funds.

- Exchange rate difference: You mentioned that the important figure was the Dollar amount, and that we should take into account fluctuations in the exchange rate and report in dollar figures. The exchange rate we use should be reflected in our detailed accounts.

- Activities undertaken under AFREPREN Ltd before funds were received:
  From your explanation, it is fine to charge activities that were undertaken before receipt of funds and pre-financed by AFREPREN Ltd, as long as they were done after project signature, i.e. after the project document was signed by UNEP. Any expenses incurred before signature of the project cannot be charged to the project.

- Duration of PDF-B project: The terminal report is due 60 days after the completion of the PDF-B. You mentioned that the PDF-B was to end in June 2006, so the terminal report would be needed by end of August 2006. After that we cannot justify further project activities, unless these have been explicitly approved by UNEP.

- Co-financing report: We need to submit a co-financing report with this financial report, showing co-financing up to December 2005, in line with the format provided.

2. Please confirm if the above is an accurate reflection of our discussions. We are finalizing the report and will send it to you in the course of the week.

3. Please let us know if you require any additional information or clarification and we look forward to hearing from you.

Thanks and best regards,

Steve, Waeni and Chrisepnes
Annex 6: Agenda Item Number 7 - Project Strategy

Supplements to Project Strategy

The original approach for the Cogen for Africa project was built around the following 5 key strands:

1. Focusing resources and attention to central issue – investment
2. Leveraging AFREPREN/FWD network
3. Leveraging existing skills and staffing of AFREPREN/FWD
4. Maximizing utility of international and regional experts/consultants
5. Initially keeping governance structure light

However, during the initial phase of the project, the following supplement strategic issues have been identified and are proposed to be included in the approach/strategy:

1. Work with one Sugar Factory per Country

Due to potential competition between sugar factories, and to ensure confidence in the factory owners that the information obtained from them could not be used by their competitors, it is important to limit the number of factories that the AFREPREN/FWD Cogen for Africa project should work with at any given time to only one per sector per country. However, factories with same owners in the same country can be worked with at the same time as there is no competition between them and flow of information between the factories is always accepted.

2. Focus on Smaller Scale Investments

From the various missions organized by the AFREPREN/FWD Cogen for Africa project team to identify ready investment opportunities, it has become apparent that there does not exist that many large scale investment opportunities in the sugar sector as earlier anticipated. Therefore, due to this lack of big investment opportunities, there is need for the project to pursue smaller scale opportunities in other agro-industries alongside the large scale opportunities to ensure that the project has a number of opportunities to work with.

3. Working with Utilities

Based on the missions by AFREPREN/FWD Cogen for Africa project team to various potential project sponsors, the team learnt that working with utilities during this early stage is central to the viability and scale up for these projects as the project sponsors require assurance that the power utilities are supportive of their cogeneration initiatives. A few utilities have now offered standard tariffs for cogeneration power for sale to the national grid including Tanesco, ESKOM and the Ministry of Energy, Uganda. KPLC has also offered a standard tariff for wind power. It is also important to talk to ESKOM of South Africa since it not only sells power to Swaziland but one of its subsidiaries manages the Malawi power utility. In addition, ESKOM has recently called for expression of interest for cogeneration and has set itself a target of purchasing 900MW of power from cogeneration plants every year for the next five years. The ambitious ESKOM cogen target is likely to have synergies with the Cogen for Africa project.
ANNEX AG: BRIEF ON PROPOSED APPROACH TO “COGEN FOR AFRICA” PROJECT

Recommended that the proposed approach is build around 5 key strands:

6. Focusing resources and attention to central issue – investment
7. Leveraging AFREPREN/FWD network
8. Leveraging existing skills and staffing of AFREPREN/FWD
9. Maximizing utility of international and regional experts/consultants
10. Initially keeping governance structure light

1. Focusing resources and attention to central issue – investment

Interaction with industry representatives (Sithebe of RSSC, Swaziland), financial institutions (AfDB, Stanbic, East African Development Bank, Standard Chartered, Triodos, E&Co, Development Bank of South Africa, European Investment Bank, etc) confirmed key gap as:

“High quality Pre-Feasibility and Feasibility studies that have active participation and endorsement of both project sponsors & potential financiers as well as reflecting the current reality/situation”

The original Full Size Project (FSP) budget had or very modest allocation for Pre-feasibility and Feasibility studies (11% or $600,000 for 20 studies)

This could lead to situation of having a large long-term team of international, regional and national experts plus large Project Steering/Project Management Committees and no cogen investments on the ground – would question credibility of cogen project & cement the project into a rigid and stifling institutional grid-lock.

A better strategy is to grow team as number of cogen investments opportunities and feasibility studies increase – similar strategy to what the Small Hydro/Tea project is pursuing.

It is, therefore, recommended that substantial funds are set aside (33% see next graph) for Pre-Feasibility studies, Full Feasibility studies, Scoping Studies and preparation of Cogeneration Investment Packages (CIPs) to be commission as and when needed (see attached proposed detailed budget).

It is recommended that studies are spread out over 6 years with the bulk of studies undertaken in first 2 years - initially prepared by international/regional consultants/experts or consulting firms, and subsequently to include significant contribution from AFREPREN/FWD Cogen Centre staff in later years as in-house expertise and experience is strengthened and strong rapport is developed with potential financiers and project sponsors.

Funds for feasibility studies to be sourced from reduced allocations to international and regional consultants who are expected to be involved in providing short-term support that might be required (e.g. validating pre-feasibility and full feasibility studies) and, in later years, assist in Training, Capacity Building and raising additional co-financing. Awareness creation and training workshops/events/study tours to be toned down in early years to allow for focused attention on moving investment opportunities forward.

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2 Detailed elements of strategy, hosting, recruitment and institutional arrangements elaborated based on principles spelt out in the original project brief approved by Council and indepth discussions between co-implementing agencies (UNEP & AfDB) and executing agency (AFREPREN/FWD) which took place after Council approval.
2. Leveraging AFREPREN/FWD Network

To better leverage AFREPREN/FWD regional network and expertise:

- Resources (including a vehicle plus computer/printer for each country) have been set aside for establishing national cogen offices/focal points to coordinate local activities, provide contacts, ensure regular follow-up on identified investment opportunities and build capacity.

- Modest resources have been set aside for national cogen offices/focal points/experts to undertake scoping studies in other agro and forest sub-sectors (tea, wood, coffee, sisal, palm-oil, rice, etc) and identify and build pipeline of cogen investment opportunities.

3. Leveraging Existing Skills and Staffing of AFREPREN/FWD

To ensure that the project’s initial focus is on investments (and is not dissipated in the vagaries and complications associated with assembling a whole new team), it is recommended that staffing of the AFREPREN/FWD Africa Regional Cogen Centre is drawn from existing AFREPREN/FWD staff with the right skills, qualification and exposure. This will also allow rapid initiation of the project (avoid delays associated in getting the requisite work permits for international experts), and be cost effective as existing AFREPREN/FWD staff are not as highly paid as international and regional experts.

To address any skills gap, the staff of the AFREPREN/FWD Africa Regional Cogen Centre will be supported by part-time regional and International Experts to be contracted as and when needed.

4. Maximizing Utility of International and Regional Experts/Consultants

It is expected that the bulk of the international/regional experts as well as country experts will be contracted to undertake pre-feasibility and feasibility studies (Cogeneration Investment Packages - CIPs), as well as other studies and training activities that may be required. The involvement and contribution of the International/Regional Experts will ensure:

- High quality technical and financial implementation of the project
- That lessons and experience in other parts of the world are considered and adapted, whenever necessary
- Transfer of knowledge and capability to regional/local personnel.

Thus, the person-power requirements and responsibilities of the International Experts are structured to fulfill the above factors. It is expected that at the beginning of the project, the capacity contribution and level of efforts of the International Experts will be high, primarily focused on pre-feasibility and feasibility studies (CIPs). As time progresses and internal capacity building takes place, the capacity contribution and level of efforts of the International Experts are expected to diminish and the Regional/Local expertise takes a more centre stage in the activities of the project.
It is difficult to determine exact use of external experts as it would differ from investment to investments. It could be a question of reliable biomass fuel supply or PPA or tariff or grid access or establishment of separate IPP or financial structure.

As exact needs cannot be determined at this stage, modest resources have set aside for national, regional and international experts in power sector, regulation, biomass energy, institutional/legal issues, energy sector and cogeneration to be available at short notice for key assignments, travel and providing advice to ensure that investment opportunities move forward.

Experts to be assisted by back-up local technical/financed/administrative staff and local/regional expert consultants at AFREPREN/FWD Regional Cogen Centre to ensure continuity, expeditious follow-up of investments opportunities and support.

5. Initially Keeping Governance Structure Light

To ensure rapid initiation of project, avoid build-up of a bureaucracy in early stages of project development, it is recommended that the initial composition of both Project Steering Committee (PSC) and Project Management Committee (PMC) kept modest and expanded as cogen opportunities are exploited and more countries have active cogen investments.

It is, therefore, suggested that initial PSC is composed of UNEP/GEF, AfDB, AFREPREN/FWD and representatives from 1-2 countries with near-term cogen opportunities. The PSC to be expanded at a latter stage as number of cogen investments increases in more countries. The PMC can be slightly larger to accommodate more countries that have medium-term cogen investment opportunities.

Recommended Approach Summarized

The next graph succinctly summarizes the proposed approach to the “Cogen for Africa” project which is likely to lead to near-term results and rapidly credibility of this cogen initiative.

1st Phase

Year 1 and 2 - Existing near-term investment opportunities realized: Exploit near term/existing investment opportunities in sugar sector. Use of international/regional experts/consultancy firms acceptable to both project sponsors/financiers to undertake pre- & full feasibility studies. Less technical complex scoping studies for identifying investments and assessing cogen potential in other agro-sector/forest industries to be undertaken by local experts.

2nd Phase

Year 3 and 4 - Expanded pipeline of investments opportunities & capacity built and skills: With a number of investments approved and ongoing primarily in sugar sector, turn to expanding pipeline of investment opportunities in other agro-industries and begin to strengthen AFREPREN/FWD Regional Cogen Centre experts & staff & wider cogen community through capacity building and training.

3rd Phase

Year 5 and 6 - AFREPREN/ FWD Cogen Centre self sustaining and expanded & fully functional national focal points, PSC & PMC: With successful investments in place and pipeline of mature investment opportunities, build on established credibility to develop AFREPREN/FWD Cogen Centre into self sustainable entity (through charging fees).
Annex 7: Agenda Item No. 8 – Other Items

1. Mission to Namibia

Recommendation for Missions to Uganda and Namibia“- Cogen for Africa”

Prepared by AFREPREN/FWD


Introduction

As one of the expected follow up issues to the mission to Swaziland and South Africa by the AFREPREN/FWD Cogen for Africa project team, the Mission Team has been invited to attend and present on the “Cogen for Africa” Project at a plenary session in the week long SAPP Meeting 2007 at Swakopmund Hotel, Namibia (see Annex A for the invitation and programme to the meeting). The objective of the Cogen for Africa involvement in this meeting will be to introduce the Project to the various SAPP members where utilities from 3 participating countries (Swaziland, Malawi and Tanzania) covered by the project will be in attendance. The South African utility, Eskom will also be in attendance. As per previous report, Eskom tariffs determine to a significant extent, the viability of cogeneration investment in Swaziland.

This meeting provides a good platform and opportunity to propose to the utilities issues of standard power purchase agreements and tariffs for Cogen. In addition, it is an opportunity to urge utilities to encourage cogen development as was realised in Mauritius. The COGEN/GTIEA/PACEAA meeting is scheduled to take place at almost the same time, Stephen Karekezi will not attend the meeting. However, John Kimani and Nicholas Owino have been proposed to attend.

Travel and DSA Cost Breakdown

The trip to the meeting venue will involve two return legs of travel (Nairobi-Joburg-Windhock by air and Windhock-Svakopmund by road) since there are no direct air connections to Swakopmund. However, there are daily shuttle services from Windhoeck to Swakopmund (350km) at an estimated return cost of N$720 (USD 101.448 US Dollar per person). Below is a breakdown of the estimated travel and DSA cost breakdown in comparison to the allocated budget amounts.

Number of days = 3 days
Number of participants = 2 persons
Distance by road = 350Km

Cost Breakdown

<table>
<thead>
<tr>
<th>Item</th>
<th>Budgeted Unit Allocation (USD)</th>
<th>Quantity</th>
<th>Total</th>
<th>Estimated Unit Cost (USD)</th>
<th>Quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Travel</td>
<td>675</td>
<td>2</td>
<td>1,350</td>
<td>1,004**</td>
<td>2</td>
<td>2,008</td>
</tr>
<tr>
<td>Land Travel</td>
<td>350*</td>
<td>2</td>
<td>750</td>
<td>101***</td>
<td>2</td>
<td>202</td>
</tr>
<tr>
<td>DSA (per day)</td>
<td>120</td>
<td>6</td>
<td>720</td>
<td>120</td>
<td>6</td>
<td>720</td>
</tr>
<tr>
<td>Total Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,930</td>
</tr>
</tbody>
</table>

Notes:
* The budget allocation for the land travel was 1 USD per Kilometre
** Travel agents have quoted 7,125 Namibia Dollar = 1,003.92 US Dollar
*** Travel agents have quoted 720 Namibia Dollar = 101.448 US Dollar for the round trip per person.

From the cost comparison, the trip will be more costly than amounts budgeted by (USD 2,930-2,820) USD 110.

2.0 Uganda Mission – Gasification Project at James Finlays Tea Estate

Introduction

AFREPREN/FWD has been invited to attend a workshop in Kampala between 19th and 21st August by the Overseas Development Institute (ODI) as part of the activities of a project between the two institutions. The ODI team will include Stephen Karekezi and Nicholas Owino. There are two small scale investment opportunities that the AFREPREN/FWD Cogen team involved in the ODI project could visit while in Uganda will which will allow the cost air travel from Kenya to Uganda to be co-financed by the ODI project. These two investment opportunities include:

1. Sweet Sorghum CHP Cogen Plant
2. Gasification Project at James Finlays Tea Estate in Muzizi

The planned Sorghum CHP plant sponsor is based in Kampala and plans to produce fuel ethanol from sweet sorghum stalks using a patented technology. The plant is expected to install a CHP co-generation plant, primarily to meet its own energy (Power & heat) requirement and any surplus power generated will be exported to grid (see Annex B for details on the project). The AFREPREN/FWD Cogen for Africa project plans to make a fact finding mission to this project to assess cogeneration plans.

Since this project sponsor are based in Kampala, it will be easy to reach him without spending more funds on travel.

3 Currency conversion provided by Oanda.com - Wednesday, August 15, 2007
The James Finlays Tea Estate gasification project in Muzizi, is situated 600 Kms from Kampala in western Uganda. The factory uses a gasifier to generate power by cogeneration process for its use in the factory tea processing (see Annex C for the invitation for a visit). This is a new technology that is worth studying to identify ways of replicating if found to be useful.

**Justification for the Muzizi Trip**

- Urgency of identifying investments opportunities by next week as Youssef (AfDB) will be away week after next and the scheduled PSC meeting is expected to take place in the last week of August.
- The need to have a mix of projects – in addition to the large scale sugar factory cogen installations, there is need to pursue smaller scale cogen investments in other agro-industries.
- The interest of KTDA in the gasification project which would replicate cogen/gasification plants in many of its tea factories.
- Confirmation by James Finlays and willingness to host a visit by the cogen project.

**Travel and DSA Cost Breakdown.**

Due to the lack of domestic flights to the Muzizi area and the long distance from Kampala, there is need to hire a chartered plane/jet for the participants. Below is an analysis of various travel options available to Muzizi.

Number of days = 3 days  
Number of participants = 2 persons  
Distance to Muzizi = 600 Kms

**Option 1: Air-Road Trip (ODI + Cogen Sponsored)**

This option involves travelling to Kampala from Nairobi by air, then to Muzizi by road and having the first leg of the trip (NRB-ETB return) covered by ODI while Cogen covers the second leg of the trip (Kampala to Muzizi by road). The cost to the cogen project will be as follows.

<table>
<thead>
<tr>
<th>Item</th>
<th>Budgeted Unit Allocation (USD)</th>
<th>Quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Travel</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Land Travel</td>
<td>600*</td>
<td>2*</td>
<td>1,200</td>
</tr>
<tr>
<td>DSA (per day)</td>
<td>120</td>
<td>10</td>
<td>1,200</td>
</tr>
<tr>
<td><strong>Total Cost</strong></td>
<td></td>
<td></td>
<td><strong>2,400</strong></td>
</tr>
</tbody>
</table>

* The budget allocation for the land travel was 1 USD per Kilometre.  
** Two way trip.

If this option is used, the trip will cost a total of USD 2,400.

**Option 2: Full Air Travel (ODI+Cogen Sponsored)**

This option involves travelling to Kampala from Nairobi by air, then to Muzizi by jet and from Kampala to Muzizi by air (hired jet) covered by Cogen. The cost to the cogen project will be as follows.

<table>
<thead>
<tr>
<th>Item</th>
<th>Estimated Unit Cost (USD)</th>
<th>Quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Travel – normal</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Air Travel - Jet</td>
<td>900</td>
<td>2</td>
<td>1,800</td>
</tr>
<tr>
<td>DSA (per day)</td>
<td>120</td>
<td>6</td>
<td>720</td>
</tr>
<tr>
<td><strong>Total Cost</strong></td>
<td></td>
<td></td>
<td><strong>2,520</strong></td>
</tr>
</tbody>
</table>

This option would be higher in comparison to the budgeted amount by USD 120.
Option 3: Air-Road Trip (Dedicated Cogen Sponsored)

This option involves travelling to Kampala from Nairobi by air, then to Muzizi by road and having the whole trip covered by the Cogen project. The cost to the cogen project will be as follows.

Cost Breakdown

<table>
<thead>
<tr>
<th>Item</th>
<th>Budgeted Unit Allocation (USD)</th>
<th>Quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Travel</td>
<td>675</td>
<td>2</td>
<td>1,350</td>
</tr>
<tr>
<td>Land Travel</td>
<td>600*</td>
<td>2</td>
<td>1,200</td>
</tr>
<tr>
<td>DSA (per day)</td>
<td>120</td>
<td>6</td>
<td>720</td>
</tr>
<tr>
<td><strong>Total Cost</strong></td>
<td></td>
<td></td>
<td><strong>3,270</strong></td>
</tr>
</tbody>
</table>

* The budget allocation for the land travel was 1 USD per Kilometre.
** Two way trip.

If this option is used, the trip will cost the project a total of USD 3,270.

Option 4: Air-Air Trip (Dedicated Cogen Sponsored)

This option involves travelling to Kampala from Nairobi by air, then to Muzizi by chartered jet and having the whole trip covered by the Cogen project. The cost to the cogen project will be as follows.

Cost Breakdown

<table>
<thead>
<tr>
<th>Item</th>
<th>Budgeted Unit Allocation (USD)</th>
<th>Quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Travel - normal</td>
<td>675</td>
<td>2</td>
<td>1,350</td>
</tr>
<tr>
<td>Air Travel - Jet</td>
<td>900</td>
<td>2</td>
<td>1,800</td>
</tr>
<tr>
<td>DSA (per day)</td>
<td>120</td>
<td>6</td>
<td>720</td>
</tr>
<tr>
<td><strong>Total Cost</strong></td>
<td></td>
<td></td>
<td><strong>3,870</strong></td>
</tr>
</tbody>
</table>

If this option is used, the trip will cost the project a total of USD 3,870.

Comparison of the Costs 4 Options on the Cogen Project

<table>
<thead>
<tr>
<th>Option</th>
<th>Cost (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 1</td>
<td>2,400</td>
</tr>
<tr>
<td>Option 2</td>
<td>2,520</td>
</tr>
<tr>
<td>Option 3</td>
<td>3,270</td>
</tr>
<tr>
<td>Option 4</td>
<td>3,870</td>
</tr>
</tbody>
</table>

We recommend the 2nd option as it is the most convenient and is only USD 120 above our detailed budget cost estimates.
Annex A: Email Invitation to the SAPP Meeting

---------- Forwarded message ----------
From: "Willem Theron" <Willem.Theron@eskom.co.za>
To: "AFREPREN/FWD" <afrepren@africaonline.co.ke>
Date: Wed, 08 Aug 2007 11:53:50 +0200
Subject: SAPP Plenary Session

which can be viewed at http://www.eskom.co.za/email_legalnotice

Dear Stephen and John

Enclosed please find the Agenda for the Plenary Session which will take place on 5 September 2007.

Should you require further information, please contact Dr Lawrence Musaba - details as follows:-

Coordination Centre Manager
Southern African Power Pool
PO Box GT897
Harare, Zimbabwe
Tel: +263-4-250560/2/3/9
Cell: +263-11-418637
Fax: +263-250565/6
Email: musaba@sapp.co.zw

Looking forward to seeing you then.

Regards

Willem Theron
International Trader Manager
Transmission Division
Eskom
Tel: +27 11 800 3823
Fax: +27 11 800 5801
Mobile: +27 83 632 7647
Location: C1U36 at MWP

Southern African Power Pool

PLENARY SESSION
Venue: Swakopmund Hotel, Namibia
Date: 5 September 2007
Time: 09h00 – 10h30

AGENDA

1. Welcome Remarks
2. Environmental Sub-Committee
3. Planning Sub-Committee
4. Operating Sub-Committee
5. Presentation on “Co-generation for Africa – by AFREPREN,”
6. Presentation on “Power Quality Monitoring & Reporting System – by CTLab.”
7. Any Other Business
8. Closing Remarks
 Annex B: Sweet Sorghum CHP Cogen Plant – Uganda.

JN Agritech is a Uganda registered company and is into commercial agricultural and Agro- processing.

JNA is going into bio-fuels production using Agro-produce as feed stock.

Plans are underway to produce fuel ethanol from sweet sorghum stalks using a patented technology.

As part of ethanol plant, JNA is installing a CHP co generation plant, primarily to meet its own energy (Power & heat) requirement and any surplus power generated will be exported to grid. Fuel source for this co generation plant is baggase (fiber derived after crushing sorghum) and methane gas extracted from effluent and other biomass.

At present we are envisaging a 1.5 MW co generation plant for 90,000 LPD fuel ethanol plant as the first phase of a 200,000 LPD fuel ethanol project.

Required land for captive farm to grow sorghum has been purchased and all necessary statutory approvals already obtained. Land development work is in progress.

We would like to source funding for co generation plant of above project from Cogen for Africa Project and appreciate your guidance.

Present Status of Bio Fuel Ethanol Project:

- 3,500 acres of land suitable to grow sweet sorghum and maize has been procured at Kayonza in Kayunga district.
- Ground survey of the total project area completed to lay out fields
- Farm development is under progress
- Approval from National Environment Management Authority for the project
- Acquired investment license from Uganda Investment Authority and license to produce, trade in fuel ethanol from Ministry of Energy and Mineral Development.
- Agreement with Rusni Biofuels Private Limited, India for their process technology
- Field trials on high sucrose containing sweet sorghum and high yielding maize imported from ICRISAT and National Research Centre on Sorghum, India for last three seasons. Trials of selected varieties are taken up at the project site in an area of 20 acres to evaluate their performance in terms of sucrose content, higher stalk and grain yields.

Financing of the Project.

The financing of the project is in process, the Standard Chartered Bank had principally agreed to fund the project to the tune of USD 14.700 Million and IFC has also reviewed our proposal for financing of the project.

Annex C: Gasification Project at James Finlays - Muzizi

---------- Forwarded message ----------
From: "Andrew Gawaya" <agawaya@finlays.co.ug>
To: AFREPREN/FWD <afrepren@africaonline.co.ke>
Date: Fri, 10 Aug 2007 18:50:54 +0400
Subject: Re: Gasification Project at Finlays – Cooperation with Cogen for Africa

Dear all,

Many thanks for your mail.

You’re most welcome to visit us, we will be available to take you around the gasifier plant, as well as hold discussions with you.

As you come from Kampala to Muzizi, you will best travel through Kyenjojo which is approximately 320km South West of Kampala on the Kampala-Fort Portal highway. At Kyenjojo you will turn right and travel along the Kyenjojo-Kagadi road, a distance of approximately 40km to a Trading Center called Muhorro. At Muhorro you will be able to see a Finlays, Muzizi Tea Estate signpost, directing you where to turn off. This is about 12 km from Muzizi.
Estate. From Kyenjojo to Muzizi you will be traveling along a murram road, the road is the least say rough and a 4WD with high road clearance would be suitable.

Travel time from Kampala to Muzizi should be average 5hrs, and depending on your travel schedule it may be advisable to spend a night at the Estate guest house and then travel back the next day. This arrangement would require reservations early and will cost 50,000/= double and 40,000/= single meals and lodging.

We have an airstrip on the estate and I am in contact with Eagle air to obtain rates for charter. Will advise about this option asap.

In case there specific areas of interest or questions you have in advance you may send them through.

We will be available for contact as you travel.

My mobile is 256 (0) 392706705, please feel free to contact us for any further details.

Kind regards,
Andrew Gawaya.

2. Mission to Namibia

---------- Forwarded message ----------
From: "Linda Mamet" <ldmamet@intnet.mu>
To: "AFREPREN/FWD" <afrepren@africaonline.co.ke>
Date: Tue, 14 Aug 2007 10:45:58 +0400
Subject: Cogen Study Tour (Mauritius)

Dear Steve

Further to our meeting in June this year we are pleased to inform you that we are once again organizing a Cogen Study Tour in Mauritius. We have had a request from a group from India.

I have attached an outline of the programme. I can send you full details later if there is any interest from any of your members who may wish to join the tour.

Regards

Linda Mamet
Director
Regional Training Centre
Robert Antoine Building
Réduit
MAURITIUS
Formerly: Robert Antoine Sugar Industry Training Centre
Tel: +230 4547024
Fax: +230 4547026
COGENERATION STUDY TOUR MAURITIUS 2007
PROVISIONAL PROGRAMME 24-28 SEPTEMBER 2007

Monday 24 September
a.m. Arrival and hotel check-in
p.m. Lunch and Briefing session at the Regional Training Centre (RTC)
      Introduction to Cogeneration in Mauritius (Dr. Kassiap Deepchand, Cogeneration specialist from Mauritius Sugar Authority)

Tuesday 25 September
a.m. Presentation of the Centrale Thermique de Savannah project: 2 x 41.5 MW (Firm power) plus a visit to the new Savannah sugar mill
      Guided visit to the new coal fired 30 MW power plant (Centrale Thermique du Sud) at St Aubin.

Wednesday 26 September
a.m. Guided visit – Deep River Beau Champ Power Plant – installed capacity
      1 x 24.5 MW and 1 x 4 MW (Firm power)
p.m. Free for tourist visit/shopping

Thursday 27 September
a.m. Guided visit- Belle Vue Thermal Company (CTBV) – installed capacity 2 x 35 MW (Firm power)
p.m. Visit Sugar Museum (L'Aventure du Sucre) and/or a guided visit to Belle Vue Mauricia Sugar Factory

Friday 28 September
a.m. Guided visit FUEL Sugar Factory and Power Plant – installed capacity 1 x 21.7 MW and 1 x 18 MW (Firm power)
p.m. Debriefing session at RTC (Dr. Kassiap Deepchand)

N.B. This programme is subject to change depending upon operating constraints of the units.