

InfraCo
AFRICA

MALAWI: CSR FEASIBILITY
CONSULTANT -
REQUEST FOR PROPOSAL

November 7, 2017



Dear Sir/Madam:

JCM Matswani Solar Corp Limited (ProjectCo) requests a competitive proposal for a Corporate Social Responsibility (CSR) Feasibility Consultant for a large-scale solar photovoltaic (PV) project in Salima, Malawi. ProjectCo is a limited liability corporation in Malawi owned, developed and managed by a consortium composed of InfraCo Africa Limited, JCM Power and Matswani Capital (PTY) Limited. ProjectCo has set out to develop, finance, build, own and operate a 20-40MW_{AC} solar PV plant in Salima, Malawi (the Project) on an 80-hectare site within 4km of the Salima (Nanjoka) substation in Malawi. The estimated coordinates of the center of the site are -13.709444, 34.326576 (**Note:** the official coordinates of the site boundary are currently being finalized with the local authorities). The coordinates of the center of the Salima (Nanjoka) substation are -13.753804, 34.331411.

ProjectCo is looking to engage a CSR Feasibility Consultant to evaluate the impact of three potential CSR programs: Rural Electrification, Water Pumping and Sanitation, and Agricultural Practices. These programs are explained under Section 3 – Scope of Work. Once the evaluation has been complete, the consultant will recommend one or a combination of them for ProjectCo to pursue and implement in the community of Salima.

Enclosed is the Project Background and Scope of Work for the ToR. Please confirm via e-mail within two (2) business days whether a proposal will be submitted by your company. Proposals must be received by ProjectCo no later than November 21st, 2017. Please provide proposals electronically via e-mail at pgodfrey@jcmpower.ca and jrichard@jcmpower.ca. Award notification is envisaged no later than November 28th, 2017, subject to ProjectCo's management committee approval.

ProjectCo's preference is to have a single contract that covers the complete Scope of Work and bidders are encouraged to include sub-contractors to fulfil the Scope of Work as needed. However, ProjectCo reserves the right to contract separately. Given the nature of project development in Malawi, ProjectCo reserves the right to suspend or terminate the work at any time.

All information presented herein should be considered and treated as confidential.

Sincerely,

A handwritten signature in blue ink, appearing to be 'P. Godfrey', written in a cursive style.

Patrick Godfrey
Project Developer
JCM Matswani Solar Corp Limited

1 The Project Company, Sponsor Group and Background

ProjectCo is a Malawi special purpose vehicle (SPV) incorporated to develop, finance, build, own and operate solar energy projects. The SPV shareholders include:

- JCM Power (Project Sponsor – a Canadian company), InfraCo Africa Limited (Co-development Funder/Partner – incorporated in England and Wales) and Matswani Capital (Co-development Partner – incorporated in South Africa)

JCM Power and InfraCo Africa Limited will provide the development capital to bring the project to financial close, while Matswani Capital, through a separate services agreement, provides development services to the ProjectCo in Malawi.

1.1 About JCM Power

JCM Power is an experienced Canadian solar power developer transitioning to become an independent power producer, focused on renewables (primarily solar PV) in high growth markets that are critically short of power supply.

With a successful track record of developing solar PV projects and a transmission link in North America, JCM Power's focus is to develop projects in Sub-Saharan Africa, Latin America and Southern Asia.

JCM Power executives have over 160 years of cumulative power, development and emerging markets experience, achieved through senior level positions at Enel, Engie, Gas Natural Fenosa, IFC/World Bank, OPG, Recurrent Energy and Vestas.

JCM Power currently has 12 projects under development (seven in sub-Saharan Africa, three in Latin America, one in Pakistan, one in Canada/USA) and, to date, has secured over \$115 million to develop and construct its current portfolio of diversified clean power projects, including over \$60 million grant funding, concessionary loans and development co-investment capital from DFIs.

1.2 About InfraCo Africa

InfraCo Africa Limited (InfraCo) seeks to alleviate poverty by mobilizing investment into sub-Saharan infrastructure projects. InfraCo does this by funding teams of experienced project developers or by investing directly into projects which need the financial commitment and leverage that InfraCo can bring.

InfraCo is part of the Private Infrastructure Development Group (PIDG). Established in 2004, InfraCo is managed as a private company although funded by the governments of Austria (ADA), the Netherlands (DGIS), Switzerland (SECO) and the UK (DFID). InfraCo's projects have mobilized over US\$2 billion of investment and provided new infrastructure for approximately 13 million people, improving living standards and powering economic growth in sub-Saharan Africa.

1.3 About Matswani

Johannesburg-based Matswani Capital (PTY) Ltd. (Matswani), a company specializing in the development of several types of projects within sub-Saharan Africa, is acting as the project's regional developer. While Matswani is headquartered in South Africa, it also has a full-time presence in Malawi and Mozambique.

2 Project Background and Rationale

ProjectCo is developing a 20-40 MW solar photovoltaic (PV) power project in Salima, Malawi (the Project). The Project is in mid-stage development, having concluded prefeasibility studies, initial permitting and recently being awarded preferred bidder status through ESCOM's competitive tender for the supply of solar PV power in Malawi. ESCOM will purchase the power generated from each system via 20-year power purchase agreements (PPA).

To achieve sound environmental and social performance, ProjectCo will adhere to several international policies and best practices. First and foremost, ProjectCo follows the local laws and regulations required under each jurisdiction in which we develop, own or operate a renewable energy and/or transmission projects, including laws on host country obligations under international law. ProjectCo abides by international labour standards and ensures that any partner, investee or other stakeholder will follow the same standards. ProjectCo also ensures that its anti-corruption and bribery policies are adhered to in every host country which conform to the big three regulators based in the UK, US and Canada.

ProjectCo applies International Finance Corporation (IFC) ESG performance standards to all of its projects. For clarity, the Performance Standards 1-8 developed by the IFC, establish the requirements of any project throughout ProjectCo's investment period:

- Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts
- Performance Standard 2: Labor and Working Conditions
- Performance Standard 3: Resource Efficiency and Pollution Prevention
- Performance Standard 4: Community Health, Safety, and Security
- Performance Standard 5: Land Acquisition and Involuntary Resettlement
- Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources
- Performance Standard 7: Indigenous Peoples
- Performance Standard 8: Cultural Heritage

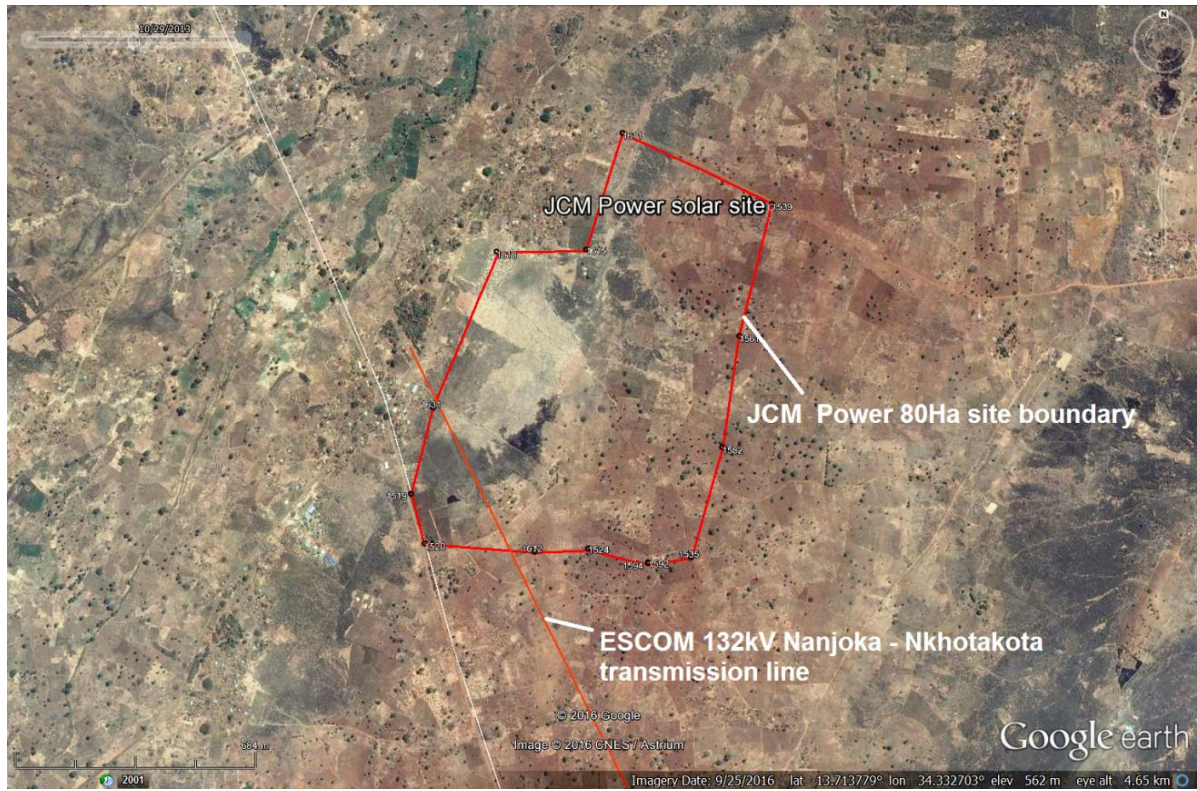


Figure 1: Project site boundary in red

3 Scope of Work

The CSR Feasibility Consultant will play a key role in the Project; ensuring smooth communication between ProjectCo, the community, ESCOM and the government of Malawi (including its Ministries, agencies and authorities). ProjectCo estimates that the contract will be for a duration of up to two (2) months and the parties can mutually agree to extend or renew the contract as needed. The successful candidate will receive any documents from ProjectCo that may pertain to the role.

3.1 Baseline Data Gathering:

Identifying the demographics of the communities surrounding Salima (gender breakdown, family breakdown, age, occupation, household income and size, energy costs, source of income, appliances in use, density of community, cost of water supply, whether it is a male or a female that is head of the household, problems with existing energy, water and agricultural sources, what they see as the priority uses of energy).

3.2 Rural Electrification:

The goal is to conduct an appropriate technology feasibility study to evaluate off-grid microgrids and stand-alone solar systems for the communities surrounding Salima. This will also include an evaluation of the community applications of the energy.

- Evaluate the different technical options of rural electrification of the Salima District
- Evaluate the different options considering the land easement needs, and the electricity demand estimates
- Organize a common evaluation of the solutions with ESCOM
- Regulatory analysis on non-grid tied microgrid and standalone solar systems
- Estimate the costs for CAPEX and OPEX with a focus on ensuring long-term financial sustainability
- Provide a conceptual design for the rural electrification plans
- Pre-review the commercial constraints with ESCOM
- Preliminary study on socio-environmental impacts
- Assess the affordability and propose a business model to follow
- Suggest a capacity building program (with local NGOs) specifically promoting gender equality
- Demographic analysis and what the current alternatives are for energy use
- Analysis of current energy use (what is the community currently using for lighting fuel and cooking fuel?)
- Determine appropriate community applications of the energy (schools, hospitals, etc.)
- Assess how to incorporate O&M services from the larger solar PV plant into the rural electrification system

3.3 Water Pumping and Sanitation:

The goal is to evaluate the local water consumptions needs of the community, suggest the most appropriate pumping systems and implement an educational and capacity building program. The wells will benefit from the construction equipment on site and power can potentially be supplied through the solar PV plant.

- Evaluate local needs in terms of water consumption and sanitation needs, list the targeted areas and the water quality of targeted villages
- Evaluate and suggest the most appropriate pumping systems according to the local needs and consumptions estimates
- Identify educational and capacity building programs to implement
- Estimate the costs for CAPEX and OPEX with a focus on ensuring long-term financial sustainability
- Assess current water sanitation and how new implementations could improve a healthier living environment
- Provide a preliminary study on the environmental concerns and socio-economic impacts

- Assess the affordability and propose a business model to follow
- Confirming geotechnical, hydrological and social and economic assumptions
- Suggest a capacity building program (with local NGOs) specifically promoting gender equality
- Assess the ability to use power from solar PV for water pumping and integration with the larger solar PV plant
- Identify equipment needed to develop the pumping systems and synergies with the larger solar PV plant
- Suggest long term maintenance and operation schedules to ensure services can be used for extended time

3.4 Agricultural Practices:

The goal is to evaluate the local needs for improving efficiency in agricultural practices including an analysis of fertilizer programs to increase the productivity of the soil and best practice educational programs to implement. The project will also include an educational aspect to teach the local community on best practices and how to implement them. Construction equipment from the solar PV plant will facilitate the speed of the agriculture development by clearing the fields.

- Evaluate local needs for improving efficiency in agricultural practices
- Evaluate different fertilizer programs to increase productivity of the soil
- Evaluate educational practices to improve productivity of surrounding farming areas
- Identify educational and capacity building programs to implement
- Estimate the costs for CAPEX and OPEX with a focus on ensuring long-term financial sustainability
- Provide a preliminary study on the environmental concerns and socio-economic impacts
- Assess the affordability and propose a business model to follow
- Confirming geotechnical, hydrological and social and economic assumptions
- Suggest a capacity building program (with local NGOs) specifically promoting gender equality
- Identify equipment needed to improve efficiency in agricultural practices and recommend synergies with the larger solar PV plant

These three projects are all complementary of the 20-40MW solar PV plant that JCM Matswani is developing near the village of Salima. If it is found that none of the specified projects are suitable for the community, the consultant will discuss this with ProjectCo and is encouraged to recommend an alternative program.

The CSR Feasibility Consultant will:

- Report to the Project Developer for ProjectCo: Patrick Godfrey (pgodfrey@jcmpower.ca, +1 416 948 4691) and the Project Coordinator: Joe Richard (jrichard@jcmpower.ca, +1 902 412

7935). Reporting on a day-to-day basis while in Malawi may also be to Peter Grey and/or Jonas Sani.

- Conduct analysis to find most impactful CSR program for the Salima district
- Synchronize with the Community Liaison Officer to determine the community's accurate needs
- Coordinate research with Patrick Godfrey (Project Developer) and Joe Richard (Project Coordinator)
- Develop report highlighting findings and make an educated recommendation of a CSR Program for ProjectCo to pursue
- Conduct report highlighting interdependencies and integration between the eventual proposed CSR initiative and ProjectCo during design, construction and operation

4 Requirements and Assets

The successful bidder will:

- Have deep knowledge about the Malawian community, culture, Malawi Land Act and relevant documentation and associated political and legal regimes
- Speak English
- Be available to begin working within one (1) week of being notified as a successful bidder
- Responsible for organizing travel to sites in Malawi
- Have rich experience working with CSR in Sub-Saharan countries
- Have a working knowledge of solar photovoltaic projects or similar projects in Malawi

Speaking the local tongue of Chewa would be an asset as well.

5 Required Components of the Proposal

The proposal must provide clear, concise responses to the scope of services requirements above including all expected fees as well as an estimate of any miscellaneous or third-party costs required to deliver the work requested under this Request for Proposal.

The proposal must also:

- Provide specific examples of the bidder's relevant experience working in emerging markets and with communities impacted by the development, construction and operation of power projects
- Provide any additional information relating to the bidder or members of the team and other key personnel involved that would be relevant to the evaluation of the proposal with a discussion about their relevant experience
- Include Curriculum Vitae (CV) of the key personnel conducting the work



6 Selection Process

Proposals will be reviewed and evaluated by ProjectCo. Proposals must be received by ProjectCo no later than November 21st, 2017. Final selection of the successful bidder will be announced by November 28th, 2017, subject to ProjectCo's investment committee approval.