



The Government of the Republic of Malawi

MINISTRY OF ENERGY

GENERAL PROCUREMENT NOTICE

COUNTRY: Malawi

NAME OF PROJECT: Accelerating Sustainable and Clean Energy Access Transformation in Malawi (ASCENT Malawi)

SECTOR: Energy

Credit /Grant No:

Project ID No: P502464

The Government of the Republic of Malawi has applied for financing in the amount of US\$ **250.8** Million equivalent from World Bank through a combination of grants (USD 245.8 million from IDA and USD 5 million from ESMAP) toward the cost of the **Accelerating Sustainable and Clean Energy Access Transformation in Malawi (ASCENT Malawi) Project** and it intends to apply part of the proceeds to payments for goods, works, non-consulting services and consulting services to be procured under this project.

The project will include five components. Electricity Supply Corporation of Malawi (ESCOM) Limited will be responsible for implementing components 1 and 5.2 while the Ministry of Energy (MoE) will be responsible for implementing components 2,3,4. and 5.1.

Component 1 - Last Mile Grid Connection (US\$150 million)

This component will finance cost-effective, priority investments in grid densification and last-mile connections, aiming to connect 235,000 new households (approximately 1 million people) at an estimated cost of US\$466 per connection. The total investment is projected at US\$150 million, including US\$40 million allocated to upgrading and replacing aging transformers to ensure reliable power supply even in the case of climate events. Targeted households are located near existing distribution networks, identified through the geospatial-based Integrated Energy Plan (IEP),¹⁰ a customized electrification planning tool tailored to Malawi's context. The Project will also address connection barriers by providing ready boards to low-income households unable to afford internal wiring costs.

To maximize impact within the Project's scope, Component 1 will prioritize districts and settlements with the highest concentrations of households near existing infrastructure. The Project will finance low and medium voltage line extensions, service drops, and prepayment meters to enable these connections. Additionally, to ensure reliable power supply, the Project will reinforce and upgrade transformers, which will also contribute to the climate resilience of the system. These enhancements will support both existing and newly connected households, ensuring sustainable and high-quality service delivery.

Component 2: Off-Grid Solar Home Systems (USD 60 million):

This component will focus on scaling up off-grid solar energy solutions, targeting households and communities beyond the reach of current national grid. It is expected to connect 811,000 households (3.4 million people) at an estimated cost of US\$116 per connection with a total investment estimated at US\$94 million, of which US\$60 million will be from the World Bank, leveraging US\$34 million from the private sector.

This component will be implemented by the MoE through the “Ngwee Ngwee Ngwee Fund” (NNNF), a government-owned energy access fund hosted by the MoE and established with World Bank support in 2023.

Component 3: Energy Access for Schools and Health Facilities (US\$20 million)

The component focuses on supporting the electrification of schools and health facilities. It will connect 1,000 schools and 280 health centers that have no electricity access today at an average cost of about US\$15,000 per facility. This includes both connections to the grid and off-grid solar informed by the Integrated Energy Plan (IEP) as part of the least cost electrification planning. The project will include a screening of the system design to ensure its resilience, particularly in the face of extreme weather events, such as heatwaves. The total investment for this component is estimated at US\$20 million.

Component 4: Clean Cooking Solutions (US\$10 million)

This component aims to catalyze the expansion of the market for Tier 4 and 5 modern energy cooking solutions, primarily through the deployment of electric, liquefied petroleum gas (LPG), and pellet-based cookstoves, while supporting a sustainable, private-sector-driven clean cooking market throughout the country.

A dedicated clean cooking loan window under the NNNF will be established. This financing mechanism is designed to support small and medium-sized enterprises (SMEs) offering higher-tier modern energy cooking solutions. Subsidized loans will be provided to clean cooking companies, contingent upon the transfer of ownership of their carbon credits to the NNNF. Serving as a carbon aggregator, the NNNF will consolidate the carbon credits and facilitate carbon finance transactions. The resulting carbon revenues will enable the NNNF to subsidize the loans, cover associated transaction costs, and return any surplus revenues to participating companies, supporting operational growth and market expansion. The Energy Sector Management Assistance Program (ESMAP), a trust fund housed in the World Bank, will provide US\$5 million in co-financing to this component, with the

remaining US\$5 million from IDA. The OPEC Fund is expected to provide parallel financing.

Component 5: Technical Assistance and Capacity Building (US\$10.8 million)

This component focuses on supporting the ESCOM and MoE in acquiring the necessary capacity and analytical tools to achieve the required tasks under the Project. This includes updating the electrification monitoring platform, revising sector policies, developing market standards, developing climate change risks assessments, strengthening carbon finance origination and monitoring capacity, and expanding outreach to rural communities to ensure comprehensive and inclusive progress in electrification efforts.

The following Goods, Works and Services will be procured under Open International Competitive procedures:

A. Works

1. Construction of LV Lines, Service wire, and Ready Boards
2. Upgrading of Distribution Transformers and associated equipment

B. Consultancy Services

1. Consultancy services for Independent Verification Agency (IVA) for the Off-Grid Market Development Fund (Ngwee Ngwee Ngwee Fund)
2. Consultancy Services for Engineering & Detailed Design, Preparation of Bidding Documents and Provision of Procurement Support during tendering for Construction works.
3. Consulting Services for Supervision of the Construction and Installation Works including Commissioning
4. Consultancy Services for the assessment and development of environmental and social management studies and other related work on assuring adherence to safeguards related regulations.
5. Consulting Services for Independent Verification Agent for activities related to the Project Financing Performance Based Conditions (PBCs)
6. Consulting Services for the Advanced Metering Infrastructure Specialist

C. Goods

1. Supply and delivery of Meters, Ready Boards and Accessories
2. Supply and Delivery of Cables and Conductors and 10mm² single core copper conductor
3. Supply and Delivery of Line Hardware
4. Supply and Delivery of transformers and accessories
5. Supply and Delivery of small plants and tools
6. Supply and delivery of Wooden Poles

Procurement of contracts financed by the World Bank will be conducted through the procedures as specified in the World Bank's [*Procurement Regulations for IPF Borrowers, Fifth Edition dated September 2023 \(Procurement Regulations\)*](#), and is open to all eligible

firms and individuals as defined in the *Procurement Regulations*. After project negotiations, the World Bank shall arrange the publication on its external website of the agreed initial procurement plan and all subsequent updates once it has provided a no objection.

Specific procurement notices for contracts subject to open international competitive procurement will be announced, as they become available, in *UN Development Business online, on the World Bank's external website and dgMarket*, "The Daily Times" and "the Nation" local newspapers..

Prequalification/Initial Selection of suppliers and contractors will be required for the following contracts: **None**

Interested eligible firms and individuals who would wish to be considered for the provision of goods, works, non-consulting services and consulting services for the above-mentioned project, or those requiring additional information, should contact the Borrower at the address below:

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