



Liberia Solar Home System RBF - Call for Applications (CfA)

Date: 12/7/2023

1. What is the RBF?

The Liberia Solar Home System Results-based Financing (LSHS-RBF) programme is jointly implemented by Energising Development and BRAC Liberia with funding from the Netherlands Ministry of Foreign Affairs (DGIS), and the Rural and Renewable Energy Agency (RREA) with funding from the World Bank. The LSHS-RBF provides *Direct Subsidies* (DS) which reduce the overall cost of ownership of SHS for eligible beneficiaries thus addressing the affordability gap and *Indirect Subsidies* (IS) which aim to provide an incentive for companies to expand and operate in underserved markets.

In a Results-based financing (RBF) approach commercial off-grid solar (OGS) companies receive a financial incentive for achieving agreed-upon results including sales/installation of SHS to eligible customers (see Annex 2: Frequently Asked Questions for further information on RBFs).

The programme will run from **December 2023 until June 2025** for the Direct Subsidy and up until **December 2026** for the Indirect Subsidy.

1.1 Objective

The objective of the RBF is to provide access to quality, clean, affordable, and better energy services in existing and underserved markets across Liberia through stand-alone solar home systems (SHS) and close the affordability gap faced by the most vulnerable parts of the population. The key result indicator is the number of people provided with new or improved electricity access through SHS. The RBF also aims to encourage the growth of emerging solar companies where possible and support their participation in the OGS market growth.

1.2 Target population

The RBF will target vulnerable beneficiaries (customers) in underserved and remote off-grid areas of Liberia. Annex 3 provides an overview of all eligible counties and districts. Generally, all sales to these counties are eligible to receive an Indirect Subsidy (IS), which provides an incentive for companies to expand and operate in underserved markets. Additionally, the most vulnerable beneficiaries – i.e., eligible residents of Gbarpolu and Grand Cape Mount counties – are eligible to receive a Direct Subsidy (DS), providing a direct price reduction to end-consumer prices (s. Annex 4).

It is estimated that the program will reach at least 37,000 people through DS, and 78,000 people through IS.

1.3 Product eligibility and requirements

The two RBF components support sales of the following product categories:

- For the **Indirect Subsidy (IS)** component, eligible products include all Verasol-certified SHS that meet at least Tier 1 service level¹; with a maximum capacity of (up to) 350 Wp.
- For the **Direct Subsidy (DS)** component, eligible products include all Verasol-certified SHS that meet at least Tier 1 service level; with a maximum capacity of (up to) 20 Wp. Thus, all sales meeting the requirements of the DS component can also be eligible to receive an IS payment.

All products sold under this programme must comply with a minimum 2-year warranty period on the solar home system and minimum 1-year warranty on accessories (e.g., radio, flashlight) from date of purchase, s. section 3.1. The following table provides an overview of product eligibility requirements for both RBF components.

	Direct Subsidy (DS)	Indirect Subsidy (IS)
Product Type	Solar Home System (SHS)	
Minimum Service Level	Tier 1	
Maximum Capacity (up to)	20 Wp	350 Wp
Certification	Verasol certification	
Warranty	2 years from date of purchase for SHS 1 year from date of purchase for accessories	

All products sold under the LSHS-RBF must be labelled with a product sticker which will include but not be limited to the logos of the donors of program. Costs for labelling must be born by the companies. Label templates will be provided by BRAC Liberia to contracted companies.

1.4 Incentive budget and levels

Companies are encouraged to apply for participation in both RBF components, DS and IS. All DS-supported sales are eligible for IS-support, but not vice versa.

The total budget for disbursement of Direct Subsidies (EnDev/BRAC Liberia) amounts to approx. USD \$2.1 million, while the total budget for Indirect Subsidies (RREA/World Bank) amounts to USD \$1.5 million.

1.4.1 Direct Subsidy – Introduction, incentive level, and budget allocation

The aim of the **Direct Subsidy (DS)** is to reduce the end-user price and address affordability challenges in the sector. As such, the entire incentive *fully* benefits the end-user and is thus reflected in a price reduction (“Discount”). Customers are required to pay the remaining share of the product price, the so-called “customer contribution”. Customers are free to choose a system according to their needs and ability to pay the remaining customer

¹ See definition of MTF tiers at [Electricity | Multi Tier Framework \(esmap.org\)](https://www.esmap.org/publications/multi-tier-framework)

contribution. Companies will be provided with a *DS Customer Eligibility Tool* (see FAQ for further information on this tool) during the program. The DS Customer Eligibility Tool will be used by a companies' sales team to ensure that a targeted potential customer meets the eligibility criteria for the DS component, and that this potential customer has not previously purchased another system under the program or already has access to electricity (that he/she can afford).

The DS component will initially be piloted in two counties, and – depending on success of the pilot – scaled up at a later stage to include more counties. DS incentives are disbursed for all eligible and verified sales within the following counties (for list of eligible districts in those counties, see Annex 4):

Counties	DS incentive level per eligible and verified sale
Gbarpolu Grand Cape Mount	20% of actual product price up to a maximum of USD \$40

Participating companies are informed about the incentive level at the time they join the programme. Any subsequent changes to the incentive level will be communicated before the new incentive levels are enforced.

1.4.2 Indirect Subsidy – Introduction, incentive level, and budget allocation

The aim of the Indirect Subsidy (IS) component is to promote the sustainable development of the off-grid solar sector and enable companies to provide access to energy for residents in rural and/or hard to reach areas. The subsidy can be used by companies to build infrastructure, support logistics and product distribution, and provide after-sales services and maintenance, thus indirectly contributing to price reductions. The incentive level is structured according to remoteness and/or difficulty of doing business in the respective county. The more remote, or more difficult business operations, the higher the subsidy. Counties are divided in three distinct groups:

Counties	IS incentive level per eligible and verified sale
Gbarpolu, Grand Gedeh, Maryland, River Gee	USD \$35
Bomi, Bong, Grand Bassa, Grand Cape Mount, Grand Kru, Sinoe	USD \$21
Lofa, Margibi, Montserrado, Nimba, River Cess	USD \$7

The Indirect Subsidy (IS) is restricted to one system per household, and as such it is the company's responsibility to ensure that sales are made to eligible households who have not previously purchased an SHS under the program. The RREA will work to develop a customer eligibility tool for the IS component, to assist companies in determining customer eligibility before making a sale, using customer ID to enable companies to confirm that an individual has not already bought an SHS under the LSHS-RBF.

Companies have the option to request a down payment of 30% of their allocated funding from the IS prior to sales (as an advance). This downpayment amount will be disbursed upon proof of purchase of the product by the company and physical inspection of shipment/goods in Liberia, and the remaining share upon verification of sales. Companies that do not request a downpayment will receive 100% of the incentive upon verified sale.

1.5 Implementation partners

This RBF programme is jointly implemented by Energising Development and BRAC Liberia, and the Rural and Renewable Energy Agency (RREA).

Energizing Development (EnDev)

EnDev is a multi-donor partnership promoting access to sustainable, modern, and affordable energy services to the most vulnerable communities, and is currently funded by Germany, the Netherlands, Norway and Switzerland. EnDev is jointly coordinated by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and the Netherlands Enterprise Agency (RVO).

EnDev has been commissioned by the Netherlands Ministry of Foreign Affairs (DGIS) to implement a novel Demand-Side Subsidy (DSS) – here called Direct Subsidy (DS) – component in four sub-Saharan countries, including Liberia.

BRAC Liberia

BRAC Liberia is an established, registered national NGO since 2008 and is an important development actor in the Liberian development ecosystem, with a track record implementing a transformative social enterprise programming in 11 of the 15 counties in Liberia. BRAC Liberia is an operating affiliate of BRAC International (BI) and supports BRAC's holistic approach, combining social development with market-based solutions to achieve impact at scale. BRAC Liberia acts as Fund Manager of EnDev's DSS component in Liberia.

Rural and Renewable Energy Agency (RREA)

The Rural Renewable Energy Agency (RREA) is a key governmental body in Liberia tasked with accelerating rural economic transformation through renewable energy. Focusing on rural and peri-urban areas beyond the national grid's reach, RREA designs, implements, and promotes projects using solar, wind, biomass and hydroelectric power. By developing mini-grids, stand-alone solar systems, and other off-grid solutions, the agency works to align with Liberia's sustainable energy goals.

RREA is the lead implementing agency for the World Bank and implements the RBF together with EnDev and BRAC Liberia.

2. How does it work?

2.1 Contracting

Applications will be accepted on a rolling basis until **31 May 2024**. Please note: Funding will be allocated on a **first-come-first-serve** basis and therefore **early applications are strongly encouraged**. Failure to submit an application within the specified timelines will result in the application being nullified.

All applications must be submitted digitally via email using the Application Form or RBF Fund Management Platform, with supporting documents attached. The LSHS-RBF will use an innovative web-based platform for key interfacing aspects such as tendering and application, evaluation, process management, monitoring, verification of sales, tracking of disbursement requests, and financial reporting. *This platform may not be available at the beginning of the programme, but at a later date. Initially, application and claim processes will be handled manually.*

Companies will be provided with capacity building support from BRAC to ensure that they fully understand the application process and/or that they can prepare and submit the required documents needed for the application.

The steps below provide a comprehensive overview of the contracting process for the RBF project:

1. Application submission by companies
2. Pre-screen check by BRAC to ensure that all required documents have been submitted
3. Review of application
4. Due diligence site visit and additional document review
5. Signing of agreements by companies

Companies meeting eligibility requirements (see section 3 and Annex 1) will be evaluated through the submission of applications, application scoring, and due diligence. This process will focus on companies' track record, capabilities, systems and processes, in order to confirm that companies are able to deliver on the sales targets set out in their application form.

If a company's application is successful, the company signs *Service Contracts* for each subsidy component applied for (DS & IS). The service contracts for the DS component are signed with BRAC Liberia and witnessed by EnDev Liberia. The service contracts for the IS component are signed with RREA.

Both service contracts will be result-based contracts, which set the maximum results the participating organization may achieve during the contract period. In addition, the service contracts provide information on eligible products, applicable incentive levels, as well as the rights and obligations of both parties.

As the service contracts are results-based, participating companies do not receive any funds if they don't make or claim any sales. Also, there are no penalties for not making sales or not reaching the maximum results outlined in the service contracts.

The service contracts will be valid until the end of the RBF or until the earmarked incentive budget for each component is exhausted. The program adopts a performance-based approach, where companies may see their awarded amounts adjusted based on their performance.

2.2 Sales

Once the service contracts are signed, companies can start selling SHS under the LSHS-RBF.

DS component:

For the DS component, companies must verify and confirm the eligibility of every end-user using the *DS Customer Eligibility Tool* before signing a contract (see FAQ document for further information).

Once the sales agent/company *finds* the end user eligible, he/she can be registered in the *DS Customer Eligibility Tool* and a contract between the company and end user can be signed. If a company sells at the subsidised price to end users that are not eligible (e.g. not living in the areas mentioned above) it will not receive a subsidy for these end-users. Upon installation, the company or its related sales agent validates the installed product (incl. the serial number) using the *DS Customer Eligibility Tool*.

Each company must offer a minimum of 2 pricing groups/offers (w/ one being a pay-as-you go model) and may have a maximum of 4 pricing groups/offers per product. Furthermore, companies will be required under the programme to affix a sticker with the programme name and names of donors on all products sold under the LSHS-RBF (a sample file will be provided to each company by BRAC Liberia)

IS component:

For the IS component, companies must verify that a customer is living within the eligible districts (see annex 3) and that they have not previously purchased a system under the program. This can be done by asking customers and by physically inspecting the location to ensure that there is no other installed system purchased through the program at the location, e.g. by checking that the system does not have a programme sticker on it sold through the program should have a sticker with the programme name, and names of donors.

The RREA will develop a customer eligibility tool for the IS component to assist companies in determining customer eligibility (that an individual has not already bought an SHS through the LESSAP RBF) before making a sale. The IS Eligibility Tool may not be available at the beginning of the programme, but at a later date.

2.3 Claiming

Participating companies will claim funds for supported systems centrally through BRAC Liberia for both RBF components. For a claim to be eligible, it must meet the following criteria:

- Claim size: minimum 100 eligible sales for the first claim, thereafter minimum 200 eligible sales;
- Submission period: between each claim request, there should be a time lag of at least 3 months.

- Last claim: The last claim must be submitted 8 weeks before the end of the contracting period.

Reporting requirement: Companies need to comply with the reporting requirements to be eligible for claiming (see FAQ for details on the claiming process).

2.4 Verification and disbursement

Following the claim verification step by BRAC, a statistically significant sample of customers is verified using phone and field verification by an Independent Verification Agent (IVA).

Once the verification is completed and the claim passes, BRAC initiates the disbursement for DS claims, and RREA initiates the disbursement for IS claims. The disbursement is adjusted if:

- System supported by the RBF has been returned or repossessed,
- Sales could not be validated,
- The customer was ineligible at the time of purchase,
- The customer gave the system to someone in an ineligible county,
- The customer has not bought a system,
- The customer had another system previously purchased under the LSHSRBF

3. Is my company eligible to participate?

The RBF supports the sale of SHS to eligible end users on a commercial basis. As such, private firms, NGOs, or cooperatives (in the following: “companies”) that follow commercial business models are eligible to apply for the programme.

Companies with a pay-as-you go model and/or direct cash sales model are eligible for the programme.² Detailed minimum eligibility criteria can be found in Annex 1.

On the application form companies are expected to provide and describe the following: at least one year’s market experience; dedicated sales and marketing staff; a clear approach to credit risk management for pay-as-you-go sales (if applicable); the ability to collect customer details through a database and provide all information required for RBF claims; the ability to honour warranties and provide adequate after-sales services (see section 3.1); the ability and commitment to e-waste management, in particular to ensure responsible management of products at end-of-life (see section 3.2); the ability and commitment to develop and implement a gender policy.

Applicants that have received grants from other organisations in the past and/or are currently receiving grants from another organisation are eligible to apply. However, these companies must disclose this information in the application process and provide required documentation. Companies that receive grant funding from BGFA will be asked to sign a data sharing agreement as part of their contracts to ensure that BGFA sales are not counted for this RBF program and vice versa.

In general, it should be noted that the following companies are excluded from the programme:

² Rental and fee-for-service models as well as productive-use-of-energy (PUE) applications are not eligible under the LSHS-RBF, but may be considered in a later phase of the programme.

- Charities and research / academic institutions operating in Liberia or outside of Liberia
- Private companies owned or co-owned by staff from BRAC Liberia, GIZ, RREA, World Bank or any other institution directly involved in the RBF.

3.1 Warranty, after-sales services, and Grievance Redress Mechanism (GRM)

Companies are expected to offer a minimum warranty as stipulated in section 1.3 on all products sold under the LSHS-RBF. This includes provision of written information to customers at the time of sale regarding (e.g., as part of sales agreements) about warranty period, customer rights and after-sales services, contact information, customer complaint hotline, and safe disposal of products etc. Companies are expected to solve customer complaints within a reasonable time period. Companies shall outline their after-sales and warranty policies in the respective section on the LSHS-RBF Application Form.

During the programme's verification steps and through its Grievance Redress Mechanism (GRM), companies' compliance with its after-sales commitments will be routinely checked and verified. RREA and BRAC Liberia reserve the right to penalize inadequate provision of after-sales services and repeated violations of warranty terms with exclusion from the programme.

3.2 End-of-Life Management

Companies are expected, at a minimum, to provide customers with information regarding how to dispose of products at end-of-life verbally and in writing at point of sale. It is desirable for companies to have systems in place or planned for the repair and resale of products, or for recycling of them. Companies are expected to outline their approach to end-of-life management and safe handling of e-waste in the respective section of the LSHS-RBF Application Form.

4. How can I apply?

The call for interested companies starts on 8th December 2023. Applications are assessed on a rolling basis until May 31, 2024. Please note: funding will be allocated on a first-come-first-serve basis and therefore early applications are strongly encouraged.

All companies interested in applying for the IS and/or DS subsidy must send a letter of intent to apply.rbf@brac.net and you will be provided with the application form, application template (excel file), and the required annexes. Companies meeting the eligibility criteria can then apply through BRAC Liberia by submitting a soft copy of the *Application Form* and requested annexes via email to apply.rbf@brac.net with the subject line "LSHS-RBF Application".

5. How can I get further information?

For further information, please refer to the FAQ document available in annex 3. If you have any further questions, please feel free to contact the below:

Contact

For general inquiries and inquiries related to the Direct Subsidy (DS) component:

Attn: Melvin Harris
Fund Manager

BRAC Liberia
apply.rbf@brac.net

For inquiries related to the Indirect Subsidy (IS) component:

Cc: Steven Payma
Business Development Consultant

Rural Renewable Energy Agency
stevenp@realiberia.org

Annex 1: Company eligibility criteria

Requirement	Required documentation
Company Registration & Compliance	
The company is registered with the Liberia Business Registry (LBR) as a private company, with the Cooperative Development Agency (CDA) as a cooperative, or with the Ministry of Planning and Economic Affairs (MPEA) as an NGO.	LBR, CDA or MPEA certificate of registration
The company holds a commercial bank account.	Bank account number
The company is registered and compliant with the National Social Security and Welfare Corporation (NASSCORP).	NASSCORP certificate
The company is registered and compliant with the Liberia Revenue Authority (LRA).	LRA official certificate of tax clearance
The company is not involved or has never been involved in i) production or activities involving forced labour, ii) production or activities involving child labour, or iii) cross-border trade in waste and waste products, unless compliant to the Basel Convention and underlying regulations.	Declaration with application form
For DS: BRAC will ensure compliance with EU competition law when contracting of OGS companies.	Compliance check
Company is not owned or co-owned by employees of the BRAC Liberia, GIZ, EnDev, RREA, WB, IVA, as well as any other institution directly linked to the institution managing the fund	Background check (Memorandum and Articles of association, List of Directors, and voluntary disclosure)

Annex 2: Frequently Asked Questions (FAQ)

General

What is Results-Based Financing (RBF)?

Results-based financing is different from traditional grants because incentives are disbursed upon delivery and independent verification of results. Companies are contracted and allocated funds based on the agreed deliverables and will only receive disbursement of funds once these deliverables are verified.

What is the difference between the Direct Subsidy (DS) and the Indirect Subsidy (IS)?

The key distinction between Direct Subsidy (DS) and Indirect Subsidy (IS) lies in how the subsidies are provided and who receives them:

Direct Subsidy (DS):

DS incentives are provided with the intent to directly benefit the end-users or consumers of a product or service; thus, companies must fully pass on the DS to customers by reducing end-consumer prices for eligible target groups. The DS reduce the affordability gap for SHS faced by the most vulnerable communities. DS incentives are paid to customers residing in eligible districts of Grand Cape Mount and Gbarpolu counties (s. Annex 4)

Indirect Subsidy (IS):

IS involves providing subsidies to the producers, suppliers, or intermediaries within the supply chain rather than directly to end-users. These subsidies are intended to incentivize producers or suppliers to lower their prices, improve quality, or increase availability. The benefit to end-users is indirect; they experience reduced prices or improved access to the product or service as a result of market dynamics influenced by the subsidies. Compared to DS, there is no obligation to pass on IS – fully or partially – to end-users.

In summary, DS delivers subsidies directly to consumers to reduce their costs, while IS provides subsidies to producers or suppliers to support market development thus indirectly benefiting consumers through lower prices or improved access.

Can I apply for both RBF components – DS and IS?

Yes, you can participate in both RBF components. You are also able to apply for only one of the two components.

However, it is **strongly recommended to participate in both components** as all DS eligible claims are also eligible for IS companies. Thus, companies can benefit from both subsidy types.

Programme scope

Is the RBF a national programme?

The IS component provides subsidies to eligible sales in eligible districts in all 15 counties of Liberia (s. Annex 3). However, customers are only eligible once to benefit from sales achieved under the IS subsidy component.

The DS component provides subsidies to eligible sales in two counties – Grand Cape Mount and Gbarpolu (s. Annex 4). This may be expended to more counties in a later stage of the LSHS-RBF.

What is the funding allocation for the Direct Subsidy and Indirect Subsidy Component?

The funding amount available for the DS component is approx. USD \$2.1 million, and for the IS component is USD \$1.5 million.

Do I have to file 2 separate applications for DS and IS components?

No, you don't have to file two separate applications for the IS and DS component. The application is a 'one-stop shop', and as such you can select which component (IS or DS, or both) you are applying for. Companies are strongly encouraged to apply for both.

How do I know if I am accepted for one or both of the RBF components?

BRAC Liberia and RREA will communicate to all companies on their acceptance into the program and/or if their application is not approved and/or missing required documents.

Which sales qualify for IS component?

It is important to note that sales are restricted to Tier 1 SHS under 350 watts, that customers must be living in the eligible districts (annex 3), and that the household has not previously

purchased another system under this program. It is the company's responsibility to ensure that sales are made in accordance with the eligibility requirement set.

RREA is developing an IS Customer Eligibility Tool to help companies assess the eligibility of a customer prior to sale. This will be made available to companies at a later stage of the programme.

Which sales qualify for DS component?

For sales to qualify for the DS component the customer must be validated "eligible" and registered using the DS Customer Eligibility Tool, and the product sold to the household must be an approved Tier 1 SHS with maximum 20 W capacity.

Can two individuals from the same household apply for the RBF incentive?

No, the LSHS-RBF only allows one supported sale per household.

A "household" for the purpose of the LSHS-RBF is defined as a collective group of people ("family") who reside together and actively engage in day-to-day living activities as a single unit. This includes, but is not limited to, activities such as cooking, farming, and decision-making. Importantly, members of this household may reside under a single roof as a unit, or they may reside in a shared structure, such as a house with communal spaces for cooking, socializing etc.

Where there are several households living under a single roof (shared house) or compound, each household is eligible to purchase a system.

Are companies able to claim incentives for SHS sold before the programme started retroactively?

No. Companies are only able to claim SHS sold after the date of signature on the Service Contracts between the company and BRAC Liberia / RREA. The contracts specify the contract period and timelines for claim submission, verification, and disbursement.

How can companies find out whether a potential end user is eligible for DS incentive?

To verify that a person is eligible for reduced price under the DS component, all companies' sales teams will be provided with the DS Customer Eligibility Tool (hosted by KOBO Toolbox). The DS Customer Eligibility Tool will be used to determine whether the client fulfils the eligibility criteria, specifically that they:

- live in an eligible county and district,
- do not currently have a functioning solar home system providing a Tier 1 level of service, and
- do not currently have pre-existing electricity access, through grid or mini-grid, within the household

At the point of sale, companies will be required to ask if a household already has an existing working SHS (excluding Tier 0 products) or use electricity from a (mini-) grid connection or national grid. If a household already owns a system that is in working condition, it will be ineligible for the DS incentive. Companies will also be required to check for (pre-)existing SHS when installing a product. The sale/installation will be discontinued if the company finds an existing working SHS, or (mini-) grid-connection at the household.

Only households that fulfill the above criteria are eligible under EnDev's DS component (DS) for a subsidized product.

How can companies find out whether a potential end user is eligible for IS incentive?

To qualify a customer as eligible to purchase a system under the IS incentive, the customers must meet the following criteria, namely that they:

- Live in an eligible county and district (see annex 3), and
- Have not previously purchased an SHS under the LSHS-RBF

An IS Customer Eligibility Tool is not currently available for the IS component. Initially companies will confirm customer eligibility themselves before making a sale. The RREA will develop an IS Customer Eligibility Tool for the IS component to assist companies in determining customer eligibility before making a sale by using customer ID to enable companies to confirm that an individual has not already bought an SHS through the LSHS-RBF.

Will companies receive import duty waiver for products sold under this RBF program?

Only quality-verified off-grid products meeting standards adopted, or Quality Certificate issued by the National Standards Authority and eligible as per the Executive Order will benefit from an import duty waiver. However, in the event of non-extension of the Executive Order, only off-grid companies having signed a participation agreement with RREA would be eligible to benefit from the duty waiver. Companies that have not previously signed this agreement will have the opportunity to sign up and benefit from the import duty waiver.

Can companies claim one sale for both DS and IS component?

In counties where both IS and DS components are available (see Annex 3 and 4) a company may receive disbursement of IS and DS funds for the same sale.

Is the DS subsidy limited only to Grand Cape Mount and Gbarpolu?

Yes. Initially, the DS component is limited to eligible customers in Gbarpolu and Grand Cape Mount.

However, it is planned to extend DS eligibility to other counties in the future, depending on programme progress and success. If the program is extended to any additional counties, BRAC Liberia will notify the contracted companies.

Are fee-for-service models and productive use of energy appliances eligible for the RBF?

No. However, RREA is considering expanding the programme to include productive use of energy appliances exceeding 350Wp and fee-for-service models at a later stage or second phase of the programme.

Do I need to present an audited financial statement?

An audited financial statement is not needed to be eligible for the programme. Having an audited financial statement is a plus and will be beneficial to companies during the due diligence stage of the contracting process.

Do I need to have matching funds to be eligible for this RBF program?

No. Companies are not required to have matching funds to be eligible for this RBF program.

Will I be rewarded for over performance and/or punished for under achievement in the program?

No. However, based on a company's performance under the LSHS-RBF, BRAC Liberia and RREA have the right to either decrease or increase the awarded budget based upon the results by companies.

Can I ask for a price adjustment during the course of implementation, e.g., due to inflation?

Yes, the RBF contracts will allow for a – limited – adjustment of sales prices. Companies will have to provide evidence of increased purchasing and/or operational costs when applying for a respective contract amendment.

It is important to note that all DS pricing plans will be approved by BRAC and included in the service contracts. Any modification to the pricing must be requested by the companies with the above-mentioned supporting document and must be approved and amended by BRAC.

Why are you requiring companies to submit cost data to participate in the DS program?

The company must provide evidence of freight, distribution, and communications cost (flyers, poster and stickers) for products marked for the DS subsidy. This baseline data will be used by the evaluation team and compared against national averages to ensure that pricing of products for the DS incentives are aligned with market prices, that there is no price gouging by companies, and that the market is not distorted by the DS subsidy incentive.

Why are you requiring companies to have more than one pricing model/plan?

While the DS incentive is agnostic to pricing models (customer can choose which plan fits their budget, i.e. cash or credit, and receive the subsidized cost), the goal is to make the total price of the products more affordable for the end user and as such companies will be required to have a pay-as-you go option available for end users. Companies are required to have a minimum of two (2) pricing groups/offers (w/ one being a pay-as-you-go model) and a maximum of four (4) pricing groups/offers for the DS subsidy.

Why is my company required to have a special sticker on products?

All products sold must be affixed with an LSHS-RBF sticker. The sticker template will be developed by BRAC and shared with companies. This sticker will include the name of the project, and the logos of the various donors. These stickers will be used by IVAs during verification to identify products sold under the LSHSRBF, as well as by sales staff to identify whether an individual has already purchased a system under the program. All costs associated with the printing and labelling of products will be born by the companies.

Incentive

Will the incentive level be updated?

The implementation partners assess market conditions (e.g., new products entering the market) and end-user uptake on a regular basis and may adjust incentive levels as needed. Any changes to the incentive level will be communicated before the new incentive levels are enforced.

What is the DS Customer Eligibility Tool and when is it used?

The *DS Customer Eligibility Tool* is a web-based tool, which supports the implementation of the **DS component**. It allows participating organizations to 1) check the eligibility of potential customers and corresponding incentive level based on the national ID or voter ID number, location and product type prior to sale, 2) Checks if the customer does not currently have a functioning solar home system (SHS) providing tier 1 level of service prior to the sale, 3) checks whether customer does not have pre-existing energy access through grid or mini-grid within the household prior to the sale, and 4) registers a sale once the contract is signed to ensure that each customer only benefits from one subsidized system.

Each participating company receives user logins to access an individualized Eligibility Tool account.

Note that the eligibility tool is only for the DS component. RREA will design and implement a tool at a later stage which will be used to verify customer eligibility for the IS component. However, at the onset of the program it will be the company's responsibility to ensure that products sold under the IS program are sold to eligible households.

Will companies need to submit baseline data when joining the RBF? If yes, what data will be required and to whom should it be submitted?

As part of the due diligence procedures to gauge each company's ability to meet targeted projections, companies will be asked to submit historical sales data for the past 18 months. This data will include serial number (if available), county of sale, date of sale, product name etc., but will not contain any personal information about the end user. The historical sales baseline data will be submitted along with the application form using the LSHS-RBF Application Template.

Claiming and Verification

How do companies submit claims?

All companies wishing to make a claim must file a claims form electronically through the RBF management Platform or electronically by email to BRAC Liberia. All companies must attach the sales data required for claims (i.e. product serial number, date of sale, product name, etc.) along with their claims form. The sales data template will be provided to companies by BRAC. For companies that have a CRM, the sales data can be automatically retrieved from their CRM (using the RBF management system) for the corresponding period of the claim.

What information needs to be submitted to make a claim?

To make a claim under the LSHS-RBF, companies will have to provide the following information:

Information	Definition / Explanation
Date of sale	-/-
County of sale	County of residence of the customer
District of sale	District of residence of the customer
Product ID/serial number	Unique identifier of the product as labelled by the manufacturer
PAYGO account number	If you are using a CRM system, state the account number generated for the product from the system
Product name	Product name (assigned by manufacturer)
Product pricing group	State under which pricing group the product was sold under (e.g., Cash Sale, 18-month PAYGO)
PAYGO period	Duration of payment plan in months
Down payment	Initial down payment made by the customer
Monthly PAYGO instalments	Customer's monthly activation amount
Unlock price	Total sum the customer will have pay at the end of the PAYGO period
Amount paid to date	Total amount paid to date of claiming
Outstanding balance	Total amount due to be paid before the unlocking of the product

Date of last payment	Last date of payment from the customer
Repossession	Provide information regarding any repossessed sales under the LSHS-RBF

Note: This list is tentative. Contracted companies will receive respective claims information during contracting.

When can a claim be submitted?

See section 2.3.

How are sales verified?

Sales are verified by an Independent Verification Agent (IVA) through phone calls and visitation to customers' residences based on statistical sampling.

When are disbursements made?

Once a claim request has been verified and approved, BRAC Liberia (for DS) and RREA (for IS) will make disbursements to the company.

See below the table outlining the timelines from claim to disbursement of funds:

Process	Timeline
Down Payment (IS only)	Aprox. 2 Weeks
Post Sales	Approx 1-2 months

Miscellaneous

What if a company receives a grant from another organization such as BGFA and/or similar grants?

SHS cannot be double-subsidized and double-reported to different programmes or organizations promoting the same product model.

Companies should be transparent about their application and receipt of other grants. To avoid any misunderstandings, companies should contact BRAC Liberia for clarification once they have applied for or received support from another donor, organization or programme. Furthermore, if a company has received similar grants such as BGFA, the companies will have to sign a tripartite agreement with BRAC and Grantor (DS) and/or RREA and Grantor (IS). Companies will also be asked to disclose sales information from the grant including but not limited to serial number, date of sale, account number, etc. This information will be used solely by BRAC and RREA to check against double counting of subsidized products.

In general, the following rules also apply:

1. If a company receives technical assistance, in-kind contributions (e.g., transport for events), partner support (e.g., cooperatives), indirect support from another donor or organization, there are no special requirements besides transparent information exchange.
2. If a company receives a grant for buying stock or direct cash contributions for other models than those specified in the SLA, there are no special requirements besides transparent information exchange.
3. If a company receives a grant for buying stock or direct cash contributions for the same models as the ones specified in the SLA, they must provide details on these systems to BRAC Liberia / RREA.

Annex 3: List of eligible counties – INDIRECT SUBSIDY (IS)

No.	County	Name of District
1	Bomi	Dowein
2	Bomi	Klay
3	Bomi	Senjeh
4	Bomi	Suehn Mecca
5	Bong	Boinsen
6	Bong	Fuamah
7	Bong	Jorquelleh
8	Bong	Kokoyah
9	Bong	Kpaai
10	Bong	Panta
11	Bong	Salala
12	Bong	Sanoyeah
13	Bong	Tukpahblee
14	Bong	Yeallequelleh
15	Bong	Zota
16	Gbarpolu	Belleh
17	Gbarpolu	Bokomu
18	Gbarpolu	Bopolu
19	Gbarpolu	Gbarma
20	Gbarpolu	Gounwolaila
21	Gbarpolu	Kongba
22	Grand Bassa	Commonwealth 2
23	Grand Bassa	District #1
24	Grand Bassa	District #2
25	Grand Bassa	District #3
26	Grand Bassa	District #4
27	Grand Bassa	Neekreen
28	Grand Bassa	Owensgrove
29	Grand Bassa	St. John River City
30	Grand Cape Mount	Commonwealth
31	Grand Cape Mount	Garwula
32	Grand Cape Mount	Golakonneh
33	Grand Cape Mount	Porkpa
34	Grand Cape Mount	Tewor
35	Grand Gedeh	Cavala
36	Grand Gedeh	Gboe-Ploe
37	Grand Gedeh	Glio-Twarbo
38	Grand Gedeh	Konobo
39	Grand Kru	Barclayville
40	Grand Kru	Bleebo
41	Grand Kru	Bolloh
42	Grand Kru	Buah
43	Grand Kru	Dweh
44	Grand Kru	Dorbor
45	Grand Kru	Felo-Jekwi
46	Grand Kru	Fenetoe
47	Grand Kru	Forpoh
48	Grand Kru	Garraway

49	Grand Kru	Gee
50	Grand Kru	Grand Cess Wedabo
51	Grand Kru	Kpi
52	Grand Kru	Lower Jloh
53	Grand Kru	Nrokwia-Wesldow
54	Grand Kru	Trenbo
55	Grand Kru	Upper Jloh
56	Grand Kru	Wlogba
57	Lofa	Foya
58	Lofa	Kolahun
59	Lofa	Quardu Boundi
60	Lofa	Salayea
61	Lofa	Vahun
62	Lofa	Zorzor
63	Margibi	Firestone
64	Margibi	Gibi
65	Margibi	Mambah Kaba
66	Maryland	Gwelekpoken
67	Maryland	Karluway #1
68	Maryland	Karluway #2
69	Maryland	Nyorken
70	Maryland	Whojah
71	Montserrado	Careysburg
72	Montserrado	Commonwealth 1
73	Montserrado	St. Paul River
74	Montserrado	Todee
75	Nimba	Boe & Quilla
76	Nimba	Buu-Yao
77	Nimba	Gbi & Doru
78	Nimba	Gbor
79	Nimba	Kparblee
80	Nimba	Leewehpea-Mahn
81	Nimba	Meinpea-Mahn
82	Nimba	Twan River
83	Nimba	Yarmein
84	Nimba	Yarpea Mahn
85	Nimba	Yarwein Mehnsonnoh
86	Nimba	Zoe-Gbao
87	River Gee	Chedepo
88	River Gee	Gbeapo
89	River Gee	Glaro
90	River Gee	Karforh
91	River Gee	Nanee
92	River Gee	Nyenawliken
93	River Gee	Nyenebo
94	River Gee	Potupo
95	River Gee	Sarbo
96	River Gee	Tuobo
97	River Cess	Beawor
98	River Cess	Central Rivercess
99	River Cess	Doedain
100	River Cess	Fen River
101	River Cess	Jo River

102	River Cess	Norwein
103	River Cess	Sam Gbalor
104	River Cess	Zarflahn
105	Sinoe	Bodae
106	Sinoe	Bokon
107	Sinoe	Butaw
108	Sinoe	Dugbe River
109	Sinoe	Jaedae
110	Sinoe	Jeadebo
111	Sinoe	Juarzon
112	Sinoe	Kpayan
113	Sinoe	Kulu Shaw Boe
114	Sinoe	Plahn Nyarn
115	Sinoe	Sanquin Dist #2
116	Sinoe	Sanquin Dist #3
117	Sinoe	Seekon
118	Sinoe	Wedjah

Annex 4: List of eligible counties – DIRECT SUBSIDY (DS)

No.	County	Name of District
1	Grand Cape Mount County	Tewor District
2	Grand Cape Mount County	Commonwealth District
3	Grand Cape Mount County	Gola Konneh District
4	Grand Cape Mount County	Garwula District
5	Gbarpolu County	Bopolu District
6	Gbarpolu County	Gou-Nwolaila District
7	Gbarpolu County	Belleh District
8	Gbarpolu County	Gbarma District